

**PAE LIMITED**  
67<sup>th</sup> Annual Report 2016-2017



# Company Information

## Board of Directors

**Mr. Arvind R. Doshi** - Chairman

**Mr. Pritam A. Doshi** - Managing Director

**Dr. Mrs. Pratibha A. Doshi** - Non-Executive Director

**Mr. John O. Band** - Independent Director

**Mr. Karthikeyan Muthuswamy** - Independent Director

## Management Team and Key Managerial Personnel (KMP)

**Mr. Pritam A. Doshi** - Managing Director and Head Finance

**Mr. Shashikumar Nair** - Head-HR & Administration

| Annual General Meeting   | Bankers   |
|--|---|
| <p><b>Day</b> : Friday</p> <p><b>Date</b> : July 28, 2017</p> <p><b>Time</b> : 11.00 a.m.</p> <p><b>Venue</b> : The Victoria Memorial School for the Blind,<br/>73, Tardeo Road, Next to H.P. Petrol Pump,<br/>Mumbai - 400 034.</p>   | <p>State Bank of India<br/>Corporation Bank</p> <hr/> <p><b>Auditors</b></p> <p>M/s. R. C. Vakharia &amp; Company, Chartered Accountants,<br/>(Statutory Auditors)</p> <p>M/s. Leena Agrawal &amp; Company<br/>Practicing Company Secretary (Secretarial Auditors)</p>  |
| Registrar and Share Transfer Agent   | Registered and Corporate Office   |
| <p>M/s. Link Intime India Private Limited<br/>C-101, 247, Park, L.B.S. Marg, Vikhroli (West),<br/>Mumbai – 400 083</p> <p>Phone : 022 49186270 Fax: 022 49186060<br/>Email : <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a><br/>Website : <a href="http://www.linkintime.co.in">www.linkintime.co.in</a></p> | <p>CIN : L99999MH1950PLC008152<br/>Regd. Off. : 69, Tardeo Road, Mumbai - 400034,<br/>Maharashtra, India</p> <p>Telephone : +91-22-6618 5799<br/>Fax : +91-22-6618 5757<br/>Website : <a href="http://www.paeltd.com">www.paeltd.com</a><br/>Email : <a href="mailto:investors@paeltd.com">investors@paeltd.com</a></p> |

## NOTICE

NOTICE is hereby given that the 67<sup>th</sup> Annual General Meeting of the members of PAE LIMITED will be held on 28.7.2017 at The Victoria Memorial School for the Blind, 73, Tardeo Road, Next to H.P. Petrol Pump, Mumbai-400034 at 11.00 a.m. to transact the following businesses:

**ORDINARY BUSINESSES:**

- To Consider and approve Financial Statements consist of Balance Sheet as at 31<sup>st</sup> March, 2017 and the Statement of Profit and Loss for the year ended on that date.
- To appoint a director in place of Dr. Mrs. Pratibha A. Doshi (holding DIN No. 00519766) Director of the Company who retires by rotation and being eligible offers herself for re-appointment.
- To appoint M/s. R. C. Vakharia & Company, Chartered Accountants, Mumbai, (having Firm Registration no. 111237W) as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting on such remuneration and out of pocket expenses as may be mutually agreed by them with the Board of Directors.

**SPECIAL BUSINESSES:**

- To consider and if thought fit, to pass, with or without modification, if any, the following resolution as a **Special Resolution**:-

**"RESOLVED THAT** subject to the approval of the Members of the Company and pursuant to the provisions of Section 180(1)(a), 188 and 110 and all other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Meeting of Board and its Power) Rules, 2014 (including any statutory modification(s) or re-enactments thereof for the time being in force) (**"the Act"**), the Board of Directors (**"the Board"**) accords its consent to sell M/s. Shurjo Energy Private Limited the step down subsidiary of the Company, including the present movable property comprised in Shurjo Energy Pvt. Ltd., and THAT to transfer 4,56,47,658 Shares of Shurjo Energy Pvt. Ltd., held in its name by M/s. PAE Limited, as the case may be on such terms and conditions, at such time or times and in such forms and manner and with such ranking as to priority, **to the third party or proposed buyer/s or their nominees** or to the Company in which they are Directors/Members at the consideration/price as may be negotiated and mutually agreed by the Board and the proposed buyer;

**RESOLVED FURTHER THAT** Mr. Arvind R. Doshi, Chairman and/or Mr. Pritam A. Doshi, Managing Director of M/s. PAE Limited be and is hereby severally authorized to negotiate, finalize the terms with the proposed buyer including the price and to finalize, sign and execute for and on behalf of the Company the Agreement for Sale, Memorandum of Understanding, Share Purchase Agreement and such other deeds, agreements, undertakings, writings, etc. as may be required in this regard;

**RESOLVED FURTHER THAT** all the decision/action taken by Mr. Arvind R. Doshi, Chairman and/or Mr. Pritam A. Doshi, Managing Director of M/s. PAE Limited and its management in connection with any of the matter referred to or contemplated in the above resolutions be and are hereby agreed, approved, ratified and confirmed in all respect by the Board;

**RESOLVED FURTHER THAT** certified true copy of this resolution be furnished to the concerned authorities by any one of the Directors of the Company as and when required"

- To consider and if thought fit, to pass, with or without modification, if any, the following resolution as a **Special Resolution**:-

**"RESOLVED THAT** subject to the approval of the Members of the Company and pursuant to the provisions of Section 180(1)(a), 188 and 110 and all other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Meeting of Board and its Power) Rules, 2014 (including any statutory modification(s) or re-enactments thereof for the time being in force) (**"the Act"**), the Board of Directors (**"the Board"**) accords its consent to sell M/s. PAE Infrastructure Private Limited subsidiary Company, including the present movable property comprised in PAE Infrastructure Private Limited, and THAT to transfer 3,52,000 Shares of PAE Infrastructure Private Limited, held in its name by M/s. PAE Limited and as the case may be on such terms and conditions, at such time or times and in such forms and manner and with such ranking as to priority to the Promoter/Promoter Group of the Company or **to the third party** or to the prospective buyer/s **or their nominees** or to the Company in which they are Directors/Members at the consideration/price as may be negotiated and mutually agreed by the Board and the proposed buyer/s;

**RESOLVED FURTHER THAT** Mr. Arvind R. Doshi, Chairman and/or Mr. Pritam A. Doshi, Managing Director of M/s. PAE Limited be and is hereby severally authorized to negotiate, finalize the terms with the proposed buyer/s including the price and to finalize, sign and execute for

and on behalf of the Company the Agreement for Sale, Memorandum of Understanding, Share Purchase Agreement and such other deeds, agreements, undertakings, writings, etc. as may be required in this regard;

**RESOLVED FURTHER THAT** all the decision/action taken by Mr. Arvind R. Doshi, Chairman and/or Mr. Pritam A. Doshi, Managing Director of M/s. PAE Limited and its management in connection with any of the matter referred to or contemplated in the above resolutions be and are hereby agreed, approved, ratified and confirmed in all respect by the Board;

**RESOLVED FURTHER THAT** certified true copy of this resolution be furnished to the concerned authorities by any one of the Directors of the Company as and when required"

- To consider and if thought fit, to pass, with or without modification, if any, the following resolution as a **Special Resolution**:-

**"RESOLVED THAT** pursuant to Sections 42 and 62 and all other applicable provisions, if any, of the Companies Act, 2013 (including any amendments to or re-enactment thereof) (**"Act"**), and subject to applicable provisions of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended or restated ( **the "ICDR Regulations"**), as applicable and such other statutes, notifications, circulars, rules and regulations as may be applicable and relevant, each as amended or restated and the Memorandum and Articles of Association of the Company, as amended and subject to such approvals, consents, permissions and sanctions, if any, of the Government of India, Central or State as the case may be (**the "GOI"**), the Reserve Bank of India ( **the "RBI"**), the Securities and Exchange Board of India (**the "SEBI"**), the concerned Registrar of Companies (**the "ROC"**), the concerned Stock Exchanges and other regulatory authority as may be required under applicable law or regulation and subject to such conditions as may be prescribed by any of them in granting such approvals, consents, permissions and sanctions and such other consents and approvals, if any, as may be necessary and subject to such conditions and modifications as may be prescribed in granting such consents and approvals the consent of the members be and is hereby accorded to create, offer, issue and allot 5,20,000 share warrants Convertible into 5,20,000 equity shares of Rs. 10/- each fully paid up, in one of more tranches, to the promoters or promoters group on preferential allotment basis, at a price, which shall not be lower than the price determined in accordance with the provisions of Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, to the following allottees:

| Sr. No. | Name of Promoters      | No. of Share Warrants |
|---------|------------------------|-----------------------|
| 1.      | Mr. Pritam A. Doshi    | 2,60,000              |
| 2.      | Mrs. Pratibha A. Doshi | 2,60,000              |
|         | <b>Total</b>           | <b>5,20,000</b>       |

**RESOLVED FURTHER THAT** relevant date for the purpose of issue of warrants convertible into equity shares as per Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended upto date for determination of the applicable price of equity shares arising out of conversion of warrants will be June 28, 2017 being 30 days prior to the date of 67<sup>th</sup> Annual General meeting i.e. July 28, 2017 thus, the relevant date for calculating the conversion price of the said shares is June 28, 2017.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution and matters flowing from, connected with and incidental to any of the matters mentioned in the aforesaid resolution, the Board be and is hereby authorized to take all actions and to do all such deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient to the issue / offer or allotment or conversion of the aforesaid warrants, listing thereof with stock exchange(s) and to resolve and settle all questions and difficulties that may arise in the proposed issue/ offer, allotment and conversion of any of the aforesaid warrants, utilization of the issue proceeds and to do all acts, deeds and things in connection therewith and incidental thereto as the Board may in its absolute discretion deem fit, without being required to seek any further consent or approval of the shareholders or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution;

**RESOLVED FURTHER THAT** Board of directors of the company be and are hereby authorized to issue and allot such number of Securities as may be required, including issue and allotment of equity shares upon conversion of any warrants referred to above or as may be necessary in accordance with the terms of the offer, and all such equity shares shall be ranking pari passu and inter-se with the then existing equity shares of the Company in all respects including dividend;

**RESOLVED FURTHER THAT** the Board be authorized to delegate all or any of the powers conferred by this resolution on it, to any Committee or Sub-Committee of Directors or the Chairperson or any other Director(s) or Officer(s) of the Company to give effect to the aforesaid resolution, with the power to such Committee/sub-Committee of the Board to further delegate all or any of its powers/duties to any of its members."

**Item No. 5. : Approval of Related Party Transaction under Section 188 of the Companies Act, 2013:**

To consider and, if thought fit, to pass with or without modification, if any, the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to Section 188 and other applicable provisions, if any of the Companies Act, 2013 and relevant Rules made there under including any statutory modification(s) or re-enactment thereof, for the time being in force, Consent of the members be and is hereby accorded to the Board of Directors of the Company to enter into an agreement with promoter or promoter group for sale of PAE Infrastructure Private Limited a wholly owned subsidiary of the company at a fair value which will be negotiated and mutually agreed by the Board and the proposed buyer on such terms and conditions and with such modifications as may be required by the concerned authority or as the board of the company may deem fit and appropriate in the interest of the Company.

**"RESOLVED FURTHER THAT** the Board be and is hereby authorized to do and perform or cause to be done all such acts, deeds, matters and things, as may be required or deemed necessary or incidental thereto for giving effect to the aforementioned resolution."

For PAE Limited

Sd/-  
**Pritam A. Doshi**  
Managing Director  
DIN:00015302

CIN:L99999MH1950PLC008152

Regd. Off.: 69, Tardeo Road, Mumbai-400034.

Phone: 022-66185799 Fax No.:022-66185757.

Web.: www.paeltld.com

Email : investors@paeltld.com

Date: May 29, 2017

Place: Mumbai

**SPECIAL BUSINESS:**

7. To consider and if thought fit, to pass, with or without modification, if any, the following resolution as a **Special Resolution**:-

**"RESOLVED THAT** subject to the approval of the Members of the Company and all other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Meeting of Board and its Power) Rules, 2014 (including any statutory modification(s) or re-enactments thereof for the time being in force) ("**the Act**"), the Board of Directors ("**the Board**") accords its consent to convert its subsidiary Company M/s. PAE Infrastructure Private Limited into a Limited Liability Partnership and also enjoy other benefits of a LLP under Limited Liability Partnership Act, 2008;

**RESOLVED FURTHER THAT** Mr. Arvind R. Doshi, Chairman and/or Mr. Pritam A. Doshi, Managing Director of the Company be and is hereby authorised to sign and execute applications, forms, undertaking, Agreement and any other requisite documents, writings and deed as may be deemed necessary or expedient as and when required and complete all the formalities as may be necessary in this regard; the Company will adhere to lot of compliances which can be dispensed with and it is in the interest of the Company to convert its subsidiary Company namely PAE Infrastructure Private Limited into a Limited Liability Partnership;

**RESOLVED FURTHER THAT** subject to approval of members consent is hereby accorded for the conversion of the Company into Limited Liability Partnership under the name and style of PAE INFRASTRUCTURE LLP such as may be approved by the statutory authorities, subject to such approvals as may be deemed necessary;

**RESOLVED FURTHER THAT** any one of the Directors of the Company be and is hereby authorised to sign digitally the prescribed e-Form and file the same with the Registrar of Companies, Mumbai and to do all such matters, things, acts as may be necessary and expedient to do to give effect to this resolution;

**RESOLVED FURTHER THAT** a certified true copy of this resolution be furnished by any one of the Directors of the Company to the concerned Authorities."

For PAE Limited

Sd/-  
**Pritam A. Doshi**  
Managing Director  
DIN:00015302

CIN:L99999MH1950PLC008152

Regd. Off.: 69, Tardeo Road, Mumbai-400034.

Phone: 022-66185799 Fax No.:022-66185757.

Web.: www.paeltld.com

Email : investors@paeltld.com

Date: June 27, 2017

Place: Mumbai

**NOTES:**

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Ordinary/Special Businesses to be transacted at the Annual General Meeting is annexed hereto.

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

2. The instrument(s) appointing a proxy, if any shall be deposited at the Registered Office of the Company at 69, Tardeo Road, Mumbai-400034 not less than 48 hours before the commencement of the meeting.

A person acting as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10 percent of the total share capital of the Company carrying voting rights. A member holding more than 10 percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

3. Members are requested to intimate the Registrar and Share Transfer Agent of the Company-Link Intime India Private Ltd, immediately of any change in their address on respect of equity shares held in physical mode and to their Depository Participants (DP) in respect of equity shares held in dematerialized form.

4. Members holding share certificates under different folio numbers but in the same order of name are requested to apply for consolidation of such folios and send relevant share certificates to the Registrar and Share Transfer Agent of the Company.

5. The Register of Members and Share Transfer books of the Company will remain closed from Tuesday July 24, 2017 to Friday July 28, 2017 (both days inclusive).

6. Transfer of Unclaimed/Unpaid amounts to the Investor Education and Protection Fund (IEPF):

Pursuant to Sections 124(5) and other applicable provisions, if any, of the Companies Act, 2013, all unclaimed/unpaid dividends, remaining unclaimed for a period of seven (7) years from the date it became due for payment, in relation to the Company have to be transferred to IEPF and no claim shall lie against the Company for the amounts so transferred. Members who have not yet encashed their dividend warrant(s) pertaining to final dividend for the financial year 2009-10 are requested to make their claim without any delay. It may be noted that the unclaimed final dividend for the financial year 2009-10 declared by the Company on July 31, 2010 can be claimed by the shareholders by September 15, 2017 and any request for claim received after this date, will be considered as not received.

7. According to the Circular nos.17/2011 dated 21.4.2011 and no.18/2011 dated 29.4.2011 on "Green Initiative in Corporate Governance" issued by the Ministry of Corporate Affairs introducing paperless compliances allowing service of documents through electronic mode. The Companies are now permitted to send various notices/documents to its shareholders through electronic mode which would be sufficient compliance under Section 53 of the Companies Act, 1956. In order to support the Green Initiative, Notice of AGM along with the Annual Report 2016-17 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company /Depositories, unless Member has requested

for a physical copy of the same. Members who have not registered their e-mail addresses, physical copies are being sent to them by the permitted mode.

To support Green Initiative the Members who have not registered their e-mail address are requested to register the same with our Registrars & Transfer Agents, M/s. Link Intime India Pvt. Ltd., C-101, 247, Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083 or with their respective Depositories.

8. Investor Grievance Redressal:

The Company has designated an exclusive e-mail ID viz. [investors@paeltld.com](mailto:investors@paeltld.com) to enable investors to register their complaints, if any.

9. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement, Members have been provided with the facility to cast their vote electronically, through the evoting services provided by Central Depository Services Limited, on all resolutions set forth in this notice.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 24.7.2017 (9.00 a.m. IST) and ends on 26.7.2017 (5.00 p.m. IST) During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21 July, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Now, select the "PAE Limited" form the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

| For members holding shares in demat form and physical form |  |
|--|--|
| PAN  | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN field.</li> </ul> |
| DOB  | Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.  |
| Dividend Bank Details OR Date of Birth (DOB)               | Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>                       |

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for PAE Limited on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details they have to create a user who would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

In case of member receiving the physical copy:

- (A) Please follow all steps from sl. no.(i) to sl. No (xviii) above to cast vote.
- (B) The voting period begins on 24.7.2017 (9.00 a.m. IST) and ends on 26.7.2017 (5.00 p.m. IST). During these period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. July 21, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

Since the Company is required to provide members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut – off date and not casting their votes electronically, may cast their vote at the AGM venue, facility will be available at the venue. The results of e-voting will be placed by the Company on the website: [www.paeltld.com](http://www.paeltld.com) within two days of the AGM and also communicated to the stock exchanges, where the shares of the Company are listed.

10. The resolutions proposed will be deemed to have been passed on the date of AGM subject to receipt of number of votes in favour of the resolutions.



11. M/s. Leena Agrawal & Co., Practicing Company Secretary, (Membership No.: FCS 6607) has been appointed as the Scrutinizer to scrutinize the e-voting process.
12. In terms of Clause 35B of the Listing Agreement, those members, who do not access to e-voting facility, may send their assent or dissent in writing on the Ballot Form sent along with this AGM Notice so as to reach the Scrutinizer at the Address- M/s. Leena Agrawal & Co., Practicing Company Secretary, (Membership No.: FCS 6607) C/o. Link Intime India Private Limited (Unit: PAE Limited), at C-101, 247, Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083 on or before July 26, 2017. Any Ballot Form received after 5.00 p.m. on July 26, 2017 will be treated as the reply from the member has not been received.
13. Voting will be provided to the members through e-voting and / or at the venue of the Meeting. A member can opt for only one mode of voting i.e. either through e-voting or ballot. If a member casts votes by both modes, then voting done through e-voting shall prevail and the ballot shall be treated as invalid.
14. All the documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Company's Registered office on all working days of the Company between 10.00 a.m. to 1.00 p.m. upto the date of the Annual General Meeting except Saturday, Sundays and Public holidays.
15. Members/Proxies are requested to bring their attendance slip duly filled in along with their copy of Annual Report to the Meeting.

#### ANNEXURE TO NOTICE:

##### **Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 and Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, is annexed hereto.**

##### **Item No. 4: Explanatory statement for sale of Shurjo Energy Pvt. Ltd.**

The Company holds 99.98% of the shareholding in Shurjo Energy Private Limited, a Wholly Owned Subsidiary (WOS) i.e. 4,56,47,658 shares of Rs.1/- each in view of recurring losses and avoid the consequences thereof on the core business of PAE Limited and considering the present financial constraints, the company has been exploring options to sell shares of Shurjo Energy Private Limited with the intent to improve the capital structure.

It is thus proposed to dispose-off the investment of the Company in the WOS by way of sale of 99.98% shareholding of the Company based on the fair valuation of shares / Assets to the third party / prospective buyer/s for an aggregate consideration of not less than as per valuation backed by an Independent Valuer/s.

The proceeds from the sale of the WOS are proposed to be used for the purpose of repayment of Creditors and Outstanding Liabilities of the Company. The approval of the members is being sought under Section 180(1)(a) of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges for the sale of the WOS by way of transfer of shares. In terms of Section 180(1)(a) of the Companies Act, 2013, the Board may sell or otherwise dispose of the whole of an undertaking of the company only with the consent of the members by way of special resolution. As the disposal of 99.98% shareholding in the WOS by the Company may be deemed to be sale or otherwise disposal of 99.98% of an undertaking, pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, consent of the Members by way of Special Resolution is being sought for transfer of the entire investment of the WOS Company. The Board of Directors is of the opinion that the proposed sale of 99.98% investment of the Company in the WOS is in the overall interest of the Company. The proposed special resolutions provide adequate flexibility and discretion to the Board to finalise the terms of the sale in consultation with advisors, experts or other authorities as may be required.

The Board recommends the resolution as set out in the Notice for approval by the shareholders.

##### **Item No. 5 :Explanatory statement for sale of PAE Infrastructure Pvt. Ltd.**

The Company holds 100% of the shareholding in PAE Infrastructure Private Limited a wholly owned Subsidiary (WOS) i.e. 3,52,000 shares of Rs.10/- each comprising value of Rs.3,520,000.00. Considering the present financial constraints, the company has been exploring options to sell shares of PAE Infrastructure Private Limited with the intent to improve the capital structure.

It is thus proposed to dispose-off the investment of the WOS Company by way of the sale of 100% of the shareholding of the Company to a third party/ prospective buyer/s and/or promoter / promoters group or their nominees for an aggregate consideration of not less than as per valuation backed by an Independent Valuer. The proceeds from the sale of the WOS are proposed to be used for the purpose of repayment of Creditors and Outstanding Liabilities of the Company. The approval of the members is being sought under Section 180(1)(a) of the Companies Act, 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges for the sale of the WOS by way of transfer of shares. In terms of Section 180(1)(a) of the Companies Act, 2013, the Board may sell, lease or otherwise dispose of the whole of an undertaking of the company only with the consent of the members by way of special resolution. As the disposal of 100% shareholding in the WOS by the Company may be deemed to be sale or otherwise disposal of whole of an undertaking, pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, consent of the Members by way of Special Resolution is being sought for transfer of the entire investment of the WOS Company. The Board of Directors is of the opinion that the proposed sale of the entire investment of the Company in the WOS is in the overall interest of the

Company. The proposed special resolutions provide adequate flexibility and discretion to the Board to finalise the terms of the sale in consultation with advisors, experts or other authorities as may be required.

None of the Director, Key Managerial Personnel or their relatives, either directly or indirectly in any way concerned or interested in the above resolution except Mr. Arvind R. Doshi, Mr. Pritam A. Doshi and Mrs. Pratibha A. Doshi (promoters) by virtue of their position as Directors and Managing Director in the Company.

The Board recommends the resolution as set out in the Notice for approval by the shareholders.

##### **Item No.6: Issue of 5,20,000 share warrants to Promoter/Promoter group**

A. Material Facts relating to the Preferential Allotment, In terms of Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out all the material facts relating to the Item No.8 of the accompanying Notice dated May 29, 2017.

1. Pursuant to the provision of Section 55 of the Companies Act, 2013, redemption of preference shares shall be made out of profits which otherwise be available for dividend or out of proceeds of a fresh issue of shares. Hence in view of inadequacy of profit, the company proposed to issue Share Warrants to promoters or promoters group and proceeds thereof will be utilized for funding redemption of existing 11% Non-convertible, Cumulative, Redeemable Preference shares (NCRPS).
2. The Board of Directors of the Company, at its meeting held on May 29, 2017, subject to necessary approval(s), has approved the proposal for issuing 5,20,000 warrants convertible into equity shares through preferential offer to investors who are Promoters or Promoters Group. The price, at which such warrants shall be converted over a period of 18 months from the date of allotment shall be the price determined as per the provision of Regulation 76 of SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009 (SEBI (ICDR) Regulations, 2009).
3. The Equity Shares allotted on exercise of option by Warrant holder pursuant to the above Resolution shall rank pari- passu in all respects with the existing Equity Shares of the Company.
4. Pursuant to provisions of Section 62 of Companies Act, 2013, any offer or issue of warrants / shares of the Company to persons other than the exiting holders of the equity shares of a Company requires prior approval of the Shareholders in general meeting by a Special Resolution.
5. The preferential allotment of Securities to investors who are Promoters would be strictly in accordance with Chapter VII of the SEBI (ICDR) Regulations, 2009 and the following parameters would be subject to such changes as may be required to conform to the SEBI (ICDR) Regulations, 2009. The Preferential issue would comprise of 5,20,000 Warrants with a right exercisable by the Warrant holder to subscribe for one Equity Share per Warrant. The holders of the Warrants shall have the option to exercise the Warrants to subscribe to Equity Shares of the Company within eighteen months of its allotment.
6. The pricing of the warrants to be allotted on preferential basis to investors who are Promoters shall not be lower than the price determined in accordance with the SEBI (ICDR) Regulations, 2009.
7. The Equity shares arising out of exercise of right attached to the warrant(s) to be allotted to investors who are Promoters pursuant to the proposed Special Resolution shall be subject to lock-in for such period from the date of allotment of such shares, consistent with SEBI (ICDR) Regulations, 2009.

**B. The details of the issue and other particulars as required in terms of SEBI (ICDR) Regulations, 2009 in relation to the resolution proposed under Item No.8 are given as under:**

**(i) The Objects of the issue through preferential offer:**

The proceeds of the preferential offer are proposed to be used for funding redemption of 11% Non-Convertible, Cumulative, Redeemable Preference Shares.

**(ii) The intention of the promoters/directors/key management persons to subscribe to the offer:**

The preferential issue is being made to the investors who are Promoters. As such this resolution is being sought to approve subscription to the warrants by the Promoters who are being offered through this resolution.

The existing promoters and management team will continue to remain in the management. Further, the composition of the present Board of Directors is not expected to undergo any change.

**(iii) The Company hereby undertakes that:**

a) It would re-compute the price of the Securities specified above in terms of the provisions of the SEBI (ICDR) Regulations, 2009 where it is required to do so.

b) If the amount payable on account of re-computation of price is not paid within the time stipulated in the SEBI (ICDR) Regulations, 2009, the above specified securities shall continue to be locked in till the time such amount is paid by allottees.

**(iv) Securities to be issued:**

The resolution set out at Item No. 6 of the accompanying Notice authorises the Board to issue to the Promoters, upto 5,20,000 warrants entitling the holder of each warrant to apply for and obtain allotment of one equity share of face value of Rs.10/- each against each warrant in such manner and on such price, terms and conditions as may be determined by the Board in accordance with the provisions of Chapter VII of SEBI (ICDR) Regulations, 2009.

**(v) Relevant Date:**

The Relevant Date for the purpose of determining the pricing of shares arising out of Warrants in accordance with Chapter VII of SEBI (ICDR) Regulations, 2009 is June 27, 2017 or June 28, 2017 (i.e. 30 days prior to the date of the Annual General Meeting)

**(vi) Terms of Issue of Warrants to Investors who are Non Promoters:**

- The proposed allottees of Warrants shall, on the date of allotment, pay an amount equivalent to at least 25% of the price fixed per warrant in terms of the SEBI, (ICDR) Regulations, 2009.
- The holder of each warrant will be entitled to apply for and obtain allotment of one equity share of face value of Rs. 10/- each of the Company against each Warrant at any time after the date of allotment but on or before the expiry of 18 months from the date of allotment, in one or more tranches. At the time of exercise of entitlement, the warrant holder(s) shall pay the balance of the consideration towards the subscription to each equity share. The amount so paid will be adjusted/ set-off against the issue price of the resultant Equity shares.
- If the entitlement against the warrants to apply for the equity shares is not exercised within the aforesaid period, the entitlement of the warrant holders to apply for equity shares of the Company along with the rights attached thereto shall expire and any amount paid on such warrants shall stand forfeited.
- Upon receipt of the requisite payment as above, the Board (or a Committee thereof) shall allot one equity share per warrant by appropriating Rs. 10/- towards equity share capital and the balance amount paid against each warrant, towards the securities premium.
- In the event of the Company making a bonus issue by way of capitalization of its reserves, prior to allotment of Equity shares resulting from the exercise of the option under the warrants, the number of shares to be allotted against such warrants shall stand augmented in the same proportion in which the equity share capital increases as a consequence of such bonus issue and the premium shall stand reduced pro-rata.

6. In the event of the Company making a rights offer by way of issue of new equity shares prior to allotment of Equity shares resulting from the exercise of the option under the warrants, the entitlement of the Equity shares under the warrants shall stand increased in the same proportion in the rights offer and such additional equity shares will be offered to the warrant holder(s) at the same price at which the existing shareholders are offered equity shares.

7. The warrant(s) by itself until converted into equity shares, does not give to the holder(s) thereof any rights with respect to that of a shareholder of the Company except as specified above.

8. The equity shares issued as above shall rank pari passu in all respects including with respect to dividend, with the then fully paid up equity shares of the Company, subject however to the provisions of the Memorandum and Articles of Association of the Company.

**(vii) Particulars of Subscribers to Warrants:**

The Company proposes to issue Warrants by way of preferential issue to the promoters as per the details given herein below:

| Sr. No.      | Names of proposed Warrant holders | Pre Preferential Allotment |                          | Post Preferential Allotment(*) |                          |
|--------------|-----------------------------------|----------------------------|--------------------------|--------------------------------|--------------------------|
|              |                                   | No. of Shares              | % of Total Voting Rights | No. of Warrants/ Shares        | % of Total Voting Rights |
| 1.           | Pritam A. Doshi                   | 1395199                    | 13.3902                  | 1655199                        | 15.1303                  |
| 2.           | Pratibha A. Doshi                 | 1695656                    | 16.2738                  | 1955656                        | 17.8768                  |
| <b>TOTAL</b> |                                   | <b>3090855</b>             | <b>29.6640</b>           | <b>3610855</b>                 | <b>33.0071</b>           |

(\*) Assuming full conversion of Warrants in to Equity shares.

**(viii) Under subscription, if any:**

Any of the warrants issued as above, that may remain unsubscribed for any reason whatsoever, may be offered and allotted by the Board in its absolute discretion to any person/entity/investor as mentioned hereinabove, on the same terms and conditions.

**(ix) Shareholding Pattern Pre and Post Preferential Offer:**

The Shareholding pattern giving the present position as also considering full allotment of warrants to the investors who are Promoters and equity shares arising out of the conversion thereof, as per Resolution 4 of the Notice are given below:-

| Category of Shareholders        | Pre-Allotment (As on March 31, 2017) |                          | Post allotment of Equity Shares on exercise of Warrants (assuming full conversion) |                          |
|---------------------------------|--------------------------------------|--------------------------|--|--------------------------|
|                                 | Total No. of Shares                  | % of Total Voting Rights | Total No. of shares  | % of Total Voting Rights |
| Promoters/Promoters' Group      | 5774963                              | 55.42                    | 6294963  | 57.54%                   |
| Foreign Investors/              | 75550                                | 0.73                     | 75550  | 0.69                     |
| Mutual Funds / UTI/ Banks       | 1200                                 | 0.01                     | 1200   | 0.01                     |
| Banks, Insurance Companies etc. | 15225                                | 0.15                     | 15525  | 0.14                     |
| Foreign Institutional Investors | 1625                                 | 0.02                     | 1625   | 0.01                     |
| Other Bodies Corporate          | 385000                               | 3.69                     | 385000   | 3.52                     |
| Non Resident Indians            | 43348                                | 0.42                     | 43348  | 0.40                     |
| Public                          | 4069144                              | 39.05                    | 4069144  | 37.20                    |
| Others – clearing Members       | 53545                                | 0.51                     | 53545  | 0.49                     |
| <b>Total</b>                    | <b>10419600</b>                      | <b>100</b>               | <b>10939600</b>  | <b>100</b>               |

**(x) Proposed time within which the allotment shall be completed:-**

As required under the SEBI (ICDR) Regulations, 2009, the Company shall complete the allotment(s) of warrants as aforesaid on or before the expiry of 15 days from the date of passing of this resolution by the shareholders granting consent for preferential issue or in the event allotment of warrants would require any approval(s) from any regulatory authority or the Central Government, within 15 (fifteen) days from the date of such approval(s), as the case may be.

**(xi) Others:**

The certificate of the Statutory Auditors to the effect that the present preferential offer is being made in accordance with the requirements contained in Chapter VII of the SEBI (ICDR) Regulations, 2009 shall be open for inspection at the Registered office of the Company on all working days except Sundays between 11.00 a.m. to 1.00 p.m. prior to the date of the declaration of the result of the Postal Ballot.

As it is proposed to issue warrants on preferential basis, special resolution is required to be approved by members pursuant to the provisions of Section 62 and 42 of the Companies Act, 2013 and Chapter VII of the SEBI (ICDR) Regulations, 2009 and other applicable provisions (if any).

The Board of Directors recommends the passing of this resolution as mentioned in Item No.7 as a Special Resolution.

None of the directors is interested except to the extent of their shareholding.

**Item No.5: Approval of Related Party Transaction under Section 188 of the Companies Act, 2013:**

Members of the Company are further requested to note that Section 188(1) of the Companies Act, 2013 read with the relevant rules made thereunder required any transaction entered into between related parties for 'selling or otherwise disposing of, or buying, property of any kind' where the amount involved exceeds 10% of Net worth, to be approved by the members of the Company by way of Special Resolution. PAE Infrastructure Private Limited, being a wholly owned subsidiary of the company is a related party of the Company.

The Third proviso to Section 188(1) of the Companies Act, 2013, states that Section 188(1) shall not apply to any transaction entered into by the company in its ordinary course of business, on an arm's length basis.

Accordingly, even though the proposed transaction of the sale and transfer of wholly owned subsidiary to promoter of promoters group, based on the valuation arrived by independent valuer. Since the transaction could be construed as being outside ordinary course of business, the approval of the members of the Company under section 188 of the Companies Act, 2013 is being sought by way of a Special Resolution for said transaction.

The particulars of transaction which is proposed to be entered into by the Company are provided in brief, herein below:

| Nature of Transaction as per Sec. 188 of the Companies Act, 2013                              | Name of the Directors / KMP who is/are related and nature of relationship  | Name of the related party          | Amount (Rs. in Lacs) |
|---|--|------------------------------------|----------------------|
| To enter into agreement for sale of wholly owned subsidiary to the promoter or promoter group | Mr. Arvind R. Doshi (Director), Promoter Mr. Pritam A. Doshi (Managing Director), Promoter and Mrs. Pratibha A. Doshi (Director), Promoter | PAE Infrastructure Private Limited |                      |

None of the Director, Key Managerial Personnel or their relatives, either directly or indirectly in any way concerned or interested in the above resolution except Mr. Arvind R. Doshi, Mr. Pritam A. Doshi and Mrs. Pratibha A. Doshi by virtue of their position as Directors and Managing Director in the Company.

**By Order of the Board For PAE Limited**

sd/-  
**Pritam A. Doshi**  
Managing Director  
DIN: 00015302

Date: May 29, 2017  
Place: Mumbai

**ANNEXURE TO NOTICE:****Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 and Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, is annexed hereto.****Item No. 7: Conversion M/s. PAE Infrastructure Private Limited, into a Limited Liability Partnership as per Act, 2008, Subsidiary Company,**

The Company would either like to sell PAE Infrastructure Private Limited its subsidiary company or convert it into a Limited Liability Partnership, i.e., PAE Infrastructure LLP.

It is therefore suggested that the name of its subsidiary Company be considered for conversion of **M/S. PAE INFRASTRUCTURE PRIVATE LIMITED** under Limited Liability Partnership Act, 2008. There is need to take an approval of the shareholders vide special resolution and hence this agenda will be incorporated in the forthcoming Annual General Meeting of the Company for approval of its shareholders.

The conversation of the name of its subsidiary Company into a Limited Liability Partnership, i.e., PAE Infrastructure LLP., and the proposed Special resolution will adhere to lot of compliances which can be dispensed with and it is in the interest of the Company to convert its subsidiary Company namely PAE Infrastructure Private Limited into a Limited Liability Partnership.

The Board recommends the resolution as set out in the Notice for approval by the shareholders.

**By Order of the Board For PAE Limited**

sd/-  
**Pritam A. Doshi**  
Managing Director  
DIN: 00015302

Date: June 27, 2017  
Place: Mumbai



## DIRECTORS' REPORT

To,  
The Members,

Your Directors presents their 67<sup>th</sup> Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2017.

### STATE OF COMPANY'S AFFAIRS:

Your Company is in the business of sales and service of **Lead Storage Batteries**, Power Backup Systems and Automotive parts. It had a nationwide network of 19 sales offices and warehouses and staff of 120 providing sales and services to the customers' across India. From the month of November, 2016 the Company has shrunk its business and closed down most of the branches and many staff members have resigned.

In the **Lead Storage Battery** segment, your Company markets its own brands of automotive and non-automotive batteries. Your Company markets a premium range of batteries known as ZENIDE and ZENIDE GOLD and it also markets Autozen and POWERZEN standard range of batteries. These batteries are sold to end-users, OE customers and to battery dealers and power solution providers across India. PAE also provides battery charging service to its customers. The range of batteries includes automotive, motorcycle, tubular and sealed-maintenance-free and valve-regulated lead acid batteries.

Batteries sold across India are supported by its high-quality and prompt service network as well as its dealer network that is present in almost every state of India. The warranty claims process is built on a technology platform that enables customers to make warranty or service claims and gives suggestions by SMS, on its website as well as a toll free number.

Your company provides value to the manufacturer by reducing market risk, parts obsolescence risk and credit risk. Your company is in a better position to cater to rapid changes in the marketplace by keeping purchase and sales decision-making at the regional level. Further, using an advance and ever-changing information technology system, your company is able to adapt to market changes quickly.

### FINANCIAL RESULTS:

The financial highlights of the year are: (Rs. in Lacs)

| Particulars   | Standalone   |               | Consolidated |               |
|---|--------------|---------------|--------------|---------------|
|   | March 2017   | March 2016    | March 2017   | March 2016    |
| Income from operation   | 63           | 1315          | 63           | 1590          |
| Other Income  | 137          | 43            | 147          | 45            |
| <b>Total Income</b>   | <b>200</b>   | <b>1358</b>   | <b>210</b>   | <b>1635</b>   |
| <b>Profit/(loss) before Interest, Depreciation, Tax and Exceptional Items</b> | <b>(411)</b> | <b>(903)</b>  | <b>(415)</b> | <b>(909)</b>  |
| Less Interest Expenses  | 95           | 220           | 95           | 236           |
| Less Depreciation   | 24           | 43            | 37           | 207           |
| Less Exceptional Items  | 0            | 2577          | (650)        | 1576          |
| <b>Profit/(loss) before Tax</b>   | <b>(530)</b> | <b>(3743)</b> | <b>104</b>   | <b>(2928)</b> |
| Less Provision for Taxation   | 0            | 0             | 1            | (5)           |
| <b>Net Profit/(Loss) after Tax</b>  | <b>(530)</b> | <b>(3743)</b> | <b>103</b>   | <b>(2923)</b> |

During the financial year 2016-17 the total income was Rs.200 lacs as compared to last year's total income of Rs.1358 lacs. Loss before Tax was Rs.530 lacs in the current year as compared to Rs.3743 lacs in the previous year. This was due to the decrease in sales on account of difficult market condition, financial crunch and challenging situation worldwide.

### DIVIDEND AND BOOK CLOSURE:

The Board of Directors does not recommend dividend on equity shares for the current financial year.

The register of members and share transfer books will remain close from Monday, July 24, 2017 to Friday 28, July, 2017 (both days inclusive) for the 67<sup>th</sup> Annual General Meeting of the Company scheduled to be convened on 28<sup>th</sup> July, 2017 at The Victoria Memorial School for the Blind, 73, Tardeo Road, Next H. P. Petrol Pump, Mumbai-400 034.

### FINANCIAL SITUATION:-

#### Reserves & Surplus

As at March 31, 2017 Reserves and Surplus amounted to Rs. (Minus) 4918.81 lacs as compared to (Minus) Rs.4353.59 lacs of previous year. The said scenario is due to inadequate profitability during the year under review and contribution of losses by the wholly owned subsidiaries.

### Long Term Borrowings

The Long Term Borrowings is Rs. NIL compared to Rs. NIL as at March 31, 2016.

### Short Term Borrowings

The Short Term Borrowings has increased to Rs.2524.47 lacs as at March 31, 2017 as compared to Rs.2202.64 lacs as at March 31, 2016.

### Fixed Asset

Net Fixed Assets as at March 31, 2017 have decreased to Rs.466.93 lacs as compared to Rs.539.67 lacs in the previous year.

### Investments

Investments are at Rs. 62.53 lacs as on March 31, 2017 as compared to last year Rs. 70.26 lacs.

### SHARES CAPITAL:

#### Authorised Capital

The current Authorised Share Capital of the Company is Rs. 25,00,00,000 (Rupees Twenty Five Crores) divided into 1,50,00,000 (One Crore Fifty lacs) Equity shares of Rs.10/- each and 1,00,00,000 (One Crore ) Preference shares of Rs.10/- each.

#### Equity Shares

The paid up Equity share capital of the Company as on March 31, 2017 was Rs.10,41,96,000/- comprising of 1,04,19,600 equity shares of Rs. 10/- each.

#### Preference Shares

The paid up Preference share capital of the Company as on March 31, 2017 was Rs.9,10,00,000/- comprising of 91,00,000 11% Non-Convertible, Cumulative, Redeemable Preference shares of Rs.10/- each.

### MEETINGS OF BOARD OF DIRECTORS:

The Board normally meets once in a quarter and additional meetings are held as and when required. During the year, the Board of Directors met 6 times i.e. on May 28, 2016, June 7, 2016, August 11, 2016, September 23, 2016, November 14, 2016 and February 13, 2017. The dates of Board Meetings were generally decided in advance with adequate notice to all Board Members.

### INDEPENDENT DIRECTORS:

Pursuant to Section 149(7) of the Companies Act, 2013, the Company has received declarations from Mr. Karthikeyan Muthuswamy and Mr. John O Band, Independent Directors confirming that they meet the criteria of independence as specified in Section 149(6) of the Act.

### POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION PURSUANT TO SECTION 178(3) OF THE COMPANIES ACT, 2013:

The Board of Directors of your Company in consultation with Nomination and Remuneration Committee had formulated and adopted Code for Independent Directors and which contains policy on director's appointment and remuneration including criteria for determining qualification, positive attributes and independence of directors.

Board of Directors of the Company duly consider appointment of the Directors in adherence with the policy prescribed under the code of independent directors and provisions of section 178(3) of the Companies Act, 2013.

### AUDIT COMMITTEE:

The Company has an Independent Audit Committee comprising of 3 members i.e. 2 Independent Directors and 1 Executive Director. All the members of the Audit Committee are financially literate. In view of their professional qualification and experience in finance, all are considered to have financial management and accounting related expertise. Terms of reference of the Audit committee are elaborated in the Corporate Governance report which forms the part of this Annual Report.

### DIRECTORS RESPONSIBILITY STATEMENT:

The Board of Directors confirms that:

- in the preparation of the annual accounts for the financial year ended March 31, 2017, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating

#### **LOANS MADE, GUARANTEES GIVEN OR INVESTMENTS IN SECURITIES BY THE COMPANY:**

Particulars of loans made, guarantees given or investments in securities by the Company are provided in the Note 18 of notes to the Financial Statements.

#### **PARTICULARS OF CONTRACT OR ARRANGEMENTS WITH RELATED PARTIES IN A PRESCRIBED FORM ALONG WITH THE JUSTIFICATION FOR ENTERING INTO SUCH CONTRACT OR ARRANGEMENT:**

During the year there were no related party transactions of material nature that may have a potential conflict with interests of the Company, all transactions with related parties were in the normal course of business. On recommendation of Audit Committee the Board ratifies all the related party transactions on quarterly basis. The details of the transactions are annexed herewith as 'Annexure- I' in the prescribed form AOC-2

#### **MATERIAL CHANGES AND COMMITMENTS:**

There were no material changes and commitments done by management affecting the financial position of the Company between the end of the financial year of the company to which the financial statements relates and the date of the report.

#### **CONSOLIDATED FINANCIAL STATEMENT:**

In accordance with the Companies Act, 2013 ("the Act") and Accounting Standard (AS) - 21 on Consolidated Financial Statements, the audited consolidated financial statement is provided in the Annual Report.

#### **CORPORATE SOCIAL RESPONSIBILITY:**

The provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company as it is suffering losses for more than three consecutive years; hence disclosure in this regard is not provided.

#### **VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES (SECTION 177(10)):**

The Board of directors of the Company believes in conducting all its affairs in a fair and transparent manner, by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. The directors are committed to comply with the laws and regulations to which it is subject. For this, it has put in place systems, policies and procedures to interpret and apply these laws and regulations in the organizational environment. In consonance with the object of transparency and good governance, the board of directors of the company formulated and adopted "Whistle Blower Policy and Vigil Mechanism"

The organization's internal controls and operating procedures are intended to detect and prevent improper activities. In this regard, the Company believes in developing a culture where it is safe for all the Directors/Employees to raise concerns about any poor or unacceptable practice and any event of misconduct. These help to strengthen and promote ethical practices and ethical treatment of all those who work in and with the organization.

The main objective of this Policy is to provide a platform to Directors and Employees to raise concerns regarding any irregularity, misconduct or unethical matters / dealings within the group which have a negative bearing on the organization either financially or otherwise.

#### **RATIO OF THE REMUNERATION OF EACH DIRECTOR TO THE MEDIAN EMPLOYEES REMUNERATION (SECTION 197(12)):**

Details pertaining to remuneration as required under section 197(12) of the Companies Act, 2013 read with rule 5(1) of the companies (appointment and Remuneration of managerial personnel) rules, 2014 are provided in 'Annexure-II' to the Board's Report.

#### **MANAGERIAL REMUNERATION AND RELATED DISCLOSURES:**

Disclosures pertaining to remuneration to directors and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the Annual Report.

Pertaining to the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the board of directors do hereby declare that:

- (i) No employee throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than sixty lakh rupees;
- (ii) No employee for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than five lakh rupees per month;
- (iii) No employee throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

#### **SUBSIDIARY COMPANIES:**

The Company has two unlisted subsidiary companies namely PAE Infrastructure Private Limited and Shurjo Energy Private Limited are the wholly owned subsidiaries of the Company.

#### **Shurjo Energy Limited (SEPL):**

SEPL has been manufacturing solar panels and industry currently in a challenging situation worldwide. During the year SEPL reported a turnover of Rs.4.94 lacs compared to Rs.0.16 lacs last year during the year 2016.

#### **PAE Infrastructure Private Limited ("PAE Infra"):**

PAE Infra achieved higher turnover of Rs.5.77 lacs as compared to last year turnover of Rs.2.40 lacs. The net profit accordingly high amounting to Rs.4.20 lacs as compared to last year's net profit of Rs. 0.75 lacs.

Pursuant to Section 129(3) read with rule 5 of Companies (Accounts) Rules, 2014, the Statement containing salient features of the financial statement of subsidiary companies is provided in the Annual Report as per Form AOC-1.

#### **DEPOSITS COVERED UNDER CHAPTER-V OF THE COMPANIES ACT, 2013:**

The Company has to pay an amount of Rs.137.75 lacs for the period under review. The deposits pending for due will be repaid on the respective due dates as per the terms of acceptance of the same, in terms of explanation to Rule 19 of the Companies (Acceptance of Deposits) Rules, 2014.

During the year, the Company has not accepted any new deposits from public in terms of section 73 of the Companies Act, 2013.

#### **MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT**

Management's Discussion and Analysis Report for the year under review, as stipulated under regulation 34 and Schedule V of the SEBI (Listing Obligations and Disclosures) Requirements, 2015, is presented in a separate section forming part of the Annual Report.

#### **STATUTORY AUDITORS**

M/s. R. C. Vakharia & Co., Chartered Accountants, the Auditors of the Company holds office until the conclusion of the ensuing Annual General Meeting and eligible for re-appointment.

The Company has received letter from the Auditors to the effect that their re-appointment, if made, would be within the prescribed limits under the provisions of the Companies Act, 2013 and also that their firm is not disqualified within the meaning of Section 141 of the Companies Act, 2013, for such appointment.

The Audit Committee and the Board of Directors therefore recommend the appointment of M/s. R. C. Vakharia & Co., Chartered Accountants as Statutory Auditors of the Company for the financial year 2017-2018 for the approval of the Members.

#### **AUDITORS' REPORT**

Further, the report of independent auditors on standalone and consolidated financial statements are presented in a separate section forming part of the Annual Report.

#### **SECRETARIAL AUDIT REPORT**

The Company undertaken Secretarial Audit for the year 2016-17 which, inter alia, includes audit of compliance with the Companies Act, 2013, and the Rules made under the Act, Listing Agreement and Regulations and Guidelines prescribed by the Securities and Exchange Board of India and Foreign Exchange Management Act, 1999. The Secretarial Audit Report issued by M/s. Leena Agrawal & Company, Practicing Company Secretary is enclosed herewith as Annexure-II.