

## **Independent Auditor's Report**

### **TO THE MEMBERS OF PAE INFRASTRUCTURE PRIVATE LIMITED**

#### **Report on the Financial Statements**

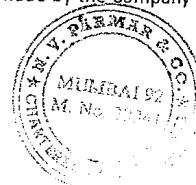
We have audited the accompanying financial statements of PAE INFRASTRUCTURE PRIVATE LIMITED (hereinafter referred to as "the Company") comprising of the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

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

The Company's Board of Directors is responsible for the preparation of these financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The Board of Directors of the company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 financial statements by the Directors of the Company, as aforesaid.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. While conducting the 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 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 financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's



Board of Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
- (b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows 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 of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Company, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

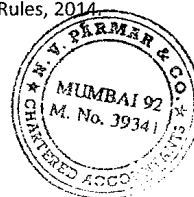
2. As required by Section 143 (3) of the Act, we report, to the extent applicable, that:

(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 financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid financial statements have been kept so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the financial statements.

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



**N. V. PARMAR & CO.**  
CHARTERED ACCOUNTANTS

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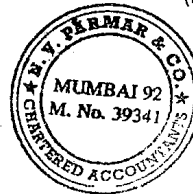
(e) On the basis of the written representations received from the directors of the Company as on 31st March, 2016 taken on record by the Board of Directors of the Company, none of the directors of the Company is disqualified as on 31<sup>st</sup> March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) 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".

(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 does not have any pending litigations which would impact its financial position.
- ii. The Company did 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 N. V. Parmar & Co.  
Chartered Accountants  
(Firm Regn.No.123237W)



A handwritten signature in black ink, appearing to be "N.V. Parmar".

Place : Mumbai  
Dated : May 24, 2016

N.V. Parmar  
Proprietor  
M. No. 039341

**ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in our Report of even date on the financial statements for the year ended March 31, 2016 of PAE Infrastructure Private Limited. Reported on the basis of verification of records of the Company and as per the information and explanations given by the Company.)

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) These fixed assets have been physically verified by the management at reasonable intervals during the year and we are informed that no material discrepancies were noticed on such verification.
  - (c) The title deeds of immovable properties are held in the name of the company
- (ii) The Company does not have any inventory and hence question of reporting under this clause does not arise.
- (iii) The Company has not granted any loan to companies, firms, Limited Liability partnerships or other parties covered in the register maintained under section 189 of the Act and hence question of reporting under this clause does not arise.
- (iv) During the year, the Company has not given any loan or guarantee/security to its directors or to any other persons in whom the directors are interested or to any person or other body corporate as per the provisions of section 185 and 186 of the Companies Act, 2013. However, the Company had given guarantees/security in respect of mortgage of immovable property at Calicut, Kerala for loan taken from a bank by PAE Renewables Pvt. Ltd. a subsidiary of its Holding Company PAE Ltd and the same was within the prescribed limit as per section 372A of the Companies Act, 1956. We are informed that as a matter of reconfirmation, the approval of the members will be taken for the same limit as per requirements of section 186 of the Companies Act, 2013 in the ensuing Annual General Meeting of the Company.
- (v) The Company has not accepted any deposits from the public as defined under the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Rules framed there under.



# N. V. PARMAR & CO.

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- (vi) The maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, in respect of the activities carried on by the Company.
- (vii) (a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess, Value added tax and any other statutory dues as applicable with the appropriate authorities.  
(b) There are no dues of Income tax/ Sales tax /Wealth tax/ Service tax/ Custom duty/ Excise duty/ cess and Value added tax which have not been deposited on account of any dispute.
- (viii) The Company has not taken any loan from banks or financial institutions or from the government and has not issued any debentures.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer including debt instruments and Term Loans.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) The Company has not paid or provided any managerial remuneration and hence question of reporting under this clause does not arise.
- (xii) The Company is not a Nidhi Company and therefore reporting under this clause is not applicable to the Company.
- (xiii) All transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence question of reporting under this clause does not arise.



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- (xv) The company has not entered into any non-cash transactions with directors or persons connected with them and hence question of reporting under this clause does not arise.
- (xvi) The company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and hence question of reporting under this clause does not arise.

Place : Mumbai  
Dated : May 24, 2016



For N. V. Parmar & Co.  
Chartered Accountants  
(Firm Regn.No.123237W)

A handwritten signature in black ink, appearing to be "N.V. Parmar".

N.V. Parmar  
Proprietor  
M. No. 039341

**ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **PAE Infrastructure Private Limited** ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



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**Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : Mumbai  
Dated : May 24, 2016



For N. V. Parmar & Co.  
Chartered Accountants  
(Firm Regn.No.123237W)

A handwritten signature in black ink, appearing to be 'N.V. Parmar'.

N.V. Parmar  
Proprietor  
M. No. 039341



PAE Infrastructure Pvt. Limited

Balance Sheet as at March 31, 2016

In Rupees

Particulars		Note No.	31-Mar-16	31-Mar-15
<b>I</b>	<b>EQUITY AND LIABILITIES</b>			
(1)	<b>Shareholders' Funds:</b>			
(a)	Share Capital	3	3,520,000	3,520,000
(b)	Reserves and Surplus	4	(50,407)	(125,172)
	Total Shareholders' Funds		3,469,593	3,394,828
(2)	<b>Non Current Liabilities</b>			
	Deferred Tax Liabilities (Net)	5	-	-
	<b>Current Liabilities</b>			
(3)	Other current Liabilities	6	26,550	28,836
	<b>TOTAL</b>		<b>3,496,143</b>	<b>3,423,664</b>
<b>(II)</b>	<b>ASSETS</b>			
(1)	<b>Non-current Assets</b>			
(a)	<b>Fixed Assets</b>			
(i)	Tangible Assets	7	2,893,887	3,003,223
(b)	Non-current Investment	8	1,000	1,000
(c)	Deferred Tax Asset (Net)	5	-	-
	Total Non-current Assets		2,894,887	3,004,223
(2)	<b>Current Assets</b>			
(a)	Trade Receivables	9	499,096	307,285
(b)	Cash and cash equivalents	10	76,605	85,760
(c)	Short-term Loans and advances	11	25,555	26,396
	Total Current Assets		601,256	419,441
	<b>TOTAL</b>		<b>3,496,143</b>	<b>3,423,664</b>

Significant accounting policies

2(b)

As per our report attached  
For N. V. PARMAR & CO.  
Chartered Accountants  
Registration No. 123237W

N. V. PARMAR  
Proprietor  
Membership No. 039341

Mumbai, Dated May 24, 2016



For and on behalf of Board of Directors

Pratibha A. Doshi  
Pratibha A. Doshi  
Director  
DIN NO:00519766

Shreshikumar Nair  
Shreshikumar Nair  
Director  
DIN NO:05156780

PAE Infrastructure Pvt. Limited

Statement of Profit and loss for the year ended March 31, 2016.

			In Rupees	
	Particulars	Note No.	2015-16	2014-15
I.	Revenue from operations	12	239,930	232,320
II.	Other Income	13	448	2,040
III.	<b>Total Revenue</b>		<b>240,378</b>	<b>234,360</b>
IV.	Expenses:			
	Finance costs	14	799	774
	Depreciation and amortization	15	109,336	123,312
	Other expenses	16	55,478	61,467
	<b>Total Expenses</b>		<b>165,613</b>	<b>185,553</b>
V.	<b>Profit/(Loss) before tax(III-IV)</b>		<b>74,765</b>	<b>48,807</b>
VI.	Tax Expenses			
	Tax for Current Year		14,246	572
	Less: MAT Credit Available		(14,246)	(572)
	Tax expense of earlier year		-	2,320
VII.	<b>Profit/(Loss) for the year (V-VI)</b>		<b>74,765</b>	<b>46,487</b>
VIII.	Earnings per equity share:	17		
	(1) Basic		0.21	0.13
	(2) Diluted		0.21	0.13

Significant accounting policies

2(b)

As per our report attached  
For N. V. PARMAR & CO.  
Chartered Accountants  
Registration No. 123237W

N. V. PARMAR  
Proprietor  
Membership No. 039341



For and on behalf of Board of Directors

Pratibha A. Doshi  
Pratibha A. Doshi  
Director  
DIN NO:00519766

Sushikumar Nair  
Sushikumar Nair  
Director  
DIN NO:05156780

Mumbai, Dated May 24, 2016

PAE INFRASTRUCTURE PVT. LTD.

Notes to the financial statements for the year ended March 31, 2016

1. Corporate Information:

The company is a 100% subsidiary of PAE Limited, and is engaged in the business to acquire and/or develop or lease real estate and other properties and to engage in the business of undertaking infrastructure projects.

2. (a) Basis of preparation:

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India. The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies(Accounting Standards) Rules 2006(as amended) and the relevant provisions of the Companies Act, 2013.. The financial statements have been prepared on an accrual basis and under the historical cost convention.

(b) Significant accounting policies

i Use of Estimates:

The preparation of the financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities at the end of the reporting period. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of statements. The actual results may differ from these estimates.

ii Tangible Fixed Assets:

Fixed Assets are stated at cost, net of accumulated depreciation and impairment losses if any. Cost comprises of purchase price and any cost attributable to bring the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

iii Depreciation and amortization:

Depreciation is provided on written down value method over the useful life of the assets in accordance with Schedule II of the Companies Act, 2013. Depreciation is provided from/up to the month of addition/disposal.

iv Impairment of Assets:

The carrying amounts of assets are reviewed at each Balance Sheet date, if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying cost of the assets exceeds its recoverable value. An impairment loss, if any, is charged to Profit and Loss Account in the year in which an asset is identified as impaired. Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the assets no longer exist or have decreased.

v Investments:

Investments are classified as non current and current investments. Investments which are readily realizable and not intended to be held for more than one year from the date of investments are classified as current investments. All other investments are classified as non current investments. Non current investments are shown at cost or written down value (in case of other than temporary diminution) and current investments are shown at cost or fair value whichever is lower. Cost of investment includes acquisition charges such as share transfer charges and legal expenses.

CIN: U70102MH2011PTC216252



PAE INFRASTRUCTURE PVT. LTD.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016.

Particulars	In Rupees	In Rupees
	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
NET PROFIT/(LOSS) BEFORE TAX	74,765	48,807
ADJUSTMENTS FOR:		
TAX EXPENSES PAID	-	(2,320)
DEPRECIATION	109,336	123,312
	<u>184,101</u>	<u>169,799</u>
OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES		
ADJUSTMENTS FOR:		
TRADE RECEIVABLE	(191,811)	(180,103)
SHORT TERM LOANS AND ADVANCES	841	17,088
CURRENT LIABILITIES	(2,286)	17,600
	<u>(193,256)</u>	<u>(145,415)</u>
<b>CASH GENERATED FROM OPERATIONS</b>	<b>(9,155)</b>	<b>24,384</b>
DIRECT TAXES (PAID) / REFUNDS	-	-
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>(9,155)</b>	<b>24,384</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
PURCHASE OF FIXED ASSETS	-	-
INVESTMENT	-	-
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
CAPITAL INFLOW	-	-
NET CASH USED IN FINANCING ACTIVITIES	-	-
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(9,155)</b>	<b>24,384</b>
OPENING BALANCE AS AT BEGINNING OF THE YEAR	85,760	61,376
CLOSING BALANCE AS AT END OF THE YEAR	<u>76,605</u>	<u>85,760</u>
	<b>(9,155)</b>	<b>24,384</b>
	0.00	-

Note:

The Cash Flow has been prepared under the "Indirect Method" as set out in Accounting Standard 3 on Cash Flow Statement issued by the institute of Chartered Accountants of India.

As per our report attached  
For N.V. PARMAR & CO.  
Chartered Accountants  
Registration No. 123237W

*N.V. Parmar*  
N.V. PARMAR  
Proprietor  
Membership No. 039341

Mumbai, Dated May 24, 2016



For and on behalf of Board of Directors

*Pratibha A. Doshi*  
Pratibha A. Doshi  
Director

DIN NO:00519766

*Shashikumar Nair*  
Shashikumar Nair  
Director

DIN NO:05156780

Notes forming part of the Balance Sheet as at March 31, 2016 and statement of Profit and Loss for the year ended March 31, 2016

Note no.	Particulars	31-Mar-16		31-Mar-15	
3	<b>Share Capital</b>				
	a <b>Authorised:</b>				
	10,00,000 Equity Shares of Rs.10 each		1,00,00,000		1,00,00,000
			1,00,00,000		1,00,00,000
	b <b>Issued, Subscribed and Paid Up :</b>				
	3,52,000 Equity Shares of Rs.10 each fully paid up.		3,52,000		3,52,000
	c <b>Reconciliation of the number of shares and amount outstanding at Equity Shares:</b>				
		31-Mar-16		31-Mar-15	
		No. of shares	Amount	No. of shares	Amount
	At the beginning of the year	352,000	3,520,000	352,000	3,520,000
Issued during the year	-	-	-	-	
Outstanding at the end of the year	352,000	3,520,000	352,000	3,520,000	
d <b>Terms/rights attached to equity shares</b>	The company has only one class of equity shares having a face value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share.				
e <b>Details of shareholder holding</b>	31-Mar-16		31-Mar-15		
	No. of shares	% holding in the class	No. of shares	% holding in the class	
PAE Limited	351999	100%	351999	100%	
	As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.				
4	<b>Reserves and Surplus</b>			31-Mar-16	31-Mar-15
	<b>Surplus/(Deficit) in the statement of profit &amp; loss</b>				
	Opening Balance			(125,172)	(171,659)
	Add: Profit/(loss) for the year			74,765	46,487
	Closing Balance			(50,407)	(125,172)
	<b>Total reserves and surplus</b>			(50,407)	(125,172)
5	<b>Deferred tax asset/liability (net)</b>				
	Deferred tax asset towards carried forward unabsorbed depreciation			166,892	143,039
	<b>Gross deferred tax asset</b>			166,892	143,039
	(Deferred tax asset is recognised to the extent of deferred tax liability as consideration of prudence)				
	Deferred tax liability:				
Depreciation			166,892	143,039	
<b>Gross deferred tax liability</b>			166,892	143,039	
<b>Net deferred tax( asset)/liability</b>			0	0	
6	<b>Other Current liabilities</b>				
	<b>Other Payables</b>				
	Professional charges payable			15,100	17,600
	Audit Fees Payable			11,450	11,236
			26,550	28,836	



- vi Revenue Recognition:
- a) Rent income is recognized on accrual basis in accordance with the terms and conditions of the lease and license agreements entered into with the Leases.
  - b) Other income and expenses are accounted on accrual basis.
- vii Leases:
- Leases in which the company does not transfer substantially all the risk and benefits of ownership of assets are classified as operating leases.
- Assets leased out under operating lease are capitalized. Rental income is recognized on accrual basis over the lease term.
- viii Taxes on income:
- Tax expenses comprises of current and deferred tax. Provision for Current tax is made based on the liability computed in accordance with the Indian Income Tax Act, 1961. The tax rates and tax laws used to compute the tax liability are those that are enacted or substantively enacted at the reporting date. Deferred tax is recognized on the basis of timing differences arising between the taxable income and accounting income computed using the tax rates and the laws that have been enacted or substantively enacted as of the balance sheet date. Deferred tax assets are recognized only if there is a virtual certainty that they will be realized and reviewed for the appropriateness of their carrying values at each balance sheet date.
- ix Provisions, Contingent Liabilities and Contingent Assets:
- a) Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes after careful evaluation of facts and legal aspects of the matter involved. Contingent Assets are neither recognized nor disclosed. Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.
- x Cash flow statement:
- Cash flows are reported using the indirect method, whereby profit/(loss) loss before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated based on the available information.
- xi Earning per share:
- Basic earnings per share is computed by dividing the profit/(loss) after tax (including post tax effect of extraordinary items if any) by the weighted average number of equity shares outstanding during the year.



CIN: U70102MH2011PTC216252

PAE Infrastructure Pvt. Limited

Note 7. FIXED ASSETS

Asset	Gross Block			Depreciation			Net Block as at March 31, 2015
	As at 1.4.2015	Additions	Sale	As at 31.03.2016	As at 1.4.2015	For the year	
Tangible assets							
Land	675,000	-	-	675,000	-	-	675,000
Administrative Building	2,842,242	-	-	2,842,242	514,019	109,336	2,218,887
Grand Total	3,517,242	-	-	3,517,242	514,019	109,336	2,893,887

Note 7. FIXED ASSETS(Previous year figures)

Asset	Gross Block			Depreciation			Net Block as at March 31, 2014
	As at 1.4.2014	Additions	Sale	As at 31.03.2015	As at 1.4.2014	For the year	
Tangible assets							
Land	675,000	-	-	675,000	-	-	675,000
Administrative Building	2,842,242	-	-	2,842,242	390,707	123,312	2,451,535
Grand Total	3,517,242	-	-	3,517,242	390,707	123,312	3,126,535

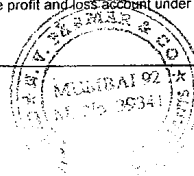


Note no.	Particulars	31-Mar-16	31-Mar-15
8	Non Current Investment		
	Other Investments:		
	Investment in Equity Instruments:		
	40 of Rs.25 each Shares of Jain Sahakari Bank Ltd.	1,000	1,000
		1,000	1,000
	Aggregate Book Value of Investments:		
	Quoted Investments		
	Unquoted Investments	1,000	1,000
		1,000	1,000
9	Trade Receivable		
	Unsecured Considered good:		
	<u>Due from Related Parties</u>		
	Outstanding for more than six months	120,000	187,495
	Outstanding for less than six months	379,096	119,790
		499,096	307,285
10	Cash and Cash Equivalents		
	Balances with Banks:		
	In current account	76,605	85,760
		76,605	85,760
11	Short-term loans & advances		
	Unsecured Considered good:		
	Tax deducted at source	25,555	23,232
	Prepaid expenses		3,164
		25,555	26,396
		<b>For the year ended March 31,2016</b>	<b>For the year ended March 31,2015</b>
12	Revenue from operations		
	Lease rent income	239,930	232,320
		239,930	232,320
13	Other Income		
	Interest from Income Tax Refunds	448	2040
		448	2,040
14	Finance costs		
	Bank Charges	799	774
		799	774
15	Depreciation and amortisation expense		
	Depreciation of tangible assets	109,336	123,312
		109,336	123,312
16	Other expenses		
	Rates & Taxes	18,596	22,886
	Professional and legal charges	18,300	20,200
	Registration and Filing Expenses	3,068	3,500
	Conveyance Expenses	900	481
	Insurance	3,164	3,164
	Payment to statutory auditor:		
	As Auditor:		
	Audit Fees	11,450	11,236
		55,478	61,467





17	Earnings per share (EPS)	31-Mar-15	31-Mar-14
	Profit after tax	74,765	46,487
	Weighted average number of equity share outstanding	352,000	352,000
	Basic and diluted earnings per share (in Rupees)	0.21	0.13
18	During the year, the company operated only in one segment, i.e. "lease of property", as such reporting is done on a single segment basis.		
19	<b>Related party disclosure as per AS-18</b>		
	<b>A Particulars of holding company</b>		
	PAE Limited		
	<b>B Subsidiary company of Holding Company</b>		
	PAE Renewables Pvt. Ltd.		
	<b>C Particulars of associate companies and enterprises controlled by any person described as Key management Personnel:</b>		
	PAE Renewables Pte Ltd., Singapore		
	Shurjo Energy Pvt. Ltd.		
	Rajubai Investment Pvt. Ltd.		
	Assure Insurance Advisors Pvt. Ltd.		
	Arvind R. Doshi HUF		
	Pritam A. Doshi HUF		
	<b>D Key Management Personnel:</b>		
	Name of related party	Nature of relationship	
	Smt. Pratibha A. Doshi	Director	
	Shri Shashikumar Nair	Director	
	<b>E Relatives of Key Management Personnel:</b>		
	Name of relatives	Nature of relationship	
	Shri Arvind R. Doshi	Husband of Smt. Pratibha A. Doshi	
	Shri Pritam A. Doshi	Son of Smt. Pratibha A. Doshi	
	<b>F Details of transactions with related parties:</b>		
	Particulars	Holding Company	Subsidiary Company of Holding Company
	1. Rent Received	139,930 (232,320)	100,000 0
	Amount outstanding on balance sheet date		
	1. Outstanding Debit Balance	399,096 (307,285)	100,000 0
	Figures for the previous year have been given in brackets		
20	The company has given its immovable property at Calicut as security towards mortgage of loan of Rs.55 Lacs ( previous year 1 Crore) sanctioned by Jain Sahakari Bank Ltd. to PAE Renewables Pvt. Ltd., subsidiary company of holding company.		
21	<b>Capital and other commitments</b> There are no capital and other commitments as on the balance sheet date.		
22	<b>Leases</b> Where company is a lessor: The company has given its own immovable property under leave and licence agreement. This is not non cancellable and is for a period of 3 years under leave and licence and is renewable by mutual consent on mutually agreeable terms. Amounts received during the year under such agreement is Rs.2.40 lac (previous year Rs.2.32 lacs) and are recognised in the profit and loss account under Revenue from operations - lease rent income( refer Note no.12).		



23

**Dues to micro and small enterprises**

There are no amounts overdue and remaining unpaid for 30 days on account of principal and/or over due interest at the close of the year to micro, small and medium enterprises, as defined under 'Micro Small and Medium Enterprises Development' Act, 2006'. This information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.

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**Others**

The Figures of previous year are re-grouped and re-arranged wherever necessary so as to make them in line with those of the current year.

As per our report attached

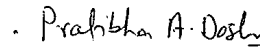
For and on behalf of Board of Directors

For N. V. PARMAR & CO.  
Chartered Accountants  
Registration No. 123237W

  
N. V. PARMAR  
Proprietor  
Membership No. 039341



Mumbai, Dated May 24, 2016

  
Pratibha A. Doshi  
Director

  
Sashikumar Nair  
Director

DIN NO:00519766

DIN NO:05156780

## PAE INFRASTRUCTURE PRIVATE LIMITED

69, Tardeo Road, Mumbai – 400034. Phone: +91 22 66185799 Fax: +91 22 66185757 www.paeltd.com

May 24, 2016.

To,  
N.V.Parmar & Co.  
Chartered Accountants,  
Mumbai- 400 092.

Dear Sirs,

**Sub. : Management Representation Letter for audit of the F.Y. 2015-16.**

This representation letter is provided in connection with your audit of the financial statements of M/s **PAE Infrastructure Pvt. Ltd.** for the financial year ended 31st March, 2016 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view of the financial position of the Company as on 31st March, 2016 and the results of its operations for the financial year then ended in accordance with the requirements of the Companies Act, 2013 and recognized accounting practices, including the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006.

We acknowledge our responsibility for the fair presentation of the financial statements in accordance with the requirements of the Companies Act, 2013 and recognized accounting practices, including the Accounting Standards issued by the Institute of Chartered Accountants of India.

We acknowledge our responsibility for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

We confirm to the best of our knowledge and belief, and having made appropriate enquiries of other officials of the company, the following representations.

There have been no irregularities involving management or employees who have significant role in the accounting and internal control systems or that could have a material effect on financial statements.

We have maintained all books of account and supporting documentation and all minutes of meetings of shareholders and the board of directors.

**CIN: U70102MH2011PTC216252**

## **PAE INFRASTRUCTURE PRIVATE LIMITED**

69, Tardeo Road, Mumbai -- 400034. Phone: +91 22 66185799 Fax: +91 22 66185757 www.paeltd.com

All known, actual, or possible non-compliance with laws and regulations, together with the actual or contingent consequences, which may arise there from, the effects of which should be considered when preparing financial statements, have been disclosed to you.

The financial statements are free of material misstatements, including omissions.

The company has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance. There has been no non-compliance with requirements of regulatory authorities that could have a material effect on the financial statements in the event of non-compliance.

The accounting policies which are material or critical in determining the results of operations for the year or financial position are set out in the financial statements and will be followed consistently. The financial statements are prepared on accrual basis.

Except as disclosed in the financial statements, the results for the year were not materially affected by, except as disclosed in the accounts.

- a) Transactions of a nature not usually undertaken by the company
- b) Circumstances of and exceptional nature or non-recurring nature
- c) Charges or credits relating to prior years
- d) Changes in accounting policies

We confirm the completeness of the information provided regarding the identification of related parties and have complied with the provisions of the Companies Act, 2013 in respect of the same. The identity of, and balances and transactions with, related parties have been properly recorded and, when appropriate, adequately disclosed in the financial statements.

We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.

The company has satisfactory title to all assets and there are no liens or encumbrances on the company's assets except charges created in favour of banks/financial institution as disclosed in the financial statements. The company carries out verification of fixed assets at reasonable intervals during the year and no material discrepancies were noticed during the verification.

The net book values at which fixed assets are stated in the balances sheet are arrived at;

- a) after taking into account all capital expenditure on additions thereto, but no expenditure properly chargeable to revenue;
- b) after providing depreciation as per the Companies Act, 2013.

**CIN: U70102MH2011PTC216252**

**PAE INFRASTRUCTURE PRIVATE LIMITED**

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The investment of the company is of non-current in nature and is in the name of the Company.

At the balances sheet date, there were no outstanding commitments for capital expenditure.

We have recorded or disclosed, as appropriate, all liabilities, both actual and contingent, and guarantees/security that we had given to a bank in form of mortgage of our property at Calicut, Kerala for loan availed from the bank by PAE Renewables Pvt. Ltd. a subsidiary company of our Holding company. We confirm that the same was within the prescribed limit at the time of granting of the loan and had complied with the provisions of section 372A of the Companies Act, 1956 however, as an abundant precaution the same will be again confirmed and ratified in the ensuing AGM of our Company as required under provisions of section 186 of the Companies Act, 2013. Since this is in the interest of our overall group, the terms and condition of the same are not prejudicial to the interest of the Company.

There have been no events subsequent to year end which require adjustment of or disclosure in the financial statements or Notes thereof expecting those disclosed in the Notes to the financial statements.

There are no unpaid undisputed or disputed statutory liabilities.

We additionally confirm that;

No loans have been granted to the parties required to be listed in the register u/s 189 of the Companies Act and / or companies under the same management.

No frauds committed on the company have come to our notice during the year nor has the company committed any fraud on others.

Yours faithfully,

**For PAE Infrastructure Pvt. Ltd.**

*Pratibha A. Doshi*  
**PRATIBHA A. DOSHI**  
Director

**CIN: U70102MH2011PTC216252**



SHURJO ENERGY PRIVATE LIMITED

BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2016 AND STATEMENT OF PROFIT & LOSS FOR THE YEAR  
ENDED ON THAT DATE

G.P. AGRAWAL & CO  
CHARTERED ACCOUNTANTS

**Independent Auditors' Report**  
**To The Members of Shurjo Energy Private Limited**

**Report on the financial statements**

We have audited the accompanying financial statements of Shurjo Energy Private Limited ("The Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement and a summary of significant accounting policies and other explanatory information for the year then ended.

**Management responsibility for the financial statement**

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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 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 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 financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 financial statements that give a true and fair view in order to design audit procedures that are appropriate in the 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 financial statements.

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





**Independent Auditors' Report (Contd.)**  
**To The Members of Shurjo Energy Private Limited**

**Basis for Qualified Opinion**

- (a) Refer Note no. 20.6 of the financial statement regarding depreciation has been provided at the rates prescribed in the erstwhile Schedule XIV to the Companies Act, 1956 instead of providing depreciation based on the useful life of the assets, as prescribed in Schedule II to the Companies Act, 2013. We are thereof unable to comment on the impact of the above, on the loss for the year and reserves and surplus and fixed assets reported in the Balance sheet as at the end of the year.
- (b) Refer Note no. 20.9 in respect of impairment of fixed assets as the manufacturing activity of the company has been discontinued, the carrying amount of fixed assets needs to be impaired, however the company is carrying the fixed assets at historical cost and no impairment loss has been provided in books of accounts as required by Accounting Standard -28. The quantum of impairment loss is not ascertained.

**Qualified Opinion**

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, the aforesaid 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 31st March 2016, and its losses and its cash flows for the year ended on that date.

**Emphasis of Matter**

The accumulated losses of the Company for Rs. 1151.32 Lac (including current year loss of Rs. 29.99 lac) at the year end exceed Company's net worth. Despite this, company has prepared the accounts ongoing concern basis. (Refer note no. 20.10)

Our opinion is not qualified in respect of this matter.

**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 of India in terms of sub-section (11) of section 143 of the Act, 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:
  - i. 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.
  - ii. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - iii. The Balance Sheet, the Statement of Profit and Loss and the cash flow dealt with by this Report are in agreement with the books of account.
  - iv. Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - v. On the basis of the written representations received from the directors as at 31st March, 2016 and taken on record by the Board of Directors, none of the directors is disqualified as at 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

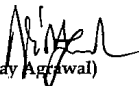


**Independent Auditors' Report (Contd.)**

To The Members of **Shurjo Energy Private Limited**

- vi. 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".
- vii. 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:
  - a. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note No. 20.1 to the financial statements.
  - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - c. There were no amounts required to be transferred to Investor Education and Protection Fund by the Company.

For G. P. Agrawal & Co.  
Chartered Accountants  
Firm Registration No. -302082E

  
(CA. Ajay Agrawal)  
Membership No. 17643  
Partner



Place of Signature: Kolkata  
Dated: the 3<sup>rd</sup> day of June, 2016

**Independent Auditors' Report (Contd.)**  
**To The Members of Shurjo Energy Private Limited**

**"Annexure A" to the Auditor's Report**

Statement referred to in paragraph 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of Shurjo Energy Private Limited on the financial statements for the year ended 31st March, 2016.

- (i) a) Fixed assets register is not produced for our verification.
- b) The Company has not carried out physical verification of fixed assets.
- c) As the Company has no immovable property, clause (i)(c) of para 3 of the said order is not applicable to the Company.
- (ii) The Company has not carried out physical verification of inventories during the year. As physical verification was not carried out during the year, we are unable to express an opinion on the procedure of physical verification. Inventory records have not been provided to us.
- (iii) The Company has not granted any loan, secured or unsecured, to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Act. Therefore, clauses (iii)(a) to (iii)(d) of para 3 of the said order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there are neither any loans, guarantees, and securities granted nor any investment made in respect of which provisions of Section 185 and 186 of the Act are applicable.
- (v) The Company has not accepted any deposit within the meaning of section 73 to 76 or any other relevant provisions of the Act and the rules framed there under. The directives issued by the Reserve Bank of India are not applicable to the Company.
- (vi) As per information and explanations given by the management, maintenance of cost records as prescribed by the Central Government under sub-section (1) of section 148 of the Act is not applicable to the Company.
- (vii) (a) According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Duty of Customs, Duty of Excise, Value Added tax or cess and any other statutory dues, to the extent applicable, have been regularly deposited with the appropriate authorities.

According to the records, the following statutory dues were outstanding as at 31st March, 2016 for a period of more than six months from the date they became payable:

Name of the statute	Nature of dues	Period to which pertain	Amount (Rs.)	Since paid
Income Tax Act, 1961	TDS	Not available	57,460	Not yet paid
West Bengal Value Added Tax Act, 2003	Output VAT	Not available	179	Not yet paid
Finance Act	Service Tax	Not available	4,813	Not yet paid



Independent Auditors' Report (Contd.)  
To The Members of **Shurjo Energy Private Limited**

"Annexure A" to the Auditor's Report (contd.)

- (b) The disputed statutory dues aggregating to Rs. 73,83,741/- that have not been deposited on account of matters pending before appropriate authorities are as under:

Sl. No.	Name of the statute	Nature of dues	Year to which pertain	Amount (Rs.)	Authorities (Where the dispute is pending)
1.	West Bengal VAT Act, 2003	Sales Tax	2005-06	37,86,375	Asst. Commissioner (Commercial Taxes) Kolkata
2.	Finance Act	Service Tax	2010-11	5,34,563	Income Tax Officer, Kolkata
3.	Central Excise Act, 1944	Excise Duty	2008-09/ 2009-10/ 2010-11	30,62,803	Asst Comm. Central Excise, Kalyani
		<b>Total</b>		<b>73,83,741</b>	

- (viii) On the basis of our examination of records and according to the information and explanations given to us, the Company has not taken any loans or borrowing from financial institution, bank or Government. The Company has not issued any debentures. Therefore, clauses (viii) of paragraph 3 of the said order are not applicable to the Company.
- (ix) On the basis of our examination of records and according to the information and explanations given to us, the Company has neither raised any money by way of initial public offer or further public offer (including debt instruments) nor taken any term loan during the year. Therefore, clause (ix) of paragraph 3 of the said order is not applicable to the Company.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid/provided for managerial remuneration. Therefore, clause (xi) of paragraph 3 of the said order is not applicable to the Company.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, clause (xii) of paragraph 3 of the said order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

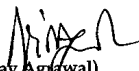


**Independent Auditors' Report (Contd.)**  
**To The Members of Shurjo Energy Private Limited**

"Annexure A" to the Auditor's Report (contd.)

- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, clause (xv) of paragraph 3 of the said order is not applicable to the Company.
- (xvi) According to the information and explanations given to us, the provisions of Section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For G. P. Agrawal & Co.  
Chartered Accountants  
Firm Registration No. -302082E

  
(CA. Ajay Agrawal)  
Membership No. 17643  
Partner

Place of Signature: Kolkata  
Dated: the 3<sup>rd</sup> day of June, 2016



**Independent Auditors' Report (Contd.)  
To The Members of Shurjo Energy Private Limited**

**"Annexure B" to the Independent Auditor's Report of Even Date on the Financial Statements of Shurjo Energy Private Limited**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Shurjo Energy Private Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Independent Auditors' Report (Contd.)  
To The Members of **Shurjo Energy Private Limited**

"Annexure B" to the Independent Auditor's Report (Contd.)

**Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

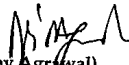
**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For G. P. Agrawal & Co.  
Chartered Accountants  
Firm Registration No. -302082F

  
(CA. Ajay Agrawal)  
Membership No. 17643  
Partner



Place of Signature: Kolkata  
Dated: the 3<sup>rd</sup> day of June, 2016

SHURJO ENERGY PRIVATE LIMITED  
BALANCE SHEET AS AT 31st MARCH, 2016

	Particulars	Note No.	As at 31st March, 2016	As at 31st March, 2015
			Rs.	Rs.
<b>I</b>	<b>EQUITY AND LIABILITIES</b>			
(1)	Shareholders' funds			
(a)	Share capital	2	45,647,658	45,647,658
(b)	Reserves and surplus	3	(91,303,655)	(88,304,501)
			(45,655,997)	(42,656,843)
(3)	Current liabilities			
(a)	Short-term borrowings	4	9,813,979	9,813,979
(b)	Trade payables	5		
	(i) Total outstanding dues of micro enterprises and small enterprises			
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,153,977	949,400
(c)	Other current liabilities	6	55,053,427	55,906,794
			66,021,383	66,670,173
	<b>TOTAL</b>		<b>20,365,386</b>	<b>24,013,330</b>
<b>(II)</b>	<b>ASSETS</b>			
(1)	Non-current assets			
(a)	Fixed assets	7		
	(i) Tangible assets		5,196,711	6,075,842
	(ii) Intangible assets		2,053,114	2,794,948
(b)	Long-term loans and advances	8	1,034,019	1,069,864
(c)	Other non-current assets	9	265,033	265,033
			8,548,877	10,205,687
(2)	Current assets			
(a)	Inventories	10	11,179,415	11,179,415
(b)	Trade receivables	11	556,465	556,465
(c)	Cash and cash equivalents	12	42,829	2,033,963
(d)	Short-term loans and advances	13	37,800	37,800
			11,816,509	13,807,643
	<b>TOTAL</b>		<b>20,365,386</b>	<b>24,013,330</b>
	Significant accounting policies	1		
	Other disclosures	20		

The accompanying notes 1 to 20 are an integral part of the financial statements.

As per our report of even date attached.

For G.P. Agrawal & Co.  
Chartered Accountants  
Firm's Registration Number - 302082E

(CA. Ajay Agrawal)  
Partner  
Membership No. 17643  
Place of Signature : Kolkata  
Dated : 3rd day of June, 2016



For and on behalf of the Board of Directors

*Pritam A. Doshi*

Pritam A. Doshi  
Director  
DIN :00015302

*Shashi Nair*  
Shashi Nair  
Director  
DIN :05156780



**SITURJO ENERGY PRIVATE LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016**

Particulars	Note No.	Year ended 31st March,	Year ended 31st March,
		2016	2015
		Rs.	Rs.
I. Revenue from operations			
Sale of goods (Gross)	14	-	4,100
II. Other income	15	16,405	240,509
III. Total Revenue (I+II)		16,405	244,609
IV. Expenses:			
(Increase)/ decrease in inventory of finished goods and work-in-progress	16	-	4,100
Employee benefits expense	17	540,000	786,228
Finance costs	18	17,310	494,552
Depreciation and amortization expense	7	1,620,967	2,091,065
Other expenses	19	837,282	1,067,269
Total expenses		3,015,559	4,443,214
V. Loss before exceptional items and tax (III-IV)		(2,999,154)	(4,198,605)
VI. Exceptional item		-	7,500,000
VII. Loss before tax (V-VI)		(2,999,154)	(11,698,605)
VIII. Tax expense		-	-
IX. Loss for the year (VII-VIII)		(2,999,154)	(11,698,605)
X. Earnings per equity share:			
(1) Basic		(0.07)	(0.20)
(2) Diluted		(0.07)	(0.20)
Significant accounting policies	1		
Other disclosures	20		

The accompanying notes 1 to 20 are an integral part of the financial statements.

As per our report of even date attached.

For G.P. Agrawal & Co.  
Chartered Accountants  
Firm's Registration No. - 302082E  
  
(CA. Ajay Agrawal)  
Partner  
Membership No. 17643  
Place of Signature : Kolkata  
Dated : 3rd day of June, 2016



For and on behalf of the Board of Directors

*Pritam A. Doshi*  
Pritam A. Doshi  
Director  
DIN :00015302

*Srinath Nair*  
Srinath Nair  
Director  
DIN :05156780

**SHURJO ENERGY PRIVATE LIMITED**  
Cash Flow Statement for the year ended 31st March, 2016

Particulars	2015-16		2014-15	
	Rs.	Rs.	Rs.	Rs.
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit Before Tax		(2,999,154)		(4,198,605)
Adjustments for:				
Depreciation	1,620,967		2,091,065	
Finance costs	17,310		494,552	
Interest received	-		(231,487)	
Sundry balances written off	-		(7,500,000)	
Unspent liabilities/balances written back	-		(4,357)	
		<u>1,638,277</u>		<u>(5,150,227)</u>
Operating Profit before Working Capital Changes		<u>(1,360,877)</u>		<u>(9,348,832)</u>
Adjustments for:				
Decrease/(Increase) in Trade Receivables	-		15,475,343	
Decrease/(Increase) in Inventories	-		4,100	
Decrease/(Increase) in Loans and advances	-		(35,845)	
Decrease/(Increase) in Other Assets	-		528,343	
Increase/(Decrease) in Trade Payables	204,577		27,702	
Increase/(Decrease) in Short term Borrowings	-		(4,564,973)	
Increase/(Decrease) in Other Liabilities	(853,367)	(648,790)	(7,417,418)	4,017,252
Cash generated from operations		<u>(2,009,667)</u>		<u>(5,331,580)</u>
Income Tax (paid)/refund		35,845		-
Net Cash from/(used) Operating activities		<u>(1,973,825)</u>		<u>(5,331,580)</u>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>				
Maturity of Fixed deposits	-		7,500,000	
Interest received	-		231,487	
Net Cash from/(used) in Investing activities				<u>7,731,487</u>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>				
Interest paid	(17,310)		(494,552)	
Net Cash from/(used) in financing activities		<u>(17,310)</u>		<u>(494,552)</u>

**Notes :**

1) Net increase in cash & Cash Equivalents	(1,991,134)	1,905,355
Cash and Cash equivalents as at 01.04.2015	2,033,963	128,609
Cash and Cash equivalents as at 31.03.2016 (As per Note - 12)	42,829	2,033,963

2) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statement.

3) Figure in brackets represent cash outflow from respective activities.

4) Cash and cash equivalents do not include any amount which is not available to the Company for its use.

This is the Cash Flow Statement referred to in our report of even date.

As per our report of even date attached.

For G.P. Agrawal & Co.

Chartered Accountants

Firm's Registration No. - 302082E

(CA. Ajay Agrawal)

Partner

Membership No. 17643

Place of Signature : Kolkata

Dated : 03rd day of June, 2016



For and on behalf of the Board of Directors

*Pritam A. Doshi*

Pritam A. Doshi

Director

DIN :00015302

*Shashi Nair*

Shashi Nair

Director

DIN :05156780

## SHURJO ENERGY PRIVATE LIMITED

### NOTE NO. 1

#### 1. SIGNIFICANT ACCOUNTING POLICIES

##### 1.1 Basis of Preparation

- a) The financial statements are prepared in accordance with the historical cost convention and the accrual basis of accounting. The accounting policies applied by the Company are consistent with those applied in the previous year except as otherwise stated elsewhere.
- b) The financial statements have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 1956 and Companies Act, 2013 (to the extent notified). The financial statements have been prepared on an accrual basis and under the historical cost convention.
- c) All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services provided and time between the rendering of services and their realization in cash and cash equivalents. For the company, there is generally no clearly identifiable normal operating cycle and hence the normal operating cycle for the company is assumed to have duration of 12 months.

##### 1.2 Use of Estimates:

The presentation of the financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent liabilities at the date of the financial statements and the result of the operations during the reporting period. Although such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of statements, the actual outcome may diverge from these estimates.

##### 1.3 Revenue Recognition

- a. Sale of goods is recognized at the time of transfer of substantial risk and rewards of ownership to the buyer for a consideration. Gross sales exclude sales tax/VAT, trade discounts and volume rebates.
- b. All other income are accounted for on accrual basis.

##### 1.4 Fixed Assets and Depreciation / Amortization

- a. Fixed Assets are stated at cost less accumulated depreciation. The Company capitalizes all costs relating to acquisition and installation of Fixed Assets.
- b. Depreciation on fixed assets is calculated on written down value method at applicable rates prescribed in Schedule XIV of the Companies Act, 1956, from / up to the date of addition/disposal.



## SHURJO ENERGY PRIVATE LIMITED

### SIGNIFICANT ACCOUNTING POLICIES (Contd.)

#### c. Intangible Assets:

Intangible Assets expected to provide future enduring economic benefits are stated at cost less amortisation. Cost comprises purchase price and directly attributable expenditure on making the asset ready for its intended use.

The details of estimated useful life for each category of intangible assets are as under:

Sl. No.	Asset category	Estimated Useful Life
i)	Technical Knowhow	8 years
ii)	IEC Certification	5 years
iii)	Software	6 years

Amortization is done on straight line basis.

#### 1.5 Impairment of Fixed Assets

Wherever events or changes in circumstances indicate that the carrying amount of fixed assets may be impaired, the Company subjects such assets to a test of recoverability, based on discounted cash flows expected from use or disposal thereof. If the assets are impaired, the Company recognizes an impairment loss as the excess of the carrying amount over the recoverable amount.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However the carrying amount after reversal is not increased beyond the carrying amount that would have prevailed by charging usual depreciation if there was no impairment.

#### 1.6 Capital Work in Progress

Capital work in progress is stated at cost and includes development and other expenses including interest during construction period.

#### 1.7 Borrowing Costs

Borrowing costs to the extent attributed to the acquisition/construction of qualifying assets are capitalized up to the date when such assets are ready for its intended use and all other borrowing costs are recognized as an expense in the year in which they are incurred.

#### 1.8 Investments

- a) Investment which are readily realizable and intended to be held not more than one year from the date on which such investments are made, are classified as current investments. All Other investments are classified as long-term investments.



## SHURJO ENERGY PRIVATE LIMITED

### SIGNIFICANT ACCOUNTING POLICIES (Contd.)

- b) Current Investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long Term Investments are stated at cost. Provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

#### 1.9 Foreign Currency Transactions

Foreign currency transactions are recorded at the exchange rates prevailing at the time of transaction.

#### 1.10 Prior Period and Extra Ordinary Items

Prior Period and Extra Ordinary items having material impact on the financial affairs of the Company are disclosed separately.

#### 1.11 Employee Benefits

##### Short term employee benefit

Short term employee benefits based on expected obligation on undiscounted basis are recognised as expense in the Statement of Profit and Loss of the year in which the related service is rendered.

#### 1.12 Taxes on Income

Current tax is the amount of tax payable on the taxable income for the year determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognized on timing differences; being the differences between the taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets subject to the consideration of prudence are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

#### 1.13 Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events; it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of the obligation. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.



## SHURJO ENERGY PRIVATE LIMITED

### SIGNIFICANT ACCOUNTING POLICIES (Contd.)

#### 1.14 Earnings per Share

The Company reports basic and diluted earnings per equity share in accordance with Accounting Standard-20, Earnings per Share. Basic earnings per equity share have been computed by dividing net profit / (loss) after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed by dividing the net profit (loss) after tax for the year by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.



SHURJO ENERGY PRIVATE LIMITED

Notes to accounts (contd.)

Note No. 2 - Share Capital

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	No. of shares	Amount	No. of shares	Amount
		Rs.		Rs.
a) <b>Authorised:</b>				
Equity Shares of Re.1/- each	50,000,000	50,000,000	50,000,000	50,000,000
b) <b>Issued, subscribed and fully paid up</b>				
Equity Shares of Re.1 each fully paid up	45,647,658	45,647,658	45,647,658	45,647,658

c) Reconciliation of number and amount of equity shares outstanding :

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	No. of shares	Amount	No. of shares	Amount
		Rs.		Rs.
At the beginning of the year	45,647,658	45,647,658	45,647,658	45,647,658
Add: Shares issued for cash	-	-	-	-
At the end of the year	45,647,658	45,647,658	45,647,658	45,647,658

d) The Company has only one class of equity share having a par value of Re. 1/- per share. The holders of equity shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the shareholders of the Company. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential dues. The distribution will be in proportion to the number of equity shares held by the shareholders.

e) Shareholders holding more than 5 % of the equity shares in the Company :

Name of Shareholder	As at 31st March, 2016		As at 31st March, 2015	
	No. of shares held	% of holding	No. of shares held	% of holding
PAE Ltd.	38,785,424	85	38,785,424	85
Shurjo Energy Holdings Ltd.	6,844,108	15	6,844,108	15

f) Shares held by Holding/Ultimate Holding and/or their Subsidiaries/ Associates:

Name of Company	As at 31st March, 2016		As at 31st March, 2015	
	No. of shares	Amount	No. of shares	Amount
		Rs.		Rs.
PAE Ltd. (Holding Company)	38,785,424	38,785,424	38,785,424	38,785,424

Note No. 3 - Reserves and Surplus

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	Rs.	Rs.	Rs.	Rs.
<b>Security Premium</b>				
Balance as per last account		23,829,126		23,829,126
<b>Surplus in the Statement of Profit and Loss</b>				
Balance as per last account	(112,133,627)		(100,435,022)	
Add: Loss for the year	(2,999,154)		(11,698,605)	
Balance as at the Balance Sheet date		(115,132,781)		(112,133,627)
<b>Total Reserves and surplus</b>		(91,303,655)		(88,304,501)



## SHURJO ENERGY PRIVATE LIMITED

Notes to accounts (contd.)

## Note No. 4 - Short Term Borrowings

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	Rs.	Rs.	Rs.	Rs.
Loans from related party				
Unsecured - Inter Corporate deposit from Holding Company (Interest free)		9,813,979		9,813,979
		<u>9,813,979</u>		<u>9,813,979</u>

## Note No. 5 - Trade Payables:

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	Rs.	Rs.	Rs.	Rs.
Total outstanding due of micro enterprises and small enterprises (Refer note no. 20.2)				
Total outstanding due of creditors other than micro enterprises and small enterprises:				
For Goods		241,885		241,885
For Services		<u>912,092</u>		<u>707,515</u>
		<u>1,153,977</u>		<u>949,400</u>

## Note No. 6 - Other current liabilities:

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	Rs.	Rs.	Rs.	Rs.
Other payables				
- Advance from related parties (Refer note no. 20.8)	54,710,085		55,731,498	
- Statutory liabilities	65,465		45,946	
- Unpaid salaries and other payroll dues	238,100		93,530	
- Accrued expenses	<u>39,827</u>	<u>55,053,427</u>	<u>35,820</u>	<u>55,906,794</u>
		<u>55,053,427</u>		<u>55,906,794</u>

## Note No. 8 - Long-term loans and advances:

(Unsecured, considered good)

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	Rs.	Rs.	Rs.	Rs.
Capital advances		444,726		444,726
Security deposits		398,600		398,600
Other loans and advances				
Advance tax	420,465		456,310	
Less: Provision for taxation	<u>229,772</u>	<u>190,693</u>	<u>229,772</u>	<u>226,538</u>
		<u>1,034,019</u>		<u>1,069,864</u>





**SHREYAS ENERGY PRIVATE LIMITED**

Notes to accounts (contd.)

Note No. 7 - Fixed Assets

Particulars	GROSS BLOCK			DEPRECIATION / AMORTISATION			NET BLOCK	
	As at 01.04.2015	Additions during the year	Disposals/ deductions during the year	As at 31.03.16	For the year	Disposals/ deductions during the year	As at 31.03.16	As at 31.03.15
<b>TANGIBLE ASSETS</b>								
Plant & Equipment	13,889,692	-	-	9,124,274	662,870	-	4,102,548	4,765,418
Electrical Installation	667,290	-	-	283,499	53,385	-	336,884	383,791
Computers & accessories	1,142,586	-	-	1,071,860	28,290	-	1,100,151	70,726
Office Equipment	123,846	-	-	80,677	6,005	-	86,882	43,169
Air Conditioner	1,182,912	-	-	740,808	61,497	-	802,304	442,104
Furniture & Fixture	1,418,150	-	-	1,047,516	67,085	-	1,114,600	370,634
<b>SUB TOTAL (A)</b>	<b>18,424,476</b>	<b>-</b>	<b>-</b>	<b>13,348,654</b>	<b>879,132</b>	<b>-</b>	<b>5,196,711</b>	<b>6,075,842</b>
<b>INTANGIBLE ASSETS</b>								
Acquired								
Technical Knowhow	7,946,403	-	-	5,825,339	477,239	-	6,302,579	2,121,064
IEC certification	3,552,328	-	-	3,221,807	127,251	-	3,349,056	330,521
Software	3,632,954	-	-	3,289,591	137,345	-	3,426,936	343,363
<b>SUB TOTAL (B)</b>	<b>15,131,685</b>	<b>-</b>	<b>-</b>	<b>12,336,737</b>	<b>741,835</b>	<b>-</b>	<b>2,053,114</b>	<b>2,794,948</b>
<b>TOTAL (A+B)</b>	<b>33,556,161</b>	<b>-</b>	<b>-</b>	<b>25,685,371</b>	<b>1,620,967</b>	<b>-</b>	<b>7,249,825</b>	<b>8,870,790</b>
<b>PREVIOUS YEAR TOTAL</b>	<b>33,556,161</b>	<b>-</b>	<b>-</b>	<b>24,594,307</b>	<b>2,091,065</b>	<b>-</b>	<b>8,870,790</b>	<b>10,961,854</b>

The unamortised amounts of intangible assets are to be amortized as follows:

Asset category	To be amortised in
Technical Knowhow	3 years 3 months
IEC Certification	1 years 7 months
Software	1 years 6 months



## SHURJO ENERGY PRIVATE LIMITED

Notes to accounts (contd.)

Note No. 9 - Other non-current assets:  
(Unsecured, considered good)

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	Rs.	Rs.	Rs.	Rs.
Vat and service taxes receivables		265,033		265,033
		<u>265,033</u>		<u>265,033</u>

Note No. 10 - Inventories:

(Valued at lower of cost and net realizable value, unless stated otherwise)

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	Rs.	Rs.	Rs.	Rs.
Raw Materials		7,031,366		7,031,366
Packing materials		333,064		333,064
Work-in-progress				
- Solar Photovoltaic Panel		1,448,556		1,448,556
Finished goods				
- Solar Photovoltaic Panel		1,958,860		1,958,860
Stores and spares		407,569		407,569
		<u>11,179,415</u>		<u>11,179,415</u>

Note No. 11 - Trade Receivables:

(Unsecured, considered good)

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	Rs.	Rs.	Rs.	Rs.
Trade receivables outstanding for a period exceeding six months from due date		556,465		556,465
		<u>556,465</u>		<u>556,465</u>

Note No. 12 - Cash and cash equivalents:

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	Rs.	Rs.	Rs.	Rs.
Balances with banks				
- In current account	42,829		2,027,368	
Cash on hand		42,829	6,595	2,033,963
		<u>42,829</u>	<u>6,595</u>	<u>2,033,963</u>



SHURJO ENERGY PRIVATE LIMITED

Notes to accounts (contd.)

Note No. 13 - Short-term loans and advances:

(Unsecured, considered good)

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	Rs.	Rs.	Rs.	Rs.
Other loans and advances				
- Advance to suppliers and others		37,800		37,800
		<u>37,800</u>		<u>37,800</u>

Note No. 14 - Revenue from operations:

Particulars	For the year ended 31st March, 2016		For the year ended 31st March, 2015	
	Rs.	Rs.	Rs.	Rs.
Sale of goods (Gross)				
Finished goods - Solar Photovoltaic Panel		-		4,100
		<u>-</u>		<u>4,100</u>

Note No. 15 - Other income:

Particulars	For the year ended 31st March, 2016		For the year ended 31st March, 2015	
	Rs.	Rs.	Rs.	Rs.
Interest income (Gross)				
- Fixed deposits with banks				231,487
Other non-operating income				
- Unspent liabilities/balances written back			4,337	
- Miscellaneous Income	16,405	16,405	4,665	9,022
		<u>16,405</u>		<u>240,509</u>

Note No. 16 - Changes in inventories of finished goods and work-in-progress:

Particulars	For the year ended 31st March, 2016		For the year ended 31st March, 2015	
	Rs.	Rs.	Rs.	Rs.
Finished goods - Solar Photovoltaic Panel				
Opening stock	1,958,860		1,962,960	
Less: Closing stock	<u>1,958,860</u>	-	<u>1,958,860</u>	4,100
Work in progress - Solar Photovoltaic Panel				
Opening stock	1,448,556		1,448,556	
Less: Closing stock	<u>1,448,556</u>	-	<u>1,448,556</u>	-
		<u>-</u>		<u>4,100</u>

Note No. 17 - Employee benefits expense:

Particulars	For the year ended 31st March, 2016		For the year ended 31st March, 2015	
	Rs.	Rs.	Rs.	Rs.
Salaries and wages		540,000		780,662
Contribution to provident and other funds		-		4,746
Staff welfare expense		-		820
		<u>540,000</u>		<u>786,228</u>



SHURJO ENERGY PRIVATE LIMITED

Notes to accounts (contd.)

Note No. 18 - Finance costs:

Particulars	For the year ended 31st March, 2016		For the year ended 31st March, 2015	
	Rs.	Rs.	Rs.	Rs.
Interest -Short term borrowings		17,310		345,009
Other borrowing costs				149,543
		17,310		494,552

Note No. 19 -Other expenses:

Particulars	For the year ended 31st March, 2016		For the year ended 31st March, 2015	
	Rs.	Rs.	Rs.	Rs.
Rent		546,688		539,328
Security charges		144,000		144,000
Repairs				
- Others				-
Insurance		12,310		17,759
Rates and taxes (excluding taxes on income)		4,568		5,587
Professional & legal Charges		44,147		146,989
Car hiring charges		-		35,717
Payments to auditor				
For statutory audit		50,562		50,562
Miscellaneous expenses		35,007		127,327
		837,282		1,067,269



Notes to accounts (Contd.)

Note No: 20 -Contingent liabilities and commitments (to the extent not provided for):

Other disclosures

Particulars	As at 31st	As at 31st
	March, 2016	March, 2015
	Rs.	Rs.
<b>1 Contingent liabilities:</b>		
Claims against the Company not acknowledged as debts:		
a) Excise duty demand - under appeal	3,062,803	3,062,803
b) Sales tax demand - under appeal	3,786,375	3,786,375
c) Service tax demand	534,563	534,563
	<u>7,383,741</u>	<u>7,383,741</u>

The amounts shown above represent the best possible estimates arrived at on the basis of available information. The uncertainties and timing of the cash flows are dependent on the outcome of the different legal processes which have been invoked by the Company or the claimants as the case may be and therefore cannot be estimated accurately. The Company does not expect any reimbursements in respect of the above contingent liabilities.

In the opinion of the management, no provision is considered necessary for the disputes mentioned above on the grounds that there are fair chances of successful outcome of appeals.

2. Based on the information / documents available with the Company, the amount due to micro and small enterprises as per the requirement of Section 22 of the Micro, Small and Medium Enterprises Development Act, 2016 is Rs Nil (Previous year Nil)

3. Earnings per Share - The numerators and denominators used to calculate Basic / Diluted Earnings per Share :

Particulars	Year	Year
	ended 31st	ended 31st
	March, 2016	March, 2015
	Rs.	Rs.
a) Amount used as the numerator (Rs.)		
Profit after Tax - (A)	(2,999,154)	(9,284,075)
b) Weighted average number of Equity Shares Outstanding used as the denominator for computing Basic Earnings per Share - (B)	45,647,658	45,647,658
c) Weighted average number of Equity Shares Outstanding used as the denominator for computing Diluted Earnings per Share - (C)	45,647,658	45,647,658
d) Nominal value of Equity Shares (Rs.)	1	1
e) Basic Earnings per Share (Rs.) (A/B)	(0.07)	(0.20)
f) Diluted Earnings per Share (Rs.) (A/C)	(0.07)	(0.20)

4. Segment Reporting:

The company is primarily engaged in a single business segment of Solar Photovoltaic Module. All the activities of the company revolve around the main business. As such there are no separate reportable segments as per Accounting Standard -17 "Segment Reporting".



## SHURJO ENERGY PRIVATE LIMITED

Notes to accounts (Contd.)

## 5. Deferred tax:

The Company has unabsorbed depreciation and carried forward business losses available for set off under the Income Tax Act, 1961. However, in view of inability to assess future taxable income, the extent of net deferred tax assets which may be adjusted in the subsequent years is not ascertainable with virtual certainty at this stage and accordingly, keeping with Accounting Standard (AS) - 22 on "Accounting for Taxes on Income", the same has not been recognised in these accounts on prudent basis.

6. In the absence of availability of details, depreciation has been provided at the rates prescribed in the erstwhile Schedule XIV to the Companies Act, 1956 instead of providing depreciation based on the useful life of the assets, as prescribed in Schedule II to the Companies Act, 2013. The impact of the above, on the loss for the year and the balance reported in the Balance sheet as at the end of the year could not be ascertained.

## 7. Employee Benefits :

As per Accounting Standard - 15 "Employee Benefits", the disclosure of Employee Benefits as defined in the Accounting Standard are as follows:

## i) Defined Contribution Plan :

Employee benefits in the form of Provident Fund are considered as defined contribution plan. The contributions to the respective fund are made in accordance with the relevant statute and are recognised as expense when employees have rendered service entitling them to the contribution. The contributions to defined contribution plan, recognised as expense in the Statement of Profit and Loss are as under:

Defined Contribution Plan	Year ended 31st March, 2016	Year ended 31st March, 2015
	Rs.	Rs.
Employers' Contribution to Provident Fund	-	4,083

The Provident Fund Expenses have been recognised under "Contribution to Provident Fund and Other Funds" under Note No.17.

## 8. Related party disclosures as per Accounting Standard - 18 are given below :

## a) Name of the related parties and description of relationship :

- i) Holding Company : PAE Limited  
(Control exists)
- ii) Fellow Subsidiary Company : PAE Renewables Private Limited

## b) Transactions with Related parties :

Nature of transaction / Name of the related party		Holding	Fellow	Total
		Company	Subsidiary	
		Rs.	Rs.	Rs.
<b>a) Transaction during the year</b>				
i) Other Advances Received		938,452 (8,277,615)	16,237 (-)	954,689 (8,277,615)
ii) Other Advance repaid		1,976,152 (14,360,824)	- (-)	1,976,152 (14,360,824)
<b>b) Outstanding balance</b>				
i) ICD Payable		9,813,979 (9,813,979)	- (-)	9,813,979 (9,813,979)
ii) Advances Payable		54,693,798 (55,731,498)	16,237 (-)	54,710,035 (55,731,498)
iii) Trade receivables		- (-)	554,931 (554,931)	554,931 (554,931)



SHURJO ENERGY PRIVATE LIMITED

Notes to accounts (Contd.)

- c) The transactions with related parties have been entered at an amount which are not materially different from those on normal commercial terms.
- d) The amount due from related parties are good and hence no provision for doubtful debts in respect of dues from such related parties is required.
- e) Figures in brackets pertain to previous period.
9. The impairment loss on fixed assets has not been provided. The company is carrying the cost of fixed assets at historical cost. Impairment loss arising out of the same will be accounted as and when the same is realised on sale of assets.
10. The accumulated losses at the year end exceed the net worth. It is felt that the status of the Company will improve in the following years. Further, the Holding Company has provided the necessary funds for the operations. Accordingly, the Company has considered that it will be able to continue as a going concern entity.

11. Value of imports on C.I.F. basis

Particulars	Year ended	Year ended
	31st March, 2016	31st March, 2015
	Rs.	Rs.
a) Raw materials	-	-
b) Components and spare parts	-	-

12. Expenditure in foreign currency - Nil (Previous year Nil).

13. Consumption of materials

Particulars	Year ended		Year ended	
	31st March, 2016		31st March, 2015	
	Percentage	Amount	Percentage	Amount
		Rs.		Rs.
a) Imported	-	-	-	-
b) Indigenous	-	-	-	-
Total	-	-	-	-

14. Consumption of spare parts and components - Nil (Previous year Nil).

15. Earnings in foreign exchange - Nil (Previous year Nil).

16. The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

As per our report of even date attached.

For G.P. Agrawal & Co.

Chartered Accountants

Firm's Registration No. - 302082E

(CA. Ajay Agrawal)

Partner

Membership No. 17643

Place of Signature : Kolkata

Dated : 03rd day of June, 2016

For and on behalf of the Board of Directors



*Pritam A. Doshi*

Pritam A. Doshi

Director

DIN :00015302

*Shashi Nair*

Shashi Nair

Director

DIN :05156780



**M.B. AGRAWAL & CO.**  
CHARTERED ACCOUNTANTS

204, Mhatre Pen Bldg., Senapati Bapat Mar  
Dadar (West), Mumbai - 400 028.  
Tel.: 24314881 / 82, Fax : 2436 3312  
E-mail : mbaandco@yahoo.co.in

M B AGRAWAL F.C.A., F.I.V.  
YATIN MEHTA F.C.A.  
RAMESHMAL SANGHAVI F.C.A.  
SANJAY LUNKAD F.C.A., D.I.S.A. (ICA)

HEMANT AGRAWAL F.C.A.  
HARSHAL AGRAWAL F.C.A., D.I.S.A. (ICA), C.I.S.A.  
SUBODH N. AGRAWAL F.C.A.

## INDEPENDENT AUDITOR'S REPORT

To,  
The Members of  
**PAE Renewables Private Limited**

### Report on the Standalone Financial Statements

1. We have audited the accompanying financial statements of **M/s. PAE Renewables Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31<sup>st</sup>, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### Management's Responsibility for the Standalone Financial Statements

2. The Management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements to give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. 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 and the rules made there under.
5. We conducted our audit 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 financial statements. The procedures selected depend on the



auditor's judgment, including the assessment of the risks of material misstatement of the 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 financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Management and Board of Directors, as well as evaluating the overall presentation of the financial statements.

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

#### Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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:
  - a. In case of its Balance Sheet of the State of Affairs of the Company as at March 31<sup>st</sup>, 2016,
  - b. In case of Statement of Profit & Loss of the Loss for the year ended on that date, and
  - c. In case of Cash Flow Statement of its cash flow for the year ended on that date.

#### Emphasis of Matter

Attention is invited to Note no. 33 regarding Going concern

The Company directly and through its subsidiaries sold its solar power generation business which has resulted in a loss on sale of its investments of an exceptional nature and also made provision for diminution in the value of investment. This has resulted in a loss of Rs. 11,20,78,359/- causing substantial erosion of the net worth of the company. However, the solar rooftop EPC business continues in the company and hence the company has prepared the accounts on going concern basis.  
Our opinion is not qualified in respect of this matter.

#### Report on Other Legal and Regulatory Requirements

9. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub section (11) of section 143 of the Act (hereinafter referred to as "Order"), we give in the Annexure A, statement of the matters specified in paragraphs 3 and 4 of the Order.
10. As required by Section 143 (3) of the Act, we further 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, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts of the company.



- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2016, taken on record by the Board of Directors, none of the Directors is disqualified as on 31<sup>st</sup> March, 2016 from being appointed as a director in terms of sec 164(2) of the act;
- f) 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 and;
- 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 knowledge and belief and according to the information and explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts as at Balance Sheet date; as such the question of commenting on any material foreseeable losses, thereon does not arise.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31st, 2016. The question of delay in transferring such sums does not arise



**For M B Agrawal & Co.**  
**Chartered Accountants**  
**FIRN No: 100137W**

A handwritten signature in black ink, appearing to read "Sanjay Lunkad".

**Sanjay Lunkad**  
**Partner**  
**Membership No: 48229**

**Place: Mumbai**  
**Date: Jun 3rd , 2016**

## Annexure – A to Independent Auditors' Report

Referred to in Paragraph 9 of the Independent Auditors' Report of even date on the financial statement as of and for the year ended March 31<sup>st</sup>, 2016.

- i.
  - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
  - (b) As explained to us, all the assets have been physically verified by the management at reasonable intervals, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
  - (c) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company does not have any immovable property in its name and therefore the said clause is not applicable.
- ii. As per information and explanation given to us and in our opinion, the management has carried out physical verification of stocks at reasonable intervals, no material discrepancies have been observed.
- iii. In respect of the loans, secured or unsecured, granted by the company to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
  - (a) The Company has not granted loans, secured or unsecured to companies, firms, limited liability partnership or other parties covered in the register maintained under Section 189 of Companies Act, 2013. Accordingly, clauses (b) and (c) are not applicable to the Company.
- iv. In our opinion and according the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to loans and investments made.
- v. According to information and explanations provided to us, the company has not obtained deposit from public as defined according to the provisions of Section 73 to 76 of the Companies Act, 2013 and the Rules framed there under.
- vi. As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Act.
- vii. **In respect of Statutory Dues:**
  - (a) According to information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues, including Provident fund , Employees' State Insurance Income tax, sales tax, service tax, Customs Duty, Excise duty value added tax, cess and other statutory dues, as applicable, with the appropriate authorities.



- (b) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of income tax, sales tax, service tax, Customs Duty or excise duty value added tax which have not been deposited on account of any disputes.
- viii. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loans or borrowings from financial institutions, banks, Government or debenture holders.
- ix. The company has not raised any money via initial public offer or by way of further public offer (including debt instruments) and term loans.
- x. According to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. As explained to us the company being a private limited company as per provision of Section 2(68) r.w.s 2(71) of the Act, the provision of Section 197 r.w. Schedule V to the Act, pertaining to managerial remuneration are not applicable to it.
- xii. In our opinion, the company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. As explained to us the company being a private limited company, the provisions of sec 177 read with Rule 6 of the Companies ( Meetings of Board and its Powers) Rules, 2014 are not applicable to it. All transactions with the related parties are in compliance with Section 188 of Companies Act, 2013, where applicable, and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv. According to the information and explanations provided to us, the company has not made preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xv. According to the information and explanations provided to us, and based on our examination of the records of the Company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

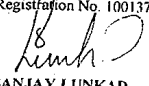
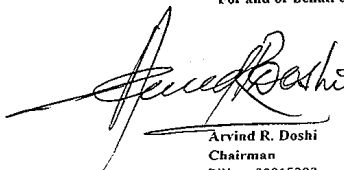
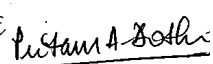



Place: Mumbai  
Date: June 3<sup>rd</sup>, 2016

For M B Agrawal & Co.  
Chartered Accountants  
FRN No: 100137W

Sanjay Lunkad  
Partner  
Membership No: 48229

PMI Renewables Pvt Limited  
BALANCE SHEET AS AT 31.03.2016

Particulars		Note No.	As at March 31, 2016	In Rupee As at March 31,
<b>I EQUITY AND LIABILITIES</b>				
(1)	Shareholders' Funds			
	Share Capital	2	93,850,000	93,850,000
	Reserves And Surplus	3	(92,140,857)	19,937,143
(2)	Non-current Liabilities			
	Long term Borrowings	4	6,531,862	3,025,500
	Long-term Provisions	5	126,803	105,500
(3)	Current Liabilities			
	Short-term Borrowings	6	5,306,821	9,299,600
	Trade Payables	7	1,915,988	1,726,400
	Other Current Liabilities	8	5,646,902	4,786,500
	Short-term Provisions	9	413,866	200,000
<b>TOTAL</b>			<b>21,651,385</b>	<b>132,932,040</b>
<b>(II) ASSETS</b>				
(1)	Non-current Assets			
	Fixed Assets			
	Tangible / Intangible Assets	10	20,059	266,600
	Non current Investment	11	313,500	114,600,400
	Deferred tax asset (Net)	12	2,153,245	1,626,550
	Long-term Loans And Advances	13	541,123	1,948,080
	Other Non-current Assets	14	2,308,858	2,003,620
(2)	Current Assets			
	Inventories	15	1,211,063	1,322,430
	Trade Receivables	16	3,790,327	3,240,320
	Cash And Cash Balances	17	2,244,871	2,975,320
	Short-term Loans And Advances	18	54,096	199,500
	Other Current Assets	19	9,014,273	4,749,060
<b>TOTAL</b>			<b>21,651,385</b>	<b>132,932,040</b>
			0	0
Significant Accounting policies				
The accompanying notes are an integral part of the financial statements		1		
As per our report attached For M. B. Agrawal & Co. Chartered Accountants Registration No. 100137W		For and or behalf of Board of Directors		
 <b>SANJAY LUNKAD</b> Partner Membership No. 48229		  <b>Arvind R. Doshi</b> Chairman DIN no. 00015293		
		<b>Pritam A. Doshi</b> Director DIN no. 00015302		
Mumbai, Dated June 03, 2016				

PAE Renewables Pvt. Limited  
Statement of Profit and Loss for the year ended 31.03.2016

Particulars		Note No.	As at March 31, 2016	In Ru As at March 31
<b>INCOME</b>				
I	Revenue From Operations	20	28,029,674	21,21
II	Other Income	21	523,805	84
III	Total Revenue (I+II)		28,553,179	21,76
<b>EXPENSES</b>				
IV	Purchases Of Stock-in-Trade	22	17,764,561	16,16
	(Increase) / Decrease In Inventory Of Stock-in-Trade	23	111,374	18
	Employee Benefits Expense	24	4,282,873	4,151
	Finance Costs	25	1,624,642	1,642
	Depreciation And Amortization Expense	10	145,773	443
	Other Expenses	26	4,410,611	4,454
	Total Expenses		28,339,834	27,043
V	Profit/(Loss) before exceptional and extraordinary items and tax		213,345	(2,283)
<b>VI Exceptional Items</b>				
	(Loss on sale of long term investments)		22,153,471	
	(Diminution in the value of long term investment)		90,664,895	
VII	Profit/(Loss) before extraordinary item and tax		(112,605,021)	(2,283)
<b>Extraordinary Items</b>				
VIII	Profit/(Loss) before Tax		(112,605,021)	(2,283)
<b>IX Tax Expense</b>				
	Current tax		-	
	Less : Mat Credit entitlement		-	
	Deferred Tax		(526,662)	(539,1)
X	Profit/(Loss) for the period		(112,078,359)	(1,744,
<b>Earnings Per Equity Share</b>				
	Basic	27	(11.94)	0
	Diluted		(11.93)	0

As per our report attached  
For M. B. Agrawal & Co.  
Chartered Accountants  
Registration No. 100137W

*Sanjay Lunkad*  
SANJAY LUNKAD  
Partner  
Membership No. 48229



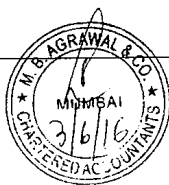
Mumbai, Dated June 03, 2016

For and on behalf of Board of Directors

*Arvind R. Doshi*  
Arvind R. Doshi  
Chairman  
DIN no. 00015293

*Pritam A. Doshi*  
Pritam A. Doshi  
Director  
DIN no. 00015302

Note No.	Particulars	As at March 31, 2016		As at March 31,	
2	<b>Share Capital</b>				
a	<b>Authorised</b> 1,00,00,000 Equity Shares of Rs 10 each (Previous Year: 1,00,00,000 Equity Shares of Rs 10 each)		100,000,000		100,000
			<u>100,000,000</u>		<u>100,000</u>
b	<b>Issued, Subscribed and Fully Paid Up</b> 93,85,000 Equity Shares of Rs. 10 each fully paid up. (Previous Year: 93,85,000 Equity Shares of Rs. 10 each)		93,850,000		93,850
			<u>93,850,000</u>		<u>93,850</u>
c	<b>Reconciliation of the number of shares and amount outstanding at the beginning and at the end</b> Equity Shares:				
		31-Mar-16		31-Mar-15	
		No. of shares	Amount	No. of shares	Amount
	At the beginning of the year	9,385,000	93,850,000	9,385,000	93,850
	Issued during the year				
	Outstanding at the end of the year	9,385,000	93,850,000	9,385,000	93,850
d	<b>Terms/rights attached to equity shares</b> The company has only one class of equity shares having a face value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.				
e	<b>Details of shareholder holding more than 5% shares in the company</b>	31-Mar-16		31-Mar-15	
		No. of Shares	% holding in the class	No. of Shares	% holding in the class
	PAE Limited	9,385,000	100	9,385,000	100
	As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest the above shareholding represents both legal and beneficial ownership of shares.				
f	During the period of 5 years immediately preceding the balance sheet date, no shares were issued for consideration other than cash. Also, no bonus shares were issued and no shares were bought back by the company in the said period.				
3	<b>Reserves and Surplus</b>				
a	<b>Securities Premium Account</b>		22,877,500		22,877,500
			<u>22,877,500</u>		<u>22,877,500</u>
b	<b>Surplus/(Deficit) in the statement of profit &amp; loss</b>				
	Opening Balance		(2,939,998)		(1,195,812)
	Add: Profit/(loss) for the year		(112,078,339)		(1,744,142)
	Closing Balance		<u>(115,018,337)</u>		<u>(2,939,954)</u>
	<b>Total reserves and surplus</b>		<u>(92,140,837)</u>		<u>19,937,546</u>
4	<b>Long Term Borrowings :</b>				
	Intercompany deposit		6,531,862		3,025,912
			<u>6,531,862</u>		<u>3,025,912</u>



10. FIXED ASSETS

Asset	Gross Block			Depreciation			Net Block as at	Net Block as at		
	As at 31.03.2015	Additions	Sale	As at 31.03.2016	As at 31.03.2015	Additions	Sale	31.03.2016	Mar 2016	Mar 2015
Tangible assets	949,283	22,926	929,350	42,859	683,265	145,253	805,583	22,835	19,924	266,018
Office Equipment				7,876	7,223	520	-	7,743	135	655
Computers	7,878							6,750		
Furniture	6,750			6,750						
Grand Total	963,911	22,926	929,350	57,487	697,238	1,45,773	805,583	37,428	20,059	266,673
Previous Year Total	976,011	99,900	112,000	957,161	323,566	445,162	76,240	690,488	266,673	645,695

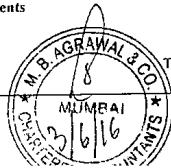
Note : On 10th March 2016 the company has converted 12 batteries appearing under the head office equipment having written down value of Rs.16332/-into stock in trade.





As at March 31, 2016 As at March 31,

5	<b>Long-term Provisions</b>		
	Provision for employee benefits (refer note no. 30)		
	Gratuity	1,235	193
	Leave Encashment	125,568	193
		<u>126,803</u>	<u>193</u>
6	<b>Short Term Borrowings</b>		
	<b>Loans repayable on demand:</b>		
	<b>From Banks:</b>		
	Secured:		
	Working capital loan	4,701,015	3,675
	Unsecured:		
	Loan from Director	605,806	5,623
	Loan from Holding Company	-	-
		<u>5,306,821</u>	<u>9,299</u>
	Working capital loan from Jain Sahakari Bank Ltd. is secured by hypothecation of stocks and book debts. The working capital loan from bank carries interest.		
7	<b>Trade Payables (including acceptances)</b>		
	Associate companies	638,756	554
	Holding company	-	115
	Others	1,277,232	1,056
		<u>1,915,988</u>	<u>1,726</u>
8	<b>Other Current Liabilities</b>		
	Sundry creditors for expenses	1,656,551	1,056
	Other Payables	459,400	473
	Dealer Deposit	3,166,467	3,000
	Statutory dues payable	364,784	256
		<u>5,646,902</u>	<u>4,786</u>
9	<b>Short-term Provisions</b>		
	<b>Provision for employee benefits</b>		
	Leave Encashment	20,304	14,2
	Gratuity	104,900	59,0
	Provision for warranties	288,662	126,7
		<u>413,866</u>	<u>200,0</u>
11	<b>Non Current Investment</b>		
	<b>Trade Investments</b>		
	<b>Investment in Equity Instruments</b>		
	<b>Investment in Subsidiary Companies (Unquoted)</b>		
	PAE Renewables Pte. Ltd. - Singapore		
	(Previous Year: 1910072 shares Equity Shares of USD 1/- each fully paid)	90,799,407	
	Less: Diminution in the value of investment	<u>90,664,895</u>	
	Distribution back from Subsidiary	134,512	90,799,41
	Sovox Renewables Pvt. Ltd.		23,487,51
	(Previous Year: 2300000 Equity Shares of Rs. 10/- each fully paid)		
	<b>Total Rs.</b>		<u>114,286,91</u>
	<b>Other Investments</b>		
	Jain Sahakari Bank Ltd.	313,500	313,50
	12540 (Previous year 12540 equity shares) Equity shares of Rs. 25/- fully paid		
	<b>Total Rs.</b>	<u>313,500</u>	<u>114,600,40</u>
	<b>Aggregate Book Value of Investments</b>		
	Unquoted Investments	313,500	114,600,40
	<b>Total Rs.</b>	<u>313,500</u>	<u>114,600,40</u>



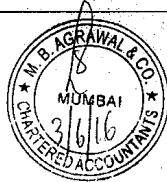
12	Deferred tax asset/liability (net)	110,418	87,497
	Deferred tax asset	66,813	66,812
	Provision for employee benefits	181,387	1,567,693
	Unabsorbed depreciation	1,875,368	1,721,604
	Depreciation	2,153,215	
	Unabsorbed losses		95,051
	Gross deferred tax asset		1,626,553
	Deferred tax liability:	2,153,215	1,626,553
	Depreciation	526,662	539,021
	Gross deferred tax liability		
	Net deferred tax asset/(liability) at the year end		
	Deferred tax (asset)/liability recognised during the year		
13	Long-term Loans & Advances		1,625,108
	Unsecured considered good	260,860	15,000
a	Loans and Advances to subsidiaries	280,263	307,973
b	Deposits	541,123	1,948,081
c	Advance income tax (net of provision)		
14	Other Non-current Assets	1,600,000	1,600,000
	Deposits with bank with maturity of more than 12 months	708,858	403,621
	Interest accrued but not due	2,308,858	2,003,621
	Margin money deposits with original maturity of more than 12 months of Rs.16 lacs is against working capital		
		1,211,063	1,322,437
15	Inventories	1,211,063	*1,322,437
	Traded Goods		
16	Trade Receivables: (Unsecured, considered good unless otherwise stated)	594,179	717,706
	Outstanding over six months from the date they were due for payment	3,196,148	2,522,614
	Others	3,790,327	3,240,320
17	Cash And Bank Balances		
	Cash and cash equivalents	208,620	924,584
	Balances with Banks	334,514	349,001
	On current account		
	Cash in hand	1,701,737	1,701,737
	Other bank balances:		
	Margin money deposits with maturity of more than three months and upto 12 months	2,244,871	2,975,322
18	Short-term Loans & Advances		
	Unsecured considered good	36,100	158,560
	Sundry Deposits	17,996	41,000
	Advances receivable in cash or kind or for value to be received	54,096	199,560
19	Other Current Assets	8,816,201	4,694,886
	Subsidy receivable	198,072	26,012
	Prepaid expenses		28,168
	Dividend receivable	9,014,273	4,749,066



	As at March 31, 2016	As at March 31, 201
<b>20 Revenue From Operations</b>		
Net Sale of Traded Goods less Returns	19,472,024	19,598,315
<b>Other Operating Revenues:</b>		
Subsidy on solar projects	8,557,650	4,613,100
	<u>28,029,674</u>	<u>24,211,415</u>
<b>Details of traded goods</b>		
Lead acid storage batteries	3,392,219	4,140,755
Power backup systems	2,680,664	4,598,006
Solar Products	10,795,348	8,262,780
<b>Sale of service :</b>		
Annual maintenances contact	1,855,902	1,844,634
Hire charges	467,500	510,000
Other service	280,391	242,140
	<u>19,472,024</u>	<u>19,598,315</u>
<b>21 Other Income</b>		
Exchange fluctuation income	53,071	150,869
Interest on bank deposit	339,153	253,132
Interest on Income Tax Refund	4,265	-
Dividend Earned	31,350	28,168
Sundry balances W/back	21,313	115,805
Profit on sale of assets	69,050	-
Other miscellaneous receipt	5,303	750
	<u>523,505</u>	<u>548,724</u>
<b>22 Details of purchase of traded goods</b>		
Lead acid storage batteries	2,603,391	3,328,281
Power backup systems	1,900,520	3,911,711
Solar Products	13,106,828	8,563,610
Consumable stores	153,822	362,850
	<u>17,764,561</u>	<u>16,166,452</u>
<b>23 Changes in inventories Stock-in-Trade</b>		
Closing Stock	1,211,063	1,322,437
Opening Stock	1,322,437	1,507,745
(Increase)/decrease in stock	<u>111,374</u>	<u>185,308</u>
<b>Details of Inventory</b>		
<b>Traded goods</b>		
Lead acid storage batteries	11,978	37,682
Power backup systems	717,200	321,515
Solar Products	986,885	963,240
	<u>1,211,063</u>	<u>1,322,437</u>
<b>24 Employee Benefits Expense</b>		
Salaries and Wages	4,013,499	3,930,894
Staff Welfare Expenses	269,374	211,764
	<u>4,282,873</u>	<u>4,151,658</u>
<b>25 Finance Costs</b>		
Interest Expense	1,561,718	1,573,174
Bank Charges	62,924	69,273
	<u>1,624,642</u>	<u>1,642,447</u>



		As at March 31, 2016	As at March 31, 20
26	<b>Other Expenses</b>		
	Rent	611,107	510,69
	Repairs to others	105,998	44,68:
	Insurance	44,967	35,34:
	Rates & Taxes	19,110	277,53:
	Stationery, Postage, Advertisement, Telephone	191,874	156,38:
	Packing and Forwarding	601,913	388,732
	Professional and legal charges	133,334	351,114
	Conveyance and travelling charges	649,649	713,556
	<b>Payment to auditor</b>		
	As Auditor:		
	(i) Audit Fees	34,350	33,708
	(ii) Tax Audit Fees	11,450	11,236
	(iii) in other capacity	28,090	
	Miscellaneous Expenses	244,749	643,543
	Commission to dealer and others	1,289,003	783,171
	Installation Charges	335,017	213,183
	Loss on sale of assets	-	5,760
	Market dev exp	110,000	285,625
		<u>4,410,611</u>	<u>4,454,273</u>
27	<b>Earnings Per Share (EPS)</b>		
	Profit/(loss) after tax	(112,078,359)	(1,744,140)
	Weighted average number of equity share outstanding	9,385,000	9,385,000
	Basic und diluted earnings per share (in Rupees)	(11.94)	(0.19)



Particulars	2015-16		2014-15	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
<b>I. Reconciliation of opening and closing balances of Defined Benefit Obligation</b>				
Liability at the beginning of the year	116,909		84,711	
Current service cost	35,146		39,728	
Interest Cost	9,246		7,808	
Past Service cost/(vested benefit) incurred during the period				
Benefits paid	(24,231)		(35,530)	
Actuarial(gain)/loss	5,667		(7,088)	
Liability at the end of the year	142,128		116,300	120,157
<b>II. Reconciliation of opening and closing balances of Fair Value of Plan Assets:</b>				
Fair value of plan assets at the beginning of the year	57,241		52,515	
Expected return on plan assets	4,551		4,569	
Contributions				
Benefits paid	(24,231)			
Actuarial(gain)/loss on plan assets	(1,568)		157	
Fair value of plan assets at the end of the year	35,993		57,241	
Net Actuarial (gain)/loss to be recognized	47,076		26,315	
Actuarial return on plan assets:				
Expected return on plan assets	4,551		4,569	
Actuarial gain/(loss) on plan assets	(1,568)		157	
Actuarial return on plan assets	2,983		4,726	
<b>III. Reconciliation of fair value of assets and obligations:</b>				
Liability at the end of the year	106,135		(59,059)	120,157
Fair value of plan assets at the end of the year	35,993		57,241	
Amount recognised in the Balance Sheet under "Provisions for retirement benefits"				
<b>IV. Expenses recognised in the profit and loss account:</b>				
Current service cost	35,146		30,191	39,728
Interest Cost	4,695		3,369	7,688
Expected return on plan assets				
Past Service cost/(vested benefit) incurred during the period				
Net Actuarial (gain)/loss in the recognition	7,235		(7,245)	23,581
Expense recognised in the profit and loss account under "Contribution to provident, gratuity and other funds"	26,315		26,315	71,177
<b>V. Principal assumptions:</b>				
	In percent	In percent	In percent	In percent
<b>Mortality Table LIC</b>				
Discount Rate	8.04		7.95	7.95
Expected return on plan assets	8.04		7.95	
Rate of escalation in salary	5.00		5.00	5.00
Attrition rate	2.00		2.00	2.00
29 The company has defined its business segments as Lead Acid Storage Batteries, Power Backup Systems Solar Products and sale of services taking into account the nature of the products, and differential risks and returns.				
As per the Accounting Standard 17 on "Segment Reporting" issued by the Institute of Chartered Accountants of India, the segment disclosures are as follows :				
Particulars			31-Mar-16	31-Mar-15
<b>A SEGMENT REVENUE</b>				
<b>1 Sales (Net of VAT)</b>				
Lead Acid Storage Batteries			3,392,219	4,140,755
Power Backup System			2,680,664	4,598,006
Solar			19,352,998	12,875,880
Sale of Services			2,603,793	2,596,774
Net Sales / Income from operations			28,029,674	24,211,415
<b>B RESULT</b>				
<b>1 Segment Result</b>				
Lead Acid Storage Batteries			763,124	527,974
Power Backup System			670,829	749,689
Solar			6,115,993	3,985,218
Sale of Services			2,603,793	2,596,774
Gross Segment Result			10,153,739	7,859,655
<b>2 Less : Allocated Expenses</b>				
Lead Acid Storage Batteries			1,514,491	1,818,271
Power Backup System			1,196,810	2,019,057
Solar			4,819,693	3,628,318
Sale of Services			1,162,490	1,140,285
Total Allocated Expenses			8,693,484	8,605,931
Net Segment Result			1,460,255	(746,276)
<b>3 Less:</b>				
Unallocated Income			523,505	548,724
Depreciation			145,773	443,162
Finance Cost			1,624,642	1,642,447
Profit / (Loss) from ordinary activities			213,345	(2,283,161)
Net Profit / (Loss) before Tax			213,345	(2,283,161)
Capital Employed			13,547,826	126,113,069
The assets and liabilities of the company are not specifically identifiable with a particular segment.				



50 Related party disclosures as per AN 18

A. Particulars of holding company  
PAE Limited

B. Particulars of subsidiary and associate companies and enterprises controlled by any person described as Key management Personnel  
PAE Renewables Pte Ltd. - Singapore (subsidiary company)  
Shurjo Energy Pvt. Ltd.  
PAE Infrastructure Pvt. Ltd.  
Rajubai Investment Pvt. Ltd.  
Assure Insurance Advisors Pvt. Ltd.  
Arvind R. Doshi HUF  
Pritam A. Doshi HUF  
Walchand Institute of Technology  
Seth Sakharam Nemchand Jain Aushadhalay Trust

C. Key Management Personnel:  
Name of related party  
Shri Arvind R. Doshi  
Shri Pritam A. Doshi

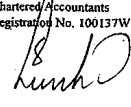

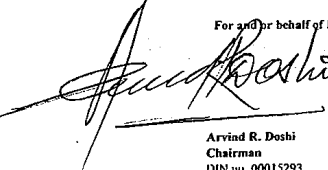
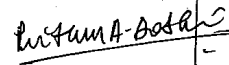
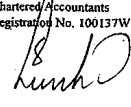

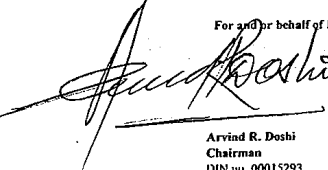
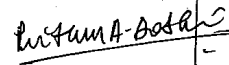
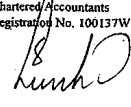

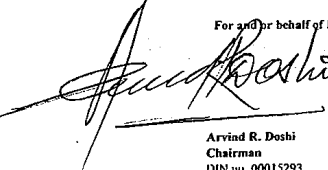
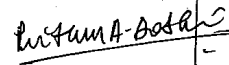
D. Relatives of Key Management Personnel:  
Name of relatives  
Smt. Pratibha A. Doshi  
Ms. Priyadarshani A. Doshi  
Smt. Sohini P. Doshi  
Master Viraj P. Doshi  
Baby Nitya P. Doshi

E. Details of transactions with related parties:

Particulars	Holding Company	Enterprises mentioned in 'B' above	Key Management Personnel:
1. Rent paid PAE Ltd.	261,547 (267,157)		
PAE Infrastructure Pvt Ltd.		100,000	
2. Sales of goods PAE Ltd.	(84,946)		
3. Purchase of goods PAE Ltd.	532,106 (2,973,963)		
4. Other advance paid Shurjo Energy Pvt Ltd.		16,237	
5. ICD taken Rajubai Investments Pvt Ltd.		3,100,000	
5. ICD repaid Rajubai Investments Pvt Ltd.		(6,000,000)	
6. Interest on ICD taken Rajubai Investments Pvt Ltd.		405,951 (742,914)	
7) Loan from Key Management Personnel Shri Pritam Doshi			1,500,000
8) Loan Repaid to Key Management Personnel Shri Pritam Doshi			1,000,000
9) Interest on Loan from Key Management Personnel Shri Pritam Doshi			105,806
10) Distribution back from Subsidiary PAE Renewables PTE. LTD. - Singapore		134,512	
11) Loan repaid by Subsidiary PAE Renewables PTE. LTD. - Singapore		1,625,108	
Amount outstanding on balance sheet date	Holding Company	Enterprises mentioned in 'B' above	Key Management Personnel:
PAE Ltd.	(5,633,650)		
Corporate Guarantee received and outstanding PAE Ltd.	12,500,000 (12,500,000)		
ICD outstanding Rajubai Investment Pvt Ltd.		5,100,000 (2,000,000)	
Interest payable on ICD (Net of TDS) Rajubai Investment Pvt Ltd.		1,431,862 (1,025,911)	
Purchase of goods Shurjo Energy Pvt. Ltd.		538,756 (554,993)	
Rent outstanding PAE Infrastructure Pvt Ltd.		100,000	
Loan from director Mr. Pritam A Doshi			500,000
Interest payable on Loan from director (Net of TDS) Mr. Pritam A Doshi			105,806

Figures for the previous year have been given in brackets.



31	<b>Capital and other commitments</b> There are no capital and other commitments as on the balance sheet date.												
32	<b>Provision for warranties</b> As per As-29, Provisions, Contingent Liabilities and Contingent Assets, issued by the Institute of Chartered Accountants of India, given below are the movements in the warranty provision account  As at the beginning of the year Provision for warranty made during the year Utilised during the year Closing provision for warranty as at the end of the year	<table border="1"> <thead> <tr> <th>March 31, 2016</th> <th>March 31, 2015</th> </tr> </thead> <tbody> <tr> <td>126,728</td> <td>-</td> </tr> <tr> <td>161,934</td> <td>126,728</td> </tr> <tr> <td>-</td> <td>-</td> </tr> <tr> <td><b>288,662</b></td> <td><b>126,728</b></td> </tr> </tbody> </table>	March 31, 2016	March 31, 2015	126,728	-	161,934	126,728	-	-	<b>288,662</b>	<b>126,728</b>	
March 31, 2016	March 31, 2015												
126,728	-												
161,934	126,728												
-	-												
<b>288,662</b>	<b>126,728</b>												
33	PAER was the holding company of the solar business. Most of the equity capital was used to acquire the solar power plant business, and the solar rooftop EPC business is conducted in PAER itself. When the solar power plant business was sold at lower than original investment, the write off of its investment has significantly affected the net worth of PAER. However, the solar rooftop EPC business continues in PAER which does not require substantial capital, and therefore remains unaffected by the erosion of the company's capital and net worth.												
34	PAE Renewables Pvt. Ltd. entered into an MOU on 05 <sup>th</sup> March 2015 for transfer of shares held by them to the extent of 24.31% in Sovox Renewables Pvt. Ltd. and 75.69% of Sovox Renewables Pte. Ltd. which in turn holds 100% equity shares of Sovox Renewables Pvt Ltd. As per MOU the entire transaction was completed on 31 <sup>st</sup> March 2015 thereby resulting in change of control of Sovox Renewables Pvt Ltd. to the buyers hence, Sovox Renewables Pvt Ltd. and Sovox Renewables Pte Ltd. have not been considered for consolidation.												
35	<b>Contingent liabilities</b> There are no liabilities which are contingent in nature as on the balance sheet date.												
36	<b>Dues to micro and small enterprises</b> There are no amounts overdue and remaining unpaid for 30 days on account of principal and/or over due interest at the close of the year to micro, small and medium enterprises.												
37	<b>Others</b> Previous year's figures have been regrouped/reclassified wherever necessary.												
<table border="0"> <tr> <td data-bbox="357 924 552 1197">           As per our report attached            For M. B. Agrawal &amp; Co.            Chartered Accountants            Registration No. 100137W      <b>SANJAY LUNKAD</b>            Partner            Membership No. 48229             Mumbai, Dated 03 June, 2016         </td> <td data-bbox="552 924 747 1197" style="text-align: center;">  </td> <td data-bbox="747 924 1088 1197">           For and on behalf of Board of Directors        <b>Arvind R. Doshi</b>            Chairman            DIN no. 00015293         </td> <td data-bbox="1088 924 1331 1197">    <b>Pritam A. Doshi</b>            Director            DIN no. 00015302         </td> </tr> </table>				As per our report attached For M. B. Agrawal & Co. Chartered Accountants Registration No. 100137W    <b>SANJAY LUNKAD</b> Partner Membership No. 48229  Mumbai, Dated 03 June, 2016		For and on behalf of Board of Directors      <b>Arvind R. Doshi</b> Chairman DIN no. 00015293	  <b>Pritam A. Doshi</b> Director DIN no. 00015302						
As per our report attached For M. B. Agrawal & Co. Chartered Accountants Registration No. 100137W    <b>SANJAY LUNKAD</b> Partner Membership No. 48229  Mumbai, Dated 03 June, 2016		For and on behalf of Board of Directors      <b>Arvind R. Doshi</b> Chairman DIN no. 00015293	  <b>Pritam A. Doshi</b> Director DIN no. 00015302										

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2016

Particulars	In Rupees 2015-16	In Rupees 2014-15
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
NET PROFIT/(LOSS) BEFORE TAX	(112,605,021)	(2,283,161)
ADJUSTMENTS FOR:		
DEPRECIATION	145,773	443,162
FINANCE COST	1,624,642	1,612,447
INTEREST, DIVIDEND INCOME	(374,768)	(281,309)
DIMINUTION IN VALUE OF INVESTMENT	90,664,895	-
LOSS ON SALE OF INVESTMENT	22,153,471	-
PROFIT ON SALES OF ASSETS	(69,050)	-
ASSETS CONVERTED INTO STOCK	16,333	-
SCRAPPED STOCK WRITTEN OFF	1,484	-
LOSS ON SALE OF ASSETS	-	5,760
	<u>114,162,780</u>	<u>1,810,069</u>
	1,557,759	(473,092)
<b>OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES</b>		
ADJUSTMENTS FOR:		
TRADE AND OTHER RECEIVABLES	(550,007)	12,626,804
SHORT TERM LOANS AND ADVANCES	145,464	1,810,711
OTHER CURRENT ASSETS	(4,265,207)	5,591,034
LONG TERM LOANS AND ADVANCES	1,406,958	505,454
OTHER NON-CURRENT ASSETS	(305,237)	(244,962)
INVENTORIES	111,374	185,308
TRADE PAYABLES & OTHER CURRENT LIABILITIES	1,049,863	(9,118,159)
SHORT TERM PROVISION	213,829	157,602
LONG TERM PROVISION	20,896	31,088
	<u>(2,172,068)</u>	<u>11,544,880</u>
<b>CASH GENERATED FROM OPERATIONS</b>	<u>(614,309)</u>	<u>11,071,788</u>
DIRECT TAXES (PAID)/REFUNDS		(790,554)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<u>(614,309)</u>	<u>10,281,234</u>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
PURCHASE OF FIXED ASSETS	(22,926)	(99,900)
SALE OF FIXED ASSETS	175,000	30,000
SALE OF INVESTMENT	1,468,541	-
INTEREST RECEIVED	343,418	253,132
DIVIDEND RECEIVED	31,350	28,168
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<u>1,995,383</u>	<u>211,400</u>
	1,381,075	10,983,637
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
CAPITAL INFLOW		
INTEREST PAID	(1,624,642)	(1,642,447)
PROCEEDS FROM SHORT TERM BORROWING(NET)	(3,992,835)	(7,217,565)
PROCEEDS FROM LONG TERM BORROWING(NET)	3,505,951	-
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<u>(2,111,526)</u>	<u>(8,860,012)</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<u>(730,451)</u>	<u>2,123,625</u>
OPENING BALANCE AS AT BEGINNING OF THE YEAR	2,975,322	851,697
CLOSING BALANCE AS AT END OF THE YEAR	<u>2,244,871</u>	<u>2,975,322</u>
	(730,451)	2,123,625

Notes:

- The Cash Flow has been prepared under the "Indirect Method" as set out in Accounting Standard-5 on Cash Flow Statement issued by the Institute of
- Previous year figures have been regrouped/reclassified wherever necessary

As per our report attached  
For M. B. Agrawal & Co.  
Chartered Accountants  
Registration No. 100153W

SANJAY LUNKAD  
Partner  
Membership No. 48229

Mumbai, Dated June 03, 2016



For and on behalf of Board of Directors

Arvind R. Doshi  
Chairman  
DIN no. 00015293

Pritam A. Doshi  
Director  
DIN no. 00015302





**M.B. AGRAWAL & CO.**

**CHARTERED ACCOUNTANTS**

204, Mhatre Pen Bldg., Senapati Dapatt Ma  
Dadar (West), Mumbai - 400 028.  
Tel.: 24314881 / 82, Fax : 2436 3312  
E-mail : mbaandco@yahoo.co.in

M. B. AGRAWAL F.C.A., F.I.V.  
YATIN MEHTA F.C.A.  
RAMESHMAL SANGHAVI F.C.A.  
SANJAY LUNKAD F.C.A., D.I.S.A. (ICA)

HEMANT AGRAWAL F.C.A.  
HARSHAL AGRAWAL F.C.A., D.I.S.A. (ICA), C.I.S.A.  
SUBODH N. AGRAWAL F.C.A.

## INDEPENDENT AUDITOR'S REPORT

To,  
The Members of  
**PAE Renewables Private Limited**

### Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of M/s. PAE Renewables Private Limited ("the Holding Company") and its subsidiaries and associate (collectively referred to as "the Group"), comprising of the consolidated balance sheet as at March 31<sup>st</sup>, 2016, the consolidated statement of profit and loss, the consolidated cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 financial statements by the Directors of the Holding Company, 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 and the rules made there under.

4. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.
6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraphs 8 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

#### Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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:
  - a. In case of its Consolidated Balance Sheet of the State of Affairs of the Company as at March 31<sup>st</sup>, 2016,
  - b. In case of Consolidated Statement of Profit & Loss of the Loss for the year ended on that date, and
  - c. In case of Consolidated Cash Flow Statement of its cash flow for the year ended on that date.

#### Other Matters

8. We did not audit the financial statement of 1 (one) subsidiary, whose financial statement reflects total assets of Rs Nil as at March 31, 2016 and total revenues of Rs Nil and net cash flows amounting to Rs.Nil lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's net loss of Rs.936.73 lakhs for the year ended 31<sup>st</sup> March, 2016, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) and (11) of



Section 143 of the Act, in so far as it relates to aforesaid subsidiary, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report On Other Legal And Regulatory Requirements 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 and the financial statements certified by the management.

#### **Emphasis of Matter**

9. Attention is drawn to our observation in our Audit Report of the Holding Company regarding Note no. 33 regarding Going concern .

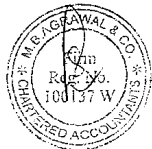
The Company directly and through its subsidiaries sold its solar power generation business which has resulted in a loss on sale of its investments of an exceptional nature and also made provision for diminution in the value of investment. This has resulted in a loss of Rs.936.73 /- lacs causing substantial erosion of the net worth of the company. However, the solar rooftop EPC business continues in the company and hence the company has prepared the accounts on going concern basis.

Our opinion is not qualified in respect of this matter.

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

10. 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 of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c) The consolidated balance sheet, consolidated statement of profit and loss and the consolidated cash flow statement dealt with by this Report are in agreement with the relevant books of accounts maintained by the Holding Company, its subsidiary included in the group incorporated outside India including relevant records relating to the preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> March 2016 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary company incorporated outside India, none of the directors of the group companies is disqualified in terms of section 164(2) of the Act..



- f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and its foreign Subsidiary and the operating effectiveness of such controls, refer to our separate report in Annexure A and
- 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 knowledge and belief and according to the information and explanations given to us:
- i. The Group does not have any pending litigations which would impact its financial position.
  - ii. The Group did 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 Group during the year ended March 31st, 2016.



**For M B Agrawal & Co.**  
**Chartered Accountants**  
**FRN No: 100137W**

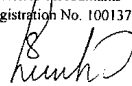
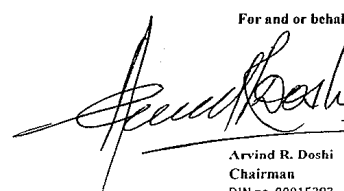


A handwritten signature in black ink, appearing to read "Sanjay Lunkad".

**Sanjay Lunkad**  
**Partner**  
**Membership No: 48229**

**Place: Mumbai**  
**Date: June 3<sup>rd</sup> 2016**

PVE Renewables Pvt. Limited  
 CONSOLIDATED BALANCE SHEET AS AT 31.03.2016

(In Rupees)

Particulars	Note No	As at March 31, 2016	As at March 31, 2015
<b>I EQUITY AND LIABILITIES</b>			
(1) Shareholders' Funds			
Share Capital	2	93,850,000	93,850,000
Reserves And Surplus	3	(92,140,857)	1,667,173
(2) Non-current Liabilities			
Long-term borrowings	4	6,531,862	112,744,615
Long-term Provisions	5	126,803	105,907
(3) Current Liabilities			
Short-term Borrowings	6	5,306,821	63,119,592
Trade Payables	7	1,915,988	1,726,486
Other Current Liabilities	8	5,646,902	29,320,638
Short-term Provisions	9	413,866	200,037
<b>TOTAL</b>		<b>21,651,385</b>	<b>302,734,450</b>
<b>(II) ASSETS</b>			
(1) Non-current Assets			
Fixed Assets			
Tangible / Intangible Assets	10	20,059	265,739,480
Non-current Investment	11	313,500	3,255,536
Deferred tax asset (Net)	12	2,153,215	6,938,405
Long-term Loans And Advances	13	541,123	348,304
Other Non-current Assets	14	2,308,858	2,003,621
(2) Current Assets			
Inventories	15	1,211,063	1,322,437
Trade Receivables	16	3,790,327	10,858,292
Cash And Cash Balances	17	2,244,871	6,662,325
Short-term Loans And Advances	18	54,096	842,590
Other Current Assets	19	9,014,273	4,763,461
<b>TOTAL</b>		<b>21,651,385</b>	<b>302,734,450</b>
		0	0
Significant Accounting policies The accompanying notes are an integral part of the financial statements	1		
As per our report attached For M. B. Agrawal & Co. Chartered Accountants Registration No. 100137W  SANJAY LUNKAD Partner Membership No. 48229 Mumbai, Dated June 03, 2016		For and or behalf of Board of Directors   Arvind R. Doshi Chairman DIN no. 00015293 Pritam A. Doshi Director DIN no. 00015302	
			

PAE Renewables Pvt. Limited  
Consolidated Statement of Profit and Loss for the year ended 31.03.2016

( In Rupees )

Particulars	Note No.	As at March 31, 2016	As at March 31, 2015
<b>INCOME</b>			
I Revenue From Operations	20	28,029,674	66,990,258
II Other Income	21	523,505	6,241,166
III Total Revenue (I+II)		28,553,179	73,231,424
<b>EXPENSES</b>			
IV Purchases Of Stock-in-Trade	22	17,764,561	16,166,452
(Increase) / Decrease In Inventory Of Stock-in-Trade	23	111,374	185,308
Employee Benefits Expense	24	4,282,873	6,513,109
Finance Costs	25	1,659,063	24,974,676
Depreciation And Amortization Expense	26	145,773	14,282,424
Other Expenses	27	5,737,952	15,682,151
Total Expenses		29,701,596	77,804,120
V Profit/(Loss) before exceptional and extraordinary items and tax		(1,148,417)	(4,572,696)
VI Exceptional Items			(3,498,598)
(Loss on sale of long term investments)		93,051,765	-
(Diminution in the value of long term investment)		-	-
VII Profit/(Loss) before extraordinary item and tax		(94,200,182)	(1,074,098)
Extraordinary Items		-	1,857,591
VIII Profit/(Loss) before Tax		(94,200,182)	(2,931,689)
IX Tax Expense			
Current tax		-	25,331
Less : Mat Credit entitlement		-	(25,331)
Deferred Tax		(526,662)	(196,938)
X Profit/(Loss) for the period		(93,673,520)	(2,734,751)
<b>Earnings Per Equity Share</b>			
Basic	28	(9.98)	(0.29)
Diluted		(9.98)	(0.29)

As per our report attached  
For M. B. Agrawal & Co.  
Chartered Accountants  
Registration No. 100137W  
*Sanjay Lunkad*  
SANJAY LUNKAD  
Partner  
Membership No. 48229  
Mumbai, Dated June 03, 2016



For and on behalf of Board of Directors

*Arvind R. Doshi*  
Arvind R. Doshi  
Chairman  
DIN no. 00015293

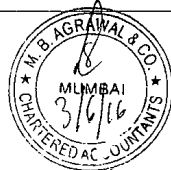
*Pritam A. Doshi*  
Pritam A. Doshi  
Director  
DIN no. 00015302

Notes forming part of the Consolidated Profit and Loss for the year ended March 31, 2016

Note No.	Particulars	As at March 31, 2016	As at March 31, 2015																				
2	<b>Share Capital</b>																						
a	<b>Authorised</b> 1,00,00,000 Equity Shares of Rs.10 each (Previous Year: 1,00,00,000 Equity Shares of Rs. 10 each)	100,000,000	100,000,000																				
		<u>100,000,000</u>	<u>100,000,000</u>																				
b	<b>Issued, Subscribed and Fully Paid Up</b> 93,85,000 Equity Shares of Rs.10 each fully paid up. (Previous Year: 93,85,000 Equity Shares of Rs. 10 each)	93,850,000	93,850,000																				
		<u>93,850,000</u>	<u>93,850,000</u>																				
c	<b>Reconciliation of the number of shares and amount outstanding at the beginning and at the end</b> Equity Shares:																						
		<table border="1"> <thead> <tr> <th colspan="2">31-Mar-16</th> <th colspan="2">31-Mar-15</th> </tr> <tr> <th>No. of shares</th> <th>Amount</th> <th>No. of shares</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>At the beginning of the year</td> <td>9,385,000</td> <td>9,385,000</td> <td>93,850,000</td> </tr> <tr> <td>Issued during the year</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Oustanding at the end of the year</td> <td>9,385,000</td> <td>9,385,000</td> <td>93,850,000</td> </tr> </tbody> </table>		31-Mar-16		31-Mar-15		No. of shares	Amount	No. of shares	Amount	At the beginning of the year	9,385,000	9,385,000	93,850,000	Issued during the year				Oustanding at the end of the year	9,385,000	9,385,000	93,850,000
31-Mar-16		31-Mar-15																					
No. of shares	Amount	No. of shares	Amount																				
At the beginning of the year	9,385,000	9,385,000	93,850,000																				
Issued during the year																							
Oustanding at the end of the year	9,385,000	9,385,000	93,850,000																				
d	<b>Terms/rights attached to equity shares</b> The company has only one class of equity shares having a face value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share.																						
e	<b>Details of shareholder holding more than 5% shares in the company</b>	<table border="1"> <thead> <tr> <th colspan="2">31-Mar-16</th> <th colspan="2">31-Mar-15</th> </tr> <tr> <th>No. of Shares</th> <th>% holding in the class</th> <th>No. of Shares</th> <th>% holding in the class</th> </tr> </thead> <tbody> <tr> <td>PAE Limited</td> <td>9,385,000</td> <td>100</td> <td>9,385,000</td> <td>100%</td> </tr> </tbody> </table>		31-Mar-16		31-Mar-15		No. of Shares	% holding in the class	No. of Shares	% holding in the class	PAE Limited	9,385,000	100	9,385,000	100%							
31-Mar-16		31-Mar-15																					
No. of Shares	% holding in the class	No. of Shares	% holding in the class																				
PAE Limited	9,385,000	100	9,385,000	100%																			
	As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest,																						
f	During the period of 5 years immediately preceding the balance sheet date, no shares were issued for consideration other than cash. Also, no bonus shares																						
3	<b>Reserves and Surplus</b>																						
a	Securities Premium Account	22,877,500	22,877,500																				
		<u>22,877,500</u>	<u>22,877,500</u>																				
b	<b>Surplus/(Deficit) in the statement of profit &amp; loss</b>																						
	Opening Balance	(21,210,325)	(18,475,573)																				
	Add: Profit/(loss) for the year	(93,673,520)	(2,734,751)																				
	Distribution back to holding company	(134,512)																					
	Closing Balance	<u>(115,018,357)</u>	<u>(21,210,325)</u>																				
	<b>Total reserves and surplus</b>	<u>(92,140,857)</u>	<u>1,667,175</u>																				
4	<b>Long-term borrowings</b>																						
	Intercompany deposit	6,531,862	5,863,365																				
	Loan from Dena bank	-	106,881,250																				
		<u>6,531,862</u>	<u>112,744,615</u>																				
5	<b>Long-term Provisions</b>																						
	Provision for employee benefits (refer note no. 30)																						
	Gratuity	1,235	-																				
	Leave Encashment	125,568	105,907																				
		<u>126,803</u>	<u>105,907</u>																				



	As at March 31, 2016	As at March 31, 2015
<b>6 Short Term Borrowings</b>		
Loans repayable on demand:		
From Banks:		
Secured		
Working capital loan	4,701,015	3,675,993
Unsecured		
Loan from Directors	605,806	44,700,000
Arun Axaykumar Kothari	-	1,500,000
Begashree developers Pvt Ltd	-	1,469,935
Rudra Commodities Pvt Ltd	-	6,150,000
Loan from Holding Company	-	5,623,663
	<u>5,306,821</u>	<u>63,119,592</u>
Working capital loan from Jain Sahakari Bank Ltd. is secured by hypothecation of stocks and book debts. The working capital loan from bank carries interest of @13.25% p.a.		
<b>7 Trade Payables (including acceptances)</b>		
Associate companies	638,756	554,993
Holding company	-	115,485
Others	1,277,232	1,056,008
	<u>1,915,988</u>	<u>1,726,486</u>
<b>8 Other Current Liabilities</b>		
Current maturity of mortgage term loan	-	15,268,750
Sundry creditors for expenses	1,656,551	3,020,925
Advance from customers	-	473,700
Other Payables	459,100	6,348,563
Dealer Deposit	3,166,467	3,000,000
Statutory dues payable	364,784	1,208,700
	<u>5,646,902</u>	<u>29,320,638</u>
<b>9 Short-term Provisions</b>		
Provision for employee benefits		
Leave Encashment	20,304	14,250
Gratuity	104,900	59,059
Provision for warranties	288,662	126,728
	<u>413,866</u>	<u>200,037</u>
<b>11 Non Current Investment</b>		
<b>a Investment in property (at cost)</b>		
Land at Rajasthan	-	2,219,066
Property at Rajkot	-	722,970
	<u>-</u>	<u>2,942,036</u>
<b>b Other Investments</b>		
Jain Sahakari Bank Ltd.	313,500	313,500
12540 (Previous year 12540 equity shares) Equity shares of Rs. 25/- fully paid		
Total Rs.	<u>313,500</u>	<u>313,500</u>
<b>Aggregate Book Value of Investments</b>		
Unquoted Investments	313,500	3,255,536
Total Rs.	<u>313,500</u>	<u>3,255,536</u>





10. Consolidated Fixed Asset Schedule PAER Group

PARTICULARS	AS AT 01.04.2015	ADDITIONS THIS YEAR	SALES THIS YEAR	Transfer of Assets	AS AT 31.03.2016	AS AT 01.04.2015	DEPRECIATION THIS YEAR	Transfer of Assets	SALES THIS YEAR	AS AT 31.03.2016	AS AT 31.03.2016	AS AT 31.03.2015
Tangible assets												
Land	5,395,840	-	-	5,395,840	-	-	-	-	-	-	-	5,395,840
Building	21,128,059	-	-	21,128,059	3,055,922	3,055,922	-	3,055,922	-	-	-	18,072,137
Plant and Machinery	264,698,702	-	-	264,698,702	39,534,072	39,534,072	-	39,534,072	-	-	-	225,164,651
Furniture and Fixtures	6,750	-	-	6,750	6,750	6,750	-	6,750	-	-	-	-
Office Equipment	949,283	22,926	929,350	42,859	683,265	683,265	145,253	805,583	805,583	22,931	19,924	266,015
Computers	12,128	-	-	4,250	7,878	10,926	520	3,703	-	7,741	135	1,202
Other Renewal energy Devices	308,575	-	-	308,575	98,674	98,674	-	98,674	-	-	-	209,301
Total	292,496,337	22,926	929,350	291,535,426	57,487	49,389,609	145,773	42,692,371	805,583	37,428	20,059	249,109,778
Intangible assets												
Goodwill	16,629,752	-	-	16,629,752	-	-	-	-	-	-	-	16,629,752
Total	309,126,089	22,926	929,350	309,129,089	57,487	49,389,609	145,773	42,692,371	805,583	37,428	20,059	265,739,480
Previous year total	329,915,143	99,900	20,889,954	309,129,089	29,916,862	29,916,862	14,282,424	809,177	809,177	43,883,609	265,739,480	265,739,480



	As at March 31, 2016	As at March 31, 2015
<b>12 Deferred tax asset/liability (net)</b>		
Deferred tax asset		
Provision for employee benefits	110,448	87,097
Unabsorbed depreciation	66,812	66,812
Depreciation	100,387	-
Unabsorbed losses	1,875,568	15,400,717
<b>Gross deferred tax asset</b>	<b>2,153,215</b>	<b>15,554,626</b>
Deferred tax liability:		
Depreciation	-	8,616,221
<b>Gross deferred tax liability</b>	<b>-</b>	<b>6,938,405</b>
<b>Net deferred tax asset/(liability) at the year end</b>	<b>2,153,215</b>	<b>6,938,405</b>
Deferred tax (asset)/liability recognised during the year	526,662	539,021
<b>13 Long-term Loans &amp; Advances</b>		
<b>Unsecured considered good</b>		
a Deposits	260,860	15,000
b Advance income tax (net of provision)	280,263	307,973
c Mat credit entitlement	-	25,331
	<b>541,123</b>	<b>348,304</b>
<b>14 Other Non-current Assets</b>		
Deposits with bank with maturity of more than 12 months	1,600,000	1,600,000
Interest accrued but not due	708,858	403,621
	<b>2,308,858</b>	<b>2,003,621</b>
Margin money deposits with original maturity of more than 12 months of Rs. 16 lacs is against working capital		
<b>15 Inventories</b>		
Traded Goods	1,211,063	1,322,437
	<b>1,211,063</b>	<b>1,322,437</b>
<b>16 Trade Receivables: (Unsecured, considered good unless otherwise stated)</b>		
Outstanding over six months from the date they were due for payment	2,329,279	717,706
Others	1,461,048	10,140,586
	<b>3,790,327</b>	<b>10,858,292</b>
<b>17 Cash And Bank Balances</b>		
<b>Cash and cash equivalents</b>		
<b>Balances with Banks</b>		
On current account	208,620	4,581,242
Cash in hand	334,514	349,001
Cash and stamps on hand	-	4,503
Deposits with original maturity of more than 3 months	-	25,842
<b>Other bank balances :</b>		
Margin money deposits with maturity of more than three months and upto 12 months	1,701,737	1,701,737
	<b>2,244,871</b>	<b>6,662,325</b>
<b>18 Short-term Loans &amp; Advances</b>		
<b>Unsecured considered good</b>		
Sundry Deposits	36,100	407,734
Tax refundable	-	302,250
Advances receivable in cash or kind or for value to be received	17,996	132,606
	<b>54,096</b>	<b>842,590</b>



	As at March 31, 2016	As at March 31, 2015
<b>19 Other Current Assets</b>		
Subsidy receivable	8,816,201	4,694,886
Interest accrued but not received	-	698
Prepaid expenses	198,072	39,709
Dividend receivable	-	28,168
	<u>9,014,273</u>	<u>4,763,461</u>
<b>20 Revenue From Operations</b>		
Net Sale of Traded Goods less Returns	19,472,024	62,377,158
<b>Other Operating Revenues:</b>		
Subsidy on solar projects	8,557,650	4,613,100
	<u>28,029,674</u>	<u>66,990,258</u>
<b>Details of traded goods</b>		
Lead acid storage batteries	3,392,219	4,140,755
Power backup systems	2,680,664	4,598,006
Solar Products	10,795,348	3,649,680
<b>Sale of service :</b>		
Annual maintenances contact	1,855,902	1,844,634
Hire charges	467,500	510,000
Other service	280,391	242,140
	<u>19,472,024</u>	<u>14,985,213</u>
<b>21 Other Income</b>		
Exchange fluctuation income	53,071	1,359,317
Interest from on bank deposit	339,153	1,804,351
Income Tax Refund	4,265	10,750
Dividend Earned	31,350	28,168
Sundry balances W/back	21,313	2,745,789
Profit on sale of assets	69,050	-
Interest on delayed payments from Disenm	-	186,805
Other miscellaneous receipt	5,303	105,986
	<u>523,505</u>	<u>6,241,166</u>
<b>22 Details of purchase of traded goods</b>		
Lead acid storage batteries	2,603,391	3,328,281
Power backup systems	1,900,520	3,911,711
Solar Products	13,106,828	8,563,610
Consumable stores	153,822	362,850
	<u>17,764,561</u>	<u>16,166,452</u>
<b>23 Changes in inventories Stock-in-Trade</b>		
Closing Stock	1,211,063	1,322,437
Opening Stock	1,322,437	1,507,745
<b>(Increase)/decrease in stock</b>	<u>111,374</u>	<u>185,308</u>
<b>Details of Inventory</b>		
<b>Traded goods</b>		
Lead acid storage batteries	11,978	37,682
Power backup systems	212,200	321,515
Solar Products	986,885	963,240
	<u>1,211,063</u>	<u>1,322,437</u>
<b>24 Employee Benefits Expense</b>		
Salaries and Wages	4,013,499	6,047,643
Staff Welfare Expenses	269,374	465,466
	<u>4,282,873</u>	<u>6,513,109</u>
<b>25 Finance Costs</b>		
Interest Expense	1,561,718	23,797,696
Bank Charges	97,345	1,176,980
	<u>1,659,063</u>	<u>24,974,676</u>



		As at March 31, 2016	As at March 31, 2015
26	Depreciation and amortisation expenses	145,773	14,282,424
		<u>145,773</u>	<u>14,282,424</u>
27	Other Expenses		
	Rent	611,107	575,596
	Repairs to others	105,998	1,207,309
	Insurance	44,967	259,806
	Rates & Taxes	19,110	1,782,266
	Stationery, Postage, Advertisement, Telephone	191,874	194,405
	Packing and Forwarding	601,913	388,732
	Professional and legal charges	336,442	2,147,221
	Conveyance and travelling charges	649,649	1,097,652
	<b>Payment to auditor</b>		
	As Auditor:		
	(i) Audit Fees	206,776	
	(ii) Tax Audit Fees	11,450	
	(iii) in other capacity	<u>28,090</u>	
	Miscellaneous Expenses	246,316	591,794
	Commission to dealer and others	318,167	2,352,487
	Installation Charges	1,289,003	783,171
	Loss on sale of assets	335,017	-
	Market dev exp	-	5,760
	Impairment loss on other receivable	110,000	286,426
	Debtors written off	822,747	-
	Other advance written off	-	124,750
	Foreign currency fluctuation	-	2,500,309
		<u>55,841</u>	<u>1,385,268</u>
		<u>5,737,952</u>	<u>15,682,151</u>
28	<b>Earnings Per Share (EPS)</b>		
	Profit/(loss) after tax	(93,673,520)	(2,734,751)
	Weighted average number of equity share outstanding	9,385,000	9,385,000
	Basic and diluted earnings per share (in Rupees)	(9.98)	(0.29)



29 As the company is dealing in only one business, it has not disclosed any related party transactions. The disclosures as per the Accounting Standard 17 on 'Segment Reporting' issued by the Institute of Chartered Accountants of India, are not disclosed.

**30 Related party disclosure as per AS-18**

A) Holding Company:		B) Particulars of Fellow Subsidiaries:		C) Particulars of enterprises controlled by any person described as Key Management Personnel:		D) Key Management Personnel:		E) Relatives of Key Management Personnel:		F) Details of transactions with related parties:	
Particulars	Amount	Particulars	Amount	Name of the related party	Nature of relationship	Name of relative	Nature of relationship	Name of relative	Nature of relationship	Particulars	Amount
PAE Limited		Shriyo Energy Pvt. Ltd.		Regula Insurance Private Limited	Controlled through key management personnel	Mr. Pradip A. Doshi	Director	Mr. Pradip A. Doshi	Director	1. Rent paid	261,557
PAE Infrastructure Pvt. Ltd.		PAE Infrastructure Pvt. Ltd.		Assure Insurance Advisors Private Limited		Mrs. Pradip A. Doshi	Director	Mrs. Pradip A. Doshi	Director	PAE Ltd.	(261,557)
				Widhand Institute of Technology		Shri Avinash R. Doshi	Director	Shri Avinash R. Doshi	Director	PAE Infrastructure Pvt Ltd.	100,000
				Sanjivani Merchandising Associates Pvt. Ltd.		Shri Pratik A. Doshi	Director	Shri Pratik A. Doshi	Director	PAE Ltd.	(84,946)
				Shriyo Energy Pvt. Ltd.		Shri Pratik A. Doshi	Director	Shri Pratik A. Doshi	Director	1. Purchase of goods	532,106
				PAE Infrastructure Pvt. Ltd.		Shri Pratik A. Doshi	Director	Shri Pratik A. Doshi	Director	PAE Ltd.	(2,973,963)
				PAE Infrastructure Pvt. Ltd.		Shri Pratik A. Doshi	Director	Shri Pratik A. Doshi	Director	2. Other advance paid	16,227
				PAE Infrastructure Pvt. Ltd.		Shri Pratik A. Doshi	Director	Shri Pratik A. Doshi	Director	Shriyo Energy Pvt Ltd.	3,100,000
				PAE Infrastructure Pvt. Ltd.		Shri Pratik A. Doshi	Director	Shri Pratik A. Doshi	Director	S. ICD taken	-
				PAE Infrastructure Pvt. Ltd.		Shri Pratik A. Doshi	Director	Shri Pratik A. Doshi	Director	Regula Investments Pvt. Ltd.	-
				PAE Infrastructure Pvt. Ltd.		Shri Pratik A. Doshi	Director	Shri Pratik A. Doshi	Director	S. ICD repaid	(6,000,000)
				PAE Infrastructure Pvt. Ltd.		Shri Pratik A. Doshi	Director	Shri Pratik A. Doshi	Director	Regula Investments Pvt. Ltd.	-



6. Interest on ICD taken -								
Regional Investments Pvt Ltd.				405,951				
7. Loan from Key Management Personnel				(747,914)				
8. Loan from Key Management Personnel				1,500,000				
9. Interest on Loan from Key Management Personnel				1,000,000				
10. Amount outstanding on balance sheet date				105,806				
Holding Company								
PAE Ltd.	(5,633,650)							
Corporate Guarantees received and outstanding								
PAE Ltd	12,500,000							
ICD outstanding	(12,500,000)							
Regional Investment Pvt Ltd.				5,100,000				
Interest payable on ICD (Net of TDS)				(2,000,000)				
Regional Investment Pvt Ltd.				1,431,862				
Purchase of goods				(1,025,911)				
Shurjo Energy Pvt. Ltd.								
Rent Payable				538,756				
PAE Infrastructure Pvt Ltd.				(354,993)				
Loan from director				100,000				
Mt. Prithvi A. Doshi							500,000	
Interest payable on Loan from director (Net of TDS)								105,806
Mt. Prithvi A. Doshi								
Figures for the previous year have been given in brackets.								
31 Capital and other commitments								
There are no capital and other commitments as on the balance sheet date.								
32 Provision for warranties								
At the beginning of the year								
Provision for warranties made during the year								
Utilised during the year								
Closing provision for warranties as at the end of the year								
33 Contingent liabilities								
There are no liabilities which are contingent in nature as on the balance sheet date.								
34 There are no micro and small enterprises								
There are no amounts overdue and remaining unpaid for 30 days on account of principal and/or due interest at the close of the year to micro, small and medium enterprises, as								



	March 31, 2016	March 31, 2015
At the beginning of the year	126,728	-
Provision for warranties made during the year	161,934	126,728
Utilised during the year	288,662	-
Closing provision for warranties as at the end of the year	126,728	126,728

35 The consolidated financial statements present the consolidated accounts of PAE Renewables Private Ltd with its following subsidiaries (and its subsidiaries)

Name of the entity	Country of Incorporation	Proportion of ownership
PAE Renewables Pvt Ltd	India	100
PAE Renewables Pvt Ltd (Hold by PAE Renewables Pte Ltd)	Singapore	100

36 For Disclosure mandated by Schedule III of Companies Act 2013, by way of additional information refer below

Name of the entity	2015-16		2014-15	
	Net Assets i.e. Total assets minus liabilities	Share in profit/loss	Net Assets i.e. Total assets minus liabilities	Share in profit/loss
PAE Renewables Pvt Ltd	As a % consolidated net assets (100.00%)	As a % consolidated Profit (72.72%)	Amount (Rs. in Lac) (1,120.78)	Amount (Rs. in Lac) (1,177.87)
PAE Renewables Pvt Ltd (Hold by PAE Renewables Pte Ltd)	As a % consolidated net assets	As a % consolidated Profit	Amount (Rs. in Lac)	Amount (Rs. in Lac)
PAE Renewables Pvt Ltd - Singapore	As a % consolidated net assets	As a % consolidated Profit	Amount (Rs. in Lac)	Amount (Rs. in Lac)
PAE Renewables Pvt Ltd - Singapore	As a % consolidated net assets	As a % consolidated Profit	Amount (Rs. in Lac)	Amount (Rs. in Lac)

FORM No. AOC 1

(Pursuant to GRT proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiary/associate company/joint venture

Name of Subsidiary	Reporting period for the subsidiary if different from the holding company reporting period	Reporting currency as on the last date of reporting in the case of foreign subsidiaries	Share capital	Reserve & Surplus	Total Assets	Total Liabilities	Investment	Turnover	Profit before taxation	Profit after taxation	Dividend	% of shareholding	
													USD
PAE Renewable Pte Ltd - Singapore	31.03.2016	USD	914.13	5914.13	0	0	0	0	0	0	0	0	26.62%

38 PAER was the holding company of the solar business. Most of the equity capital was used to acquire the solar power plant business, and the solar rooftop EPC business is conducted in PAER itself. When the solar power plant business was sold at lower than original investment, the write off of its investment has significantly affected the net worth of PAER. However, the solar rooftop EPC business continues in PAER which does not require substantial capital, and therefore remains unaffected by the erosion of the company's capital and net worth.



PAE Renewables Pvt. Ltd. entered into an MOU on 05<sup>th</sup> March 2015 for transfer of shares held by them to the extent of 24.31% in Sovox Renewables Pvt. Ltd. and 75.69% of Sovox Renewables Pvt. Ltd. which in turn holds 100% equity shares of Sovox Renewables Pvt. Ltd. As per MOU the entire transaction was completed on 31<sup>st</sup> March 2015 thereby resulting in change of control of Sovox Renewables Pvt. Ltd. to the buyers. Hence, Sovox Renewables Pvt. Ltd. and Sovox Renewables Pvt. Ltd. have not been considered for consolidation.

For and on behalf of Board of Directors  
Arvind R. Doshi  
Chairman  
DIN No. 00015303

For and on behalf of Board of Directors  
*Arvind R. Doshi*

Arvind R. Doshi  
Chairman  
DIN No. 00015303

*Prithvi A. Doshi*

Prithvi A. Doshi  
Director  
DIN no. 00015302



*hmbc*

Smriti Lunkad  
Partner  
Membership No. 48239  
Mumbai. Dated June 03, 2016



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016

Particulars	In Rupees	
	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
NET PROFIT/(LOSS) BEFORE TAX	(94,200,182)	(57,162,437)
ADJUSTMENTS FOR:		
DEPRECIATION	145,773	443,162
FINANCE COST	1,659,063	1,642,447
INTEREST / DIVIDEND INCOME	(374,768)	(281,300)
IMPAIRMENT LOSS ON OTHER RECEIVABLE	822,747	54,173,699
DIMINUTION IN VALUE OF INVESTMENT	93,051,765	-
PROFIT ON SALE OF ASSETS	(69,050)	-
ASSETS CONVERTED INTO STOCK	16,333.00	-
SCRAPPED STOCK W/OFF	1,484.00	-
FOREIGN EXCHANGE FLUCTUATION	20,981.00	5,097
(PROFIT)/LOSS ON SALE OF ASSETS	-	5,760
	95,274,328	55,988,865
	1,074,146	(1,173,572)
<b>OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES</b>		
ADJUSTMENTS FOR:		
TRADE AND OTHER RECEIVABLES	(1,065,352)	12,626,804
SHORT TERM LOANS AND ADVANCES	145,464	1,810,711
LONG TERM LOANS AND ADVANCES	1,406,958	505,454
INVENTORIES	111,374	185,308
OTHER CURRENT ASSETS	(4,265,207)	5,591,034
OTHER NON CURRENT ASSETS	(305,237)	(244,967)
TRADE PAYABLES AND OTHER CURRENT LIABILITIES AND PROVISIONS	643,872	(8,625,993)
	(3,328,128)	11,948,356
<b>CASH GENERATED FROM OPERATIONS</b>	(2,253,982)	10,674,784
DIRECT TAXES (PAID) / REFUNDS	-	(299,551)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	(2,253,982)	10,375,233
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
PURCHASE OF FIXED ASSETS	(22,926)	(99,900)
SALE OF FIXED ASSETS	175,000	30,000
SALE OF INVESTMENT	4,853,069	-
DIVIDEND RECEIVED	31,350	28,168
INTEREST RECEIVED	343,418	253,132
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	5,379,911	211,400
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
PROCEEDS FROM SHORT TERM BORROWINGS	(3,992,835)	(7,217,565)
FINANCE COST	(1,659,063)	(1,642,447)
PROCEEDS FROM LONG TERM BORROWINGS(NET)	3,505,951	-
LOAN REPAYMENT	(1,673,598)	-
DISTRIBUTION TO SHAREHOLDER	(130,721)	-
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	(3,950,266)	(8,860,012)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	(824,337)	1,726,621
OPENING BALANCE AS AT BEGINNING OF THE YEAR	3,069,208	1,342,586
CLOSING BALANCE AS AT END OF THE YEAR	2,244,871	3,069,208
	(824,337)	1,726,621
	0	

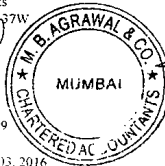
Notes:

- The Cash Flow has been prepared under the "Indirect Method" as set out in Accounting Standard-3 on Cash Flow Statement issued by the institute of
- Previous year figures have been regrouped/reclassified wherever necessary

As per our report attached  
For M.B. Agrawal & Co.  
Chartered Accountants  
Registration No. 100437W

SANJAY LUNKAD  
Partner  
Membership No. 48229

Mumbai, Dated June 03, 2016



For and on behalf of Board of Directors

Arvind R. Doshi  
Chairman  
DIN no. 00015295

Pritam A. Doshi  
Director  
DIN no. 00015302