

PCL/S.E./BM/08/2014

13.08.2014

The General Manager- Listing
The Bombay Stock Exchange Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400001
Fax: 022-22723121
: 022-22722039

K/A Mr. Bhushan Mokashi

Sub: Outcome of Board Meeting.
Company Code No 530555.

Dear Sir,

This is to inform you that meeting of the Board of Directors of the Company was held today and the following decisions were, inter alia, taken thereat:


1. The Unaudited standalone and consolidated financial results for the quarter ended 30th June, 2014 along with Limited review report thereon, duly reviewed by Audit Committee, were considered, approved and taken on record by the Board of Directors.
2. The 20th Annual General Meeting of the Company will be held on Friday, the 26th Day of September 2014 at Shah Auditorium, Shree Delhi Gujarati Samaj Marg, Near Inter State Bus Terminal, Delhi-110054 at 2.30 P.M.

Please find attached herewith a copy of the Un-audited standalone and consolidated Financial Results for the quarter ended 30.06.2014 for your records.

Kindly acknowledge the receipt.

Thanking you.

For Paramount Communications Limited


(Rattan Aggarwal)
CFO & Company Secretary



Encl: a/a.

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

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 ENDED 30th JUNE, 2014.**

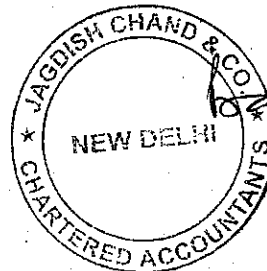
1. We have reviewed the accompanying statement of Standalone Unaudited Financial Results ('the statement') of Paramount Communications Limited ('the Company') for the quarter ended 30th June, 2014 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' 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:
 - 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, 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 and outcome of winding up petition.
 - b) For the quarter ended 30th June, 2014 managerial remuneration of Rs.22.35 lacs (Rs. 90.32 lacs for the year ended 31st March, 2014) to Chairman & CEO and Managing Director is as approved by the shareholders by way of postal ballot. However, this is subject to final approval from the Central Government. Pending approval from the Central Government in this regard, the impact thereof on the financial statements to the extent of amount of remuneration that may be disallowed by the Central government, if any, is currently unascertainable.



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.

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

Place of signing: New Delhi
Date: 13th August, 2014



(Praveen Kumar Jain)
Partner
M. No. 85629

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2014					
S.No.	Particulars	Quarter ended			Year ended
		30.06.2014 (Unaudited)	31.03.2014 (Unaudited)	30.06.2013 (Unaudited)	31.03.2014 (Audited)
1.	a) Net Sales / Income from Operations	10337.69	10738.37	9,676.24	40,267.22
	b) Other Operating Income	93.92	42.49	51.87	624.61
	c) Total Income	10,431.61	10780.86	9728.11	40891.83
2.	Expenditure				
	(a) Consumption of raw materials	7,819.14	9,741.01	9,123.55	36,246.22
	(b) Purchase of traded goods	-	-	-	-
	(c) (Increase)/Decrease in Stocks in trade & WIP	-	-	-	-
	(d) Employees Cost	940.49	(1,017.65)	(166.60)	7.99
	(e) Depreciation	311.66	247.49	387.53	1,329.31
	(f) Other expenditure	250.37	245.64	275.32	1,092.73
	(g) Total Expenditure	1,164.42	1,755.15	1,650.41	5,822.86
3.	Profit/(Loss) from Operations before Other Income, Interest and Exceptional Items (1-2)	10,486.08	10,971.64	11,270.21	44,499.11
4.	Other Income	(54.47)	(190.78)	(1,542.10)	(3,607.28)
5.	Profit/(Loss) before Interest and Exceptional Items (3+4)	25.36	142.31	42.89	245.16
6.	Interest	(29.11)	(48.47)	(1,499.21)	(3,362.12)
7.	Profit/(Loss) after Interest but before Exceptional Items (5-6)	896.06	860.64	908.70	3,592.49
8.	Exceptional Items (Net)	(925.17)	(909.11)	(2,407.91)	(6,954.61)
9.	Profit/(Loss) from Ordinary Activities before tax (7+8)	(3.84)	(2.97)	-	(3,391.28)
10.	Tax Expenses	(929.01)	(912.08)	(2,407.91)	(10,345.89)
11.	Net Profit/(Loss) from Ordinary Activities after tax (9)-(10)	-	(2.55)	-	(2.55)
12.	Extraordinary Items (net of tax expenses)	(929.01)	(909.53)	(2,407.91)	(10,343.34)
13.	Net Profit/(Loss) for the period/year	-	-	-	-
14.	Paid-up Equity Share Capital (Face Value ₹ 2/- each)	(929.01)	(909.53)	(2,407.91)	(10,343.34)
		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	(0.74)	(0.73)	(1.92)	(8.26)
	-Diluted	(0.74)	(0.73)	(1.92)	(8.26)
A PARTICULARS OF SHAREHOLDING					
1.	Public Shareholding				
	- No. of Shares	60,405,758	60,405,758	60,405,758	60,405,758
	- Percentage of Shareholding	48.24%	48.24%	48.24%	48.24%
2.	Promoters and promoter group shareholding				
	a) Pledged/Encumbered				
	-Number of Shares	64525957	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%
	-Percentage of shares (as a % of the total share capital of the company)	51.52%	51.52%	25.80%	51.52%
	b) Non-encumbered				
	-Number of Shares	-	-	32,206,500	-
	-Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	49.91%	-
	-Percentage of shares (as a % of the total share capital of the company)	-	-	25.72%	-
PARTICULARS		3 months ended			
		30.06.2014			
B INVESTOR COMPLAINTS					
	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			



For Paramount Communications Ltd.

(Signature)
 (Sunjay 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 13th August, 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.
3. 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 (FCMITDA).
4. Exceptional items include:-

Particulars	(₹ /Lacs)			
	Quarter ended			Year ended
	30.06.2014 (Unaudited)	31.03.2014 (Unaudited)	30.06.2013 (Unaudited)	31.03.2014 (Audited)
-Provision for diminution in the value of investment, doubtful debts and Advance Recoverable from subsidiaries.	(3.84)	(2.97)		(3,391.28)
Total Exceptional Items	(3.84)	(2.97)		(3,391.28)

5. Outstanding 1% Foreign Currency Convertible Bonds (FCCBs) amounting to ₹ 6,606.44 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 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.
6. Statutory Auditors of the company has reported without qualifying their opinion drawing attention to the following:
 - Managerial Remuneration of ₹ 22.35 Lacs and 90.32 Lacs to Chairman & CEO and Managing Director for the period ended 30th June, 2014 and for the year ended 31st March, 2014 respectively, is as approved by the shareholders by way of postal ballot. However, this is subject to final approval from the Central Government. Pending approval from the Central Government in this regard, the impact thereof on the financial statements to the extent of amount of remuneration that may be disallowed by the Central government, if any, is currently unascertainable
 - 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, 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 and outcome of winding up petition.
7. 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.
8. During the quarter, depreciation has been provided on fixed assets as per the useful life specified in the Companies Act, 2013 and as per preliminary assesment 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 would have been higher by ₹ 15.78 lacs.
9. During the quarter 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.
10. Segment reporting as defined in Accounting Standard 17 is not applicable as the Company operates mainly in one segment i.e. Cables.
11. The financial figures of last quarter i.e quarter ended 31st March,2014 are the balancing figure between audited figures in respect of the financial year ended March 31, 2014 and the published year to date figures up to the third quarter i.e December 31,2013 of the current financial year.
12. Figures for the previous quarter/year have been regrouped & rearranged, wherever necessary.

Place: New Delhi
Date : 13.08.2014

For PARAMOUNT COMMUNICATIONS LTD.

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

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 ENDED 30TH JUNE, 2014.

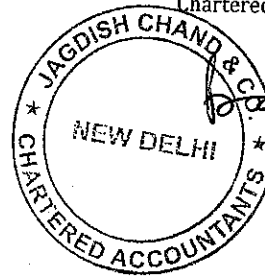
1. We have reviewed the accompanying statement of Consolidated Unaudited Financial Results ('the statement') of Paramount Communications Limited ('the Company') and its subsidiaries for the quarter ended 30th June, 2014 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter 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 initiated 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, 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 and outcome of winding up petition.
 - b) For the quarter ended 30th June, 2014 managerial remuneration of Rs. 22.35 lacs (Rs.90.32 lacs for the year ended 31st March,2014) to Chairman & CEO and Managing Director is as approved by the shareholders by way of postal ballot. However, this is subject to final approval from the Central Government. Pending approval from the Central Government in this regard, the impact thereof on the financial statements to the extent of amount of remuneration that may be disallowed by the Central government, if any, is currently unascertainable
 - c) 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. 28th February, 2014.
 - d) 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. 3.61 Lacs, income of Rs.74.76 Lacs and expenditure of Rs 78.37 Lacs for the quarter ended 30th June, 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: 13th August, 2014



(Praveen Kumar Jain)
Partner
M. No. 85629

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2014					
S.No.	Particulars	Quarter ended			
		30.06.2014 (Unaudited)	31.03.2014 (Unaudited)	30.06.2013 (Unaudited)	31.03.2014 (Audited)
1.	a) Net Sales / Income from Operations	10,412.44	11,349.14	14,647.48	40,718.59
	b) Other Operating Income	93.92	42.66	158.55	632.76
	c) Total Income	10,506.36	11,391.80	14,806.03	41,351.35
2.	Expenditure				
	(a) Consumption of raw materials	7,819.14	10,288.43	12,002.98	36,246.21
	(b) Purchase of traded goods			561.91	203.99
	(c) (Increase)/Decrease in Stocks in trade & WIP	1,014.79	(890.99)	(942.12)	279.57
	(d) Employees Cost	311.66	247.88	1,645.29	1,348.53
	(e) Depreciation	250.37	245.83	284.68	1,093.45
	(f) Other expenditure	1,168.48	1,771.60	2436.82	5,834.03
	(g) Total Expenditure	10,564.44	11,662.75	15,989.56	45,005.78
3.	Profit/(Loss) from Operations before Other Income, Interest and Exceptional Items (1-2)	(58.08)	(270.95)	(1,183.53)	(3,654.43)
4.	Other Income	25.36	142.31	44.71	245.21
5.	Profit/(Loss) before Interest and Exceptional Items (3+4)	(32.72)	(128.64)	(1,138.82)	(3,409.22)
6.	Interest	896.06	860.64	1,018.19	3,592.50
7.	Profit/(Loss) after Interest but before Exceptional Items (5-6)	(928.78)	(989.28)	(2,157.01)	(7,001.72)
8.	Exceptional Items (Net)	218.02	(3,102.88)	-	(3,102.88)
9.	Profit/(Loss) from Ordinary Activities before tax (7+8)	(710.76)	(4,092.16)	(2,157.01)	(10,104.60)
10.	Tax Expenses	-	(2.55)	-	(2.55)
11.	Net Profit/(Loss) from Ordinary Activities after tax (9)-(10)	(710.76)	(4,089.61)	(2,157.01)	(10,102.05)
12.	Extraordinary Items (net of tax expenses)	-	-	-	-
13.	Net Profit/(Loss) for the period/ year	(710.76)	(4,089.61)	(2,157.01)	(10,102.05)
14.	Share of Profit / (Loss) of Associate	-	17.56	(9.03)	26.43
15.	Minority Interest	-	-	-	-
16.	Total Net Profit / (Loss) (13+14)	(710.76)	(4,072.05)	(2,166.04)	(10,075.62)
17.	Paid-up Equity Share Capital (Face Value ₹ 2/- each)	2,504.67	2,504.67	2,504.67	2,504.67
18.	Reserves excluding revaluation reserves	-	-	-	(14,408.31)
19.	Earning Per Share (EPS) before and after Extraordinary items (not annualised)				
	-Basic	(0.57)	(3.25)	(1.73)	(8.05)
	-Diluted	(0.57)	(3.25)	(1.73)	(8.05)
A	PARTICULARS OF SHAREHOLDING				
1.	Public Shareholding				
	- No. of Shares	60405758	60405758	60,405,758	60405758
	- Percentage of Shareholding	48.24%	48.24%	48.24%	48.24%
2.	Promoters and promoter group shareholding				
	a) Pledged/Encumbered				
	-Number of Shares	64525957	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%
	-Percentage of shares (as a % of the total share capital of the company)	51.52%	51.52%	25.80%	51.52%
	b) Non-encumbered				
	-Number of Shares	-	-	32,206,500	-
	-Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	49.91%	-
	-Percentage of shares (as a % of the total share capital of the company)	-	-	25.72%	-
	PARTICULARS	3 months ended			
B	INVESTOR COMPLAINTS	30.06.2014			
	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			



For Paramount Communications Ltd.

(Sanjay Agarwal)
Chairman & CEO

Notes:

- The above results reviewed by the Audit Committee have been taken on record by the Board of Directors at their meeting held on 13th August, 2014
- 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 ended 30th June, 2014 which have been incorporated as certified by the management of the respective companies.
- "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.
- 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 Transalation Difference Account (FCMITDA).
- The Company has published consolidated financial results in accordance with caluse 41 of the Listing Agreement. Unaudited standalone financial results of the Company are available on the Company's website www.paramountcables.com and on the website of BSE (www.bseindia.com) and/or NSE (www.nseindia.com)

6. The standalone financial results of the company for the quarter ended 30th June, 2014 are as follow :

Particulars	(₹ /Lacs)			
	Quarter ended			Year ended
	30.06.2014 (Unaudited)	31.03.2014 (Unaudited)	30.06.2013 (Unaudited)	31.03.2014 (Audited)
Net Sales / Income from Operations				
Profit/(Loss) after Interest but before Exceptional Items	10,337.69	10,738.37	9,676.24	40,267.22
Exceptional Items (Net)	(925.17)	(909.11)	(2,407.91)	(6,954.61)
Profit/(Loss) from Ordinary Activities before tax	(3.84)	(2.97)	-	(3,391.28)
Tax Expenses	(929.01)	(912.08)	(2,407.91)	(10,345.89)
Net Profit/(Loss)	-	(2.55)	-	(2.55)
Exceptional items include:-	(929.01)	(909.53)	(2,407.91)	(10,343.34)

Particulars	(₹ /Lacs)			
	Quarter ended			Year ended
	30.06.2014 (Unaudited)	31.03.2014 (Unaudited)	30.06.2013 (Unaudited)	31.03.2014 (Audited)
-Provision for Diminution in the value of investment in "06196375 Cables Limited" (formerly AEI Cables Limited), United Kingdom (in Administration)	-	(2,485.82)	-	(2,485.82)
-Provision for Doubtful debts recoverable from "06196375 Cables Limited (formerly AEI Cables Limited), United Kingdom (in Administration)	-	(617.06)	-	(617.06)
- Write back of share of cumulative loss in Paramount wires & Cables Limited upon sale of all shares of Associate	218.02	-	-	-
Total Exceptional items	218.02	(3,102.88)	-	(3,102.88)

- Outstanding 1% Foreign Currency Convertible Bonds (FCCBs) amounting to ₹ 6,606.44 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 subjudice.
- 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, 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 and outcome of winding up petition.
 - Managerial Remuneration of ₹ 22.35 Lacs and 90.32 Lacs to Chairman & CEO and Managing Director for the period ended 30th June, 2014 and for the year ended 31st March, 2014 respectively, is as approved by the shareholders by way of postal ballot. However, this is subject to final approval from the Central Government. Pending approval from the Central Government in this regard, the impact thereof on the financial statements to the extent of amount of remuneration that may be disallowed by the Central government, if any, is currently unascertainable
 - "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 ₹ 3.61 Lacs, income of ₹ 74.76 Lacs and expenditure of ₹ 78.37 Lacs for the quarter ended 30th June, 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.



For Paramount Communications Ltd

(Signature)
Chairman & CEO

11. During the quarter, 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 would have been higher by ₹ 15.78 lacs.
12. The financial figures of last quarter i.e. quarter ended 31st March, 2014 are the balancing figure between audited figures in respect of the financial year ended March 31, 2014 and the published year to date figures up to the third quarter i.e. December 31, 2013 of the current financial year (excluding figures related to AEI cables Limited, United Kingdom, in administration).
13. During the quarter 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.
14. Segment reporting as defined in Accounting Standard 17 is not applicable as the Company operates mainly in one segment i.e. Cables.
15. Figures for the previous quarter/year have been regrouped & rearranged, wherever necessary. Previous quarter/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).

Place: New Delhi
Date : 13.08.2014

For PARAMOUNT COMMUNICATIONS LTD.

Sanjay Aggarwal
Chairman & CEO

