

PCL/CI 41/11/2014

12.11.2014

**Mr. Bhushan Mokashi**  
The General Manager- Listing  
**The Bombay Stock Exchange Ltd.**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
**Mumbai-400 001**

**Sub: Compliance of Listing Agreement.**  
**Company Code No 530555.**

Dear Sir,

This is to inform you that the following decisions were taken inter-alia at the Meeting of the Board of Directors of the Company held today:

1. The Un-audited Standalone and consolidated financial results for the quarter and half year ended 30.09.2014 along with Limited review Report, duly reviewed by the Audit Committee were considered, approved and taken on record by the Board of Directors.

Thanking You.

**For Paramount Communications Limited**

  
**Company Secretary**

**Encl: As above**

**JAGDISH CHAND & CO.**  
**CHARTERED ACCOUNTANTS**

H-20, LGF, GREEN PARK (MAIN), NEW DELHI- 110 016, INDIA  
Phones: 26511953, 26533626, 41759467 Fax: 41759467 email: [mail@jcandco.org](mailto:mail@jcandco.org)

To

The Board of Directors  
Paramount Communications Limited  
New Delhi

**LIMITED REVIEW REPORT OF THE STATUTORY AUDITORS ON THE UNAUDITED STANDALONE  
FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30<sup>th</sup> SEPTEMBER, 2014.**

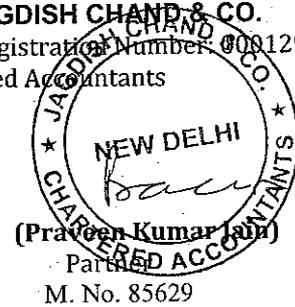
1. We have reviewed the accompanying statement of Standalone Unaudited Financial Results ('the statement') of Paramount Communications Limited ('the Company') for the quarter and half year ended 30<sup>th</sup> September, 2014 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have neither been reviewed nor been audited by us. The Statement has been prepared by the Company pursuant to Clause 41 of the Listing Agreement with the Stock Exchanges in India, which has been initialed by us for identification purposes. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Without qualifying, we invite attention to the following:
  - The accompanying financial statements have been prepared on a going concern basis despite negative net worth, defaults in repayment of loan installments and interest to banks and other working capital facilities from banks, recalling of credit facilities by a bank, default in redemption of Foreign Currency Convertible Bonds (FCCBs) and filing of winding up petition filed against the Company under the Act on behalf of FCCB holders. The appropriation of the said basis is inter-alia dependent on reschedulement of repayments to banks, future course of action by banks and outcome of winding up petition.



4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 211 (3C) of the Companies Act, 1956 read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place of signing: New Delhi  
Date: 12<sup>th</sup> November, 2014

For JAGDISH CHAND & CO.  
Firm Registration Number: 008129N  
Chartered Accountants



STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2014

In Lacs except as stated)

S.No.	Particulars	Quarter ended			Half Year ended		Year ended
		30.09.2014 (Unaudited)	30.06.2014 (Unaudited)	30.09.2013 (Unaudited)	30.09.2014 (Unaudited)	30.09.2013 (Unaudited)	
1	a) Net Sales / Income from Operations	9302.57	10337.69	8001.58	19640.26	17,677.82	40,267.22
	b) Other Operating Income	45.76	93.92	470.64	139.68	522.51	624.61
	c) Total Income	9348.33	10431.61	8472.22	19779.94	18200.33	40891.83
2	Expenditure						
	(a) Consumption of raw materials	8,784.82	7,819.14	8,165.53	16,603.96	17,289.08	36,246.22
	(b) Purchase of traded goods	90.31		278.52	90.31	111.92	7.99
	(c) (Increase)/Decrease in finished goods, work - in-progress & scrap	304.20	940.49	278.52	1,244.69	778.17	1,329.31
	(d) Employee Benefits Expense	221.82	311.66	390.64	533.48	569.25	1,092.73
	(e) Depreciation	216.83	250.37	293.93	467.20	569.25	1,092.73
	(f) Other expenditure	1,432.14	1,164.42	1,161.60	2,596.56	2,812.01	5,822.86
	(g) Total Expenditure	11,050.12	10,486.08	10,290.22	21,536.20	21,560.43	44,499.11
3	Profit/(Loss) from Operations before Other Income, Interest and Exceptional Items (1-2)	(1,701.79)	(54.47)	(1,818.00)	(1,756.26)	(3,360.10)	(3,607.28)
4	Other Income	21.68	25.36	25.31	47.04	68.20	245.16
5	Profit/(Loss) before Interest and Exceptional Items (3+4)	(1,680.11)	(29.11)	(1,792.69)	(1,709.22)	(3,291.90)	(3,362.12)
6	Interest	927.79	896.06	941.00	1,823.85	1,849.70	3,592.49
7	Profit/(Loss) after interest but before Exceptional Items (5-6)	(2,607.90)	(925.17)	(2,733.69)	(3,533.07)	(5,141.60)	(6,954.61)
8	Exceptional Items (Net)(Refer note no 5)		(3.84)		(3.84)		(3,391.28)
9	Profit/(Loss) from Ordinary Activities before tax (7+8)	(2,607.90)	(929.01)	(2,733.69)	(3,536.91)	(5,141.60)	(10,345.89)
10	Tax Expenses						(2.55)
11	Net Profit/(Loss) from Ordinary Activities after tax (9-10)	(2,607.90)	(929.01)	(2,733.69)	(3,536.91)	(5,141.60)	(10,343.34)
12	Extraordinary Items (net of tax expenses)						
13	Net Profit/(Loss) for the period/year	(2,607.90)	(929.01)	(2,733.69)	(3,536.91)	(5,141.60)	(10,343.34)
14	Paid-up Equity Share Capital (Face Value ₹ 2/- each)	2,504.67	2,504.67	2,504.67	2,504.67	2,504.67	2,504.67
15	Reserves excluding revaluation reserves						(14,451.43)
16	Earning Per Share (EPS) before and after Extraordinary items (not annualised)						
	-Basic	(2.08)	(0.74)	(2.18)	(2.82)	(4.11)	(8.26)
	-Diluted	(2.08)	(0.74)	(2.18)	(2.82)	(4.11)	(8.26)
A	PARTICULARS OF SHAREHOLDING						
1.	Public Shareholding						
	- No. of Shares	60405758	60405758	60,405,758	60405758	60,405,758	60,405,758
	- Percentage of Shareholding	48.24%	48.24%	48.24%	48.24%	48.24%	48.24%
2.	Promoters and promoter group shareholding						
	a) Pledged/Encumbered	64525957	64525957	32,319,457	64525957	32,319,457	64525957
	-Number of Shares	64525957	64525957	32,319,457	64525957	32,319,457	64525957
	-Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	50.09%	100.00%	50.09%	100.00%
	-Percentage of shares (as a % of the total share capital of the company)	51.52%	51.52%	25.80%	51.52%	25.80%	51.52%
	b) Non-encumbered						
	-Number of Shares						
	-Percentage of shares (as a % of the total shareholding of promoter and promoter group)						
	-Percentage of shares (as a % of the total share capital of the company)						

32,206,500  
 For Paramount Communications Ltd.  
 49.91%  
 25.72%

(Sanjoy Aggarwal)  
 Chairman & CEO

JAGDISH CHAUDHARY  
 CHARTERED ACCOUNTANTS  
 NEW DELHI



**NOTES**

The above results reviewed by the Audit Committee have been taken on record by the Board of Directors at their meeting held on 12th November, 2014

3. The "Limited Review" of the standalone results has been completed by the statutory auditors of the company pursuant to clause 41 of the listing agreement.

4. Pursuant to changes made in AS-11 vide Companies (Accounting Standard) Amendment Rules, 2011, foreign exchange difference arising on long term foreign currency monetary items-FCCBs used for acquiring depreciable assets has been adjusted with the cost of fixed assets and in other cases has been transferred to Profit & Loss Account. Exchange fluctuation on ECB has been fully transferred to Foreign Currency Monetary Items Translation Difference Account (FCMTDA)

5. Exceptional items include:-

Particulars	Quarter ended			Half Year ended		Year ended
	30.09.2014 (Unaudited)	30.06.2014 (Unaudited)	30.09.2013 (Unaudited)	30.09.2014 (Unaudited)	30.09.2013 (Unaudited)	
-Provision for diminution in the value of investment, doubtful debts and Advance Recoverable from subsidiaries.	(3,84)	(3,84)	(3,84)	(3,84)	(3,84)	(3,391.28) (Audited)
Total Exceptional Items		(3,84)		(3,84)		(3,391.28)

6. Outstanding 1% Foreign Currency Convertible Bonds (FCCBs) amounting to ₹ 6,77,01,800 (equivalent to USD 10,92 million) including redemption premium were due for redemption on 23rd November, 2011 and are yet to be redeemed. A winding up petition has been filed against the Company on behalf of the FCCB holders, wherein an interim order has been passed by the Hon'ble High Court of Delhi restricting the Company from alienation, disposal or creation of third party interest or charge on any of its immovable assets. The Company is contesting the case. The matter is presently subjudice.

7. Statutory Auditors of the company have reported without qualifying their opinion drawing attention to the following:

8. -The accompanying financial statements have been prepared on a going concern basis despite negative net worth, defaults in repayment of loan installments and interest to banks and other working capital facilities from banks, recalling of credit facilities by a bank, default in redemption of Foreign Currency Convertible Bonds (FCCBs) and filing of winding up petition filed against the Company under the Act on behalf of FCCB holders. The appropriation of the said basis is inter-alia dependent on rescheduling of repayments to banks, future course of action by banks and outcome of winding up petition.

9. Company has been registered with the Board for Industrial and Financial Reconstruction (BIFR) under section 15 (1) of Sick Industrial Companies (Special Provisional Act, 1985 vide order dated 31.10.2013, BIFR has restrained company from disposing of or alienating in any manner any fixed assets of the Company without consent of BIFR.

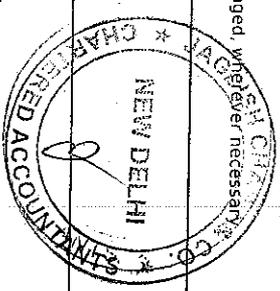
10. During the quarter and half year, depreciation has been provided on fixed assets as per the useful life specified in the Companies Act, 2013 and as per preliminary assessment of useful life by the company. In case of existing assets, depreciation has been provided based on remaining useful life of the assets. Based on the current estimates, assets whose useful life is already exhausted as on 1st April, 2014, amounting to ₹ 99.25 lacs has been recognised in the opening balance of Profit & Loss Account (debit). Had there been no change in useful life of the assets, depreciation expense for the quarter and half year ended 30th September, 2014 would have been higher by ₹ 34.98 lacs and ₹ 50.76 lacs respectively.

11. During the quarter and half year ended 30th September, 2014, Company has sold all shares of Paramount wires and Cables Limited (Associate). Hence Paramount Wires and Cables Limited is no more an Associate of the Company.

12. Segment reporting as defined in Accounting Standard 17 is not applicable as the Company operates mainly in one segment i.e. Cables.

13. Figures for the previous period /year have been regrouped & rearranged, wherever necessary.

Place: New Delhi  
Date: 12.11.2014



**FOR PARAMOUNT COMMUNICATIONS LTD.**  
FOR PARAMOUNT COMMUNICATIONS LTD.

Sanjay Aggarwal  
Chairman & CEO  
(Sanjay Aggarwal)  
Chairman & CEO

# JAGDISH CHAND & CO.

## CHARTERED ACCOUNTANTS

H-20, LGF, GREEN PARK (MAIN), NEW DELHI- 110 016, INDIA  
Phones: 26511953, 26533626, 41759467 Fax: 41759467 email: [mail@jcandco.org](mailto:mail@jcandco.org)

To  
The Board of Directors  
Paramount Communications Limited  
New Delhi

### LIMITED REVIEW REPORT OF THE STATUTORY AUDITORS ON THE UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30<sup>TH</sup> SEPTEMBER, 2014.

1. We have reviewed the accompanying statement of Consolidated Unaudited Financial Results ('the statement') of Paramount Communications Limited ('the Company') and its subsidiaries for the quarter and half year ended 30<sup>th</sup> September, 2014 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have neither been reviewed nor been audited by us. The Statement has been prepared by the Company pursuant to Clause 41 of the Listing Agreement with the Stock Exchanges in India, which has been initialed by us for identification purposes. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Inter company transactions have been eliminated based on information provided by the management.
4. Without qualifying, we invite attention to the following:
  - a) The accompanying financial statements have been prepared on a going concern basis despite negative net worth, defaults in repayment of loan installments and interest to banks and other working capital facilities from banks, recalling of credit facilities by a bank, default in redemption of Foreign Currency Convertible Bonds (FCCBs) and filing of winding up petition filed against the Company under the Act on behalf of FCCB holders. The appropriation of the said basis is inter-alia dependent on rescheduling of repayments to banks, future course of action by banks and outcome of winding up petition.
  - b) The Consolidated financial statements do not include financial results of "06196375 Cables Limited" (formerly AEI Cables Limited), United Kingdom since it is "in Administration" (as per UK laws) w.e.f. 28<sup>th</sup> February, 2014.
  - c) We have not reviewed the financial statements of two subsidiaries namely Paramount Holdings Limited, Cyprus, and AEI Power Cables Ltd., United Kingdom, whose financial statements reflect loss of Rs. 9.94 Lacs, income of Rs. 74.99 Lacs and expenditure of Rs. 84.93 Lacs for the half year ended 30<sup>th</sup> September, 2014. These unaudited financial statements have been incorporated as furnished to us by the management of the subsidiaries and our report is so far as, it relates to the amounts included in respect of these subsidiaries is solely on such unaudited financial statements.



5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 211 (3C) of the Companies Act, 1956 read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

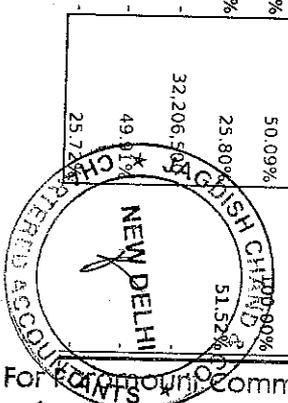
**For JAGDISH CHAND & CO.**  
Firm Registration Number: 000129N  
Chartered Accountants

Place of signing: New Delhi  
Date: 12<sup>th</sup> November, 2014



STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2014  
 ₹ In Lacs except as stated)

S.No.	Particulars	Quarter ended			Half Year ended		Year ended
		30.09.2014 (Unaudited)	30.06.2014 (Unaudited)	30.09.2013 (Unaudited)	30.09.2014 (Unaudited)	30.09.2013 (Unaudited)	
1.	a) Net Sales / Income from Operations	9,302.81	10,412.44	13,688.92	19,715.25	28,336.40	40,718.59
2.	b) Other Operating Income	45.76	93.92	645.32	139.68	803.87	632.76
3.	c) Total Income	9,348.57	10,506.36	14,334.24	19,854.93	29,140.27	41,351.35
4.	Expenditure						
5.	(a) Consumption of raw materials	8,784.82	7,819.14	10,295.99	16,603.96	22,298.97	36,246.21
6.	(b) Purchase of traded goods	90.31		892.29	90.31	2,298.97	203.99
7.	(c) (Increase)/Decrease in finished goods, work-in-progress & scrap	304.20	1,014.79	375.59	1,318.99	1,454.20	279.57
8.	(d) Employee Benefits Expense	221.82	311.66	1,849.39	533.48	3,494.68	1,348.53
9.	(e) Depreciation	216.83	250.37	305.93	467.20	590.61	1,093.45
10.	(f) Other expenditure	1,438.71	1,168.48	1,986.29	2,607.19	4,423.11	5,834.03
11.	(g) Total Expenditure	11,056.69	10,564.44	15,705.48	21,621.13	31,695.04	45,005.78
12.	Profit/(Loss) from Operations before Other Income, Interest and Exceptional Items (1-2)	(1,708.12)	(58.08)	(1,371.24)	(1,766.20)	(2,554.77)	(3,654.43)
13.	Other Income	21.68	25.36	42.82	47.04	87.53	245.21
14.	Profit/(Loss) before Interest and Exceptional Items (3+4)	(1,686.44)	(32.72)	(1,328.42)	(1,719.16)	(2,467.24)	(3,409.22)
15.	Interest	927.79	896.06	1,069.91	1,823.85	2,088.10	3,592.50
16.	Profit/(Loss) after interest but before Exceptional Items (5-6)	(2,614.23)	(928.78)	(2,398.33)	(3,543.01)	(4,555.34)	(7,001.72)
17.	Exceptional Items (Net)/(Refer note no 8)		218.02	1,152.34	218.02	1,152.34	(3,102.88)
18.	Profit/(Loss) from Ordinary Activities before tax (7+8)	(2,614.23)	(710.76)	(1,245.99)	(3,324.99)	(3,403.00)	(10,104.60)
19.	Net Profit/(Loss) from Ordinary Activities after tax (9-10)	(2,614.23)	(710.76)	(1,245.99)	(3,324.99)	(3,403.00)	(10,102.05)
20.	Share of Profit / (Loss) of Associate			10.69		1.66	26.43
21.	Minority Interest						
22.	Total Net Profit / (Loss) (13+14+15)	(2,614.23)	(710.76)	(1,235.30)	(3,324.99)	(3,401.34)	(10,075.62)
23.	Paid-up Equity Share Capital	2,504.67	2,504.67	2,504.67	2,504.67	2,504.67	2,504.67
24.	(Face Value ₹ 2/- each)						
25.	Reserves excluding revaluation reserves						
26.	Earning Per Share (EPS) before and after Extraordinary Items (not annualised)						
27.	-Basic	(2.09)	(0.57)	(0.99)	(2.66)	(2.72)	(8.05)
28.	-Diluted	(2.09)	(0.57)	(0.99)	(2.66)	(2.72)	(8.05)
29.	PARTICULARS OF SHAREHOLDING						
30.	- No. of Shares	60,405,758	60,405,758	60,405,758	60,405,758	60,405,758	60,405,758
31.	- Percentage of Shareholding	48.24%	48.24%	48.24%	48.24%	48.24%	48.24%
32.	Promoters and promoter group shareholding	64,525,957	64,525,957	32,319,457	32,319,457	64,525,957	64,525,957
33.	- Number of Shares	100.00%	100.00%	50.09%	100.00%	50.09%	100.00%
34.	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	51.52%	51.52%	25.80%	51.52%	25.80%	51.52%
35.	- Non-encumbered						
36.	- Number of Shares						
37.	- Percentage of shares (as a % of the total share capital of the company)						
38.	- Percentage of shares (as a % of the total share capital of the company)						
39.	- Pledged/encumbered						
40.	- Number of Shares						
41.	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)						
42.	- Percentage of shares (as a % of the total share capital of the company)						



(Sanjay Aggarwal)  
 Chairman & CEO

For Paramount Communications Ltd.

S.No.	PARTICULARS	3 months ended 30.09.2014	
B	<b>INVESTOR COMPLAINTS</b>		
	Pending at the beginning of the quarter	Nil	
	Received during the quarter	Nil	
	Disposed of during the quarter	Nil	
	Remaining unresolved at the end of the quarter	Nil	

**STATEMENT OF ASSETS & LIABILITIES AS PER CLAUSE 41 (V) OF THE LISTING AGREEMENT.**

A	PARTICULARS	Consolidated	
		As at 30.09.2014 (Unaudited)	As at 31.3.2014 (Audited)
	<b>EQUITY AND LIABILITIES</b>		
1	Shareholders' funds		
	(a) Share capital		
	(b) Reserves and surplus	3,269.67	3,269.67
		(17,831.70)	(14,318.72)
	<b>Sub-total - Shareholders' funds</b>	(14,562.03)	(11,049.05)
2	Minority Interest	-	-
3	Non-current liabilities		
	(a) Long-term borrowings	14,120.96	14,950.80
	(b) Deferred tax liabilities (net)		
	(c) Other long-term liabilities		
	(d) Long-term provisions		
		135.73	131.36
	<b>Sub-Total - Non-Current Liabilities</b>	14,256.69	15,082.16
4	Current liabilities		
	(a) Short-term borrowings	16,096.51	14,779.93
	(b) Trade payables	7,416.77	8,212.08
	(c) Other current liabilities	14,746.40	13,680.30
	(d) Short-term provisions	13.30	15.07
		38,272.98	36,687.38
	<b>TOTAL - EQUITY AND LIABILITIES</b>	37,967.64	40,720.49
B	<b>ASSETS</b>		
1	Non-Current Assets		
	(a) Fixed Assets	8,491.56	8,769.19
	(b) Non-current Investments	1.68	138.47
	(c) Long-term loans and advances	293.22	298.27
	(d) Other non-current assets		
		8,786.46	9,205.93
2	Current Assets		
	(a) Inventories	13,361.65	14,960.68
	(b) Trade Receivables	12,548.77	13,769.80
	(c) Cash and Cash Equivalents	1,141.77	1,274.58
	(d) Short-Term Loans and Advances	2,004.20	1,417.29
	(e) Other Current Assets	124.79	92.21
		29,181.18	31,514.55
	<b>Sub-total - Current Assets</b>	29,181.18	31,514.55
	<b>Sub-total - Non-Current Assets</b>	8,786.46	9,205.93
	<b>TOTAL - ASSETS</b>	37,967.64	40,720.49



For *[Signature]* amount Communications Ltd.

(Sanjay Aggarwal)  
Chairman & CEO

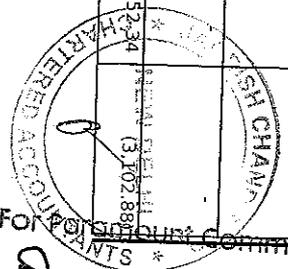
Notes:

1. The above results reviewed by the Audit Committee have been taken on record by the Board of Directors at their meeting held on 12th November, 2014
2. The "Limited Review" of the standalone results has been completed by the statutory auditors of the company pursuant to clause 41 of the listing agreement. Consolidated financial results include unaudited financials of two subsidiaries namely Paramount Holdings Limited, Cyprus and AEI power Cables Limited, United Kingdom for the quarter and half year ended 30th September, 2014 which have been incorporated as certified by the management of the respective companies.
3. "06196375 Cables Limited" (formerly AEI Cables Limited), United Kingdom is "in Administration" (as per UK laws) w.e.f. 28th February, 2014. Hence consolidated financial results do not include financial of this company. In opinion of Management, it operates under severe long-term restrictions which significantly impair its ability to transfer funds to the parent. Administrator has sold of business of this subsidiary and settled / disposed off major part of Assets and Liabilities before 31st March, 2014.
4. Pursuant to changes made in AS-11 vide Companies (Accounting Standard) Amendment Rules, 2011, foreign exchange difference arising on long term foreign currency monetary items-FCCBs used for acquiring depreciable assets has been adjusted with the cost of fixed assets and in other cases has been transferred to Profit & Loss Account. Exchange fluctuation on ECB has been fully transferred to Foreign Currency Monetary Items Translation Difference Account (FCMTDA).
5. The Company has published consolidated financial results in accordance with clause 41 of the Listing Agreement. Unaudited standalone financial results of the Company are available on the Company's website [www.paramountcables.com](http://www.paramountcables.com) and on the website of BSE ([www.bseindia.com](http://www.bseindia.com)) and/or NSE ([www.nseindia.com](http://www.nseindia.com))
6. The standalone financial results of the company for the quarter and half year ended 30th September, 2014 are as follow :

Particulars	Quarter ended		Half Year ended		Year ended
	30.09.2014 (Unaudited)	30.06.2014 (Unaudited)	30.09.2013 (Unaudited)	30.09.2014 (Unaudited)	
Net Sales / Income from Operations	9,302.57	10,337.69	8,001.58	19,640.26	40,267.22
Profit/(Loss) after interest but before Exceptional items	(2,607.90)	(925.17)	(2,733.69)	(3,533.07)	(6,954.61)
Exceptional Items (Net)	-	(3.84)	-	(3.84)	(3,391.28)
Profit/(Loss) from Ordinary Activities before tax	(2,607.90)	(929.01)	(2,733.69)	(3,536.91)	(10,345.89)
Tax Expenses	-	-	-	-	(2.55)
Net Profit/(Loss)	(2,607.90)	(929.01)	(2,733.69)	(3,536.91)	(10,348.44)

Exceptional items include:-

Particulars	Quarter ended		Half Year ended		Year ended
	30.09.2014 (Unaudited)	30.06.2014 (Unaudited)	30.09.2013 (Unaudited)	30.09.2014 (Unaudited)	
-Provision for Diminution in the value of investment in "06196375 Cables Limited" (formerly AEI Cables Limited), United Kingdom (in Administration)	-	-	-	-	(2,485.82)
-Provision for Doubtful debts recoverable from "06196375 Cables Limited" (formerly AEI Cables Limited), United Kingdom (in Administration)	-	-	-	-	(617.06)
-Write back of creditors & other liabilities, provision for diminution in the value of Assets (net) and Exchange difference written off arising from translation of financial statements of "06196375 Cables Limited" (formerly AEI Cables Limited), United Kingdom	-	-	1,152.34	-	-
- Write back of share of cumulative loss in Paramount wires & Cables Limited upon sale of all shares of Associate	-	218.02	-	218.02	-
Total Exceptional items	-	218.02	1,152.34	218.02	(2,102.88)



(Sanjay Aggarwal)  
Chairman & CEO

Paramount Communications Ltd.

8. Outstanding 1% Foreign Currency Convertible Bonds (FCCBs) amounting to ₹ 6,770.18 lacs (equivalent to USD 10.92 million) including redemption premium were due for redemption on 23rd November, 2011 and are yet to be redeemed. A winding up petition has been filed against the Company on behalf of the FCCB holders, wherein an interim order has been passed by the Hon'ble High Court of Delhi restricting the Company from alienation, disposal or creation of third party interest or charge on any of its immovable assets. The Company is contesting the case. The matter is presently sub-judice.

9. Statutory Auditors of the company has reported without qualifying their opinion drawing attention to the following:

• The consolidated financial statements have been prepared on a going concern basis despite negative net worth, defaults in repayment of loan installments and interest to banks and other working capital facilities from banks, recalling of credit facilities by a bank, default in redemption of Foreign Currency Convertible Bonds (FCCBs) and filing of winding up petition filed against the Company under the Act on behalf of FCCB holders. The appropriation of the said basis is inter-alia dependent on rescheduling of repayments to banks, future course of action by banks and outcome of winding up petition.

• "06196375 Cables Limited" (formerly AEI Cables Limited), United Kingdom is "in Administration" (as per UK laws) w.e.f. 28th February, 2014. Hence consolidated financial statements do not include financial results of this company.

• We have not reviewed the financial statements of two subsidiaries namely Paramount Holdings Limited, Cyprus, and AEI Power Cables Ltd., United Kingdom, whose financial statements reflect loss of ₹ 9.94 Lacs, income of ₹ 74.99 Lacs and expenditure of ₹ 84.93 Lacs for the half year ended 30th September, 2014. These unaudited financial statements have been incorporated as furnished to us by the management of the subsidiaries and our report is so far as it relates to the amounts included in respect of these subsidiaries is solely on such unaudited financial statements.

10. Company has been registered with the Board for Industrial and Financial Reconstruction (BIFR) under section 15 (1) of Sick Industrial Companies (Special Provisional Act, 1985 vide order dated 31.10.2013, BIFR has restrained company from disposing of or alienating in any manner any fixed assets of the Company without consent of BIFR.

11. During the quarter and half year, depreciation has been provided on fixed assets as per the useful life specified in the Companies Act, 2013 and as per preliminary assessment of useful life by the company. In case of existing assets, depreciation has been provided based on remaining useful life of the assets. Based on the current estimates, assets whose useful life is already exhausted as on 1st April, 2014, amounting to ₹ 99.25 lacs has been recognised in the opening balance of Profit & Loss Account (debit). Had there been no change in useful life of the assets, depreciation expense for the quarter and half year ended 30th September, 2014 would have been higher by ₹ 34.98 lacs and ₹ 50.76 lacs respectively.

12. During the quarter and half year ended 30th September, 2014, Company has sold all shares of Paramount wires and Cables Limited (Associate). Hence Paramount Wires and Cables Limited is no more an Associate of the Company.

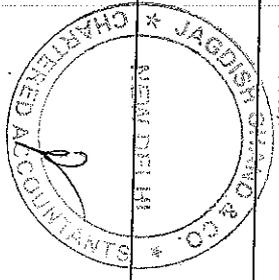
13. Segment reporting as defined in Accounting Standard 17 is not applicable as the Company operates mainly in one segment i.e. Cables.

14. Figures for the previous period /year have been regrouped & rearranged, wherever necessary. Previous period /year figures are not comparable since it included financials of AEI Cables Limited, United Kingdom and share of profit/(loss) of Paramount Wires & Cables Limited (Associate).

FOR PARAMOUNT COMMUNICATIONS LTD.

Sanjay Aggarwal  
Chairman & CEO

  
Sanjay Aggarwal  
Chairman & CEO



Place: New Delhi  
Date : 12.11.2014