

Focused on our Strengths Committed to Growth

Annual Report 2020-21



Paramount Communications Limited

Paramount Communications Limited

Annual Report for FY 2020-21

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**At Paramount Communications Limited,
our clients value our products and
services. We have the experience and
the expertise to handle complex projects
from concept to completion.**

With our strong prequalification credentials and quality benchmarked to the highest standards, we have further differentiated ourselves across the diverse sectors we serve. Over the years, we built strong relationships with our clients on the foundation of our innovative products.

While the external environment has created near-term challenges, we see considerable opportunities for growth. India is developing and modernizing infrastructure at a rapid pace. Power generation is being increased from all sources to meet growing demand. Our world today is undeniably digital and more connected. As global growth recovers and resurges, so will the opportunities for us to deliver our trusted products and solutions. With our established strengths, we are confident of capturing a large share of these opportunities.

**We are Focused on our Strengths and
Committed to Growth.**



Paramount Communications Limited at a Glance

Paramount Communications Limited (recognized by the brand name Paramount Cables) is one of the leading and most trusted wires and cables company in India. In our over six decades of manufacturing expertise, we have built a comprehensive product portfolio to serve all infrastructure segments. Our customer base comprises prestigious public and private sector companies both in India and overseas. We are driven by the commitment and expertise of our high-caliber employees, enabling us to proudly create and deliver innovative solutions to our customers.

Our Company is headquartered in New Delhi, India.

STRENGTH AND GROWTH THROUGH EXECUTION

Manufacturing Excellence

Technological Advancement

Customer Satisfaction

Innovative Solutions

QUICK FACTS

65+

Years of sectoral experience

500+

Institutional Clients

15+

Countries where our products are shipped

2

State-of-the-art manufacturing plants



WHAT STRENGTHENS OUR VALUE PROPOSITION

Rich Experience

Serving evolving and complex customer needs over the past 65 years

Diverse Product Portfolio

Wide range of high-quality cabling solutions and services

Multisectoral Offerings

Catering to all the major infrastructure segments

Strong Prequalification Credentials

Approved and reliable cable supplier to the institutional segment

Robust Manufacturing Capabilities

Two state-of-the-art manufacturing plants ensuring efficient production

Innovation Focus

Strong in-house R&D capabilities driving new product development

Quality Assurance

Stringent quality checks for delivering products benchmarked to global standards

10,000+
Retail counters in India

5,000+
Associated electricians

100+
Channel partners

1,200+
Employees

STRENGTHENING OUR REPUTATION BY PURSUING EXCELLENCE

- Among the largest suppliers for the BharatNet project, the Government's flagship initiative for providing high-speed broadband to rural population.
- Successfully executed a prestigious project of repairing Submarine Cable in 2019.
- Developed Four Quad Axle Counter Cables for telecom and signalling network in the Indian Railways in 1985.
- First company to be awarded the National Entrepreneurship Award by the President of India for outstanding achievement in wire and cable manufacturing in 1984.
- Sole vendor with near-zero rejection rates for railway axle counter cables.
- Only Indian cables brand, among fewer than ten globally, to simultaneously hold certification for the highest level of fire survival cables from both BASEC (British Approvals Service for Cables) and LPCB (Loss Prevention Certification Board).

Product Range

Strength and Growth With diverse offerings

Our comprehensive portfolio enables us to cater to the needs of multiple sectors. Our high-quality and innovative offerings make all the difference in generating better value for our customers and driving sustained business growth.

**Power Cables**

- Low Tension (LT) and High Tension (HT) Power Cables
- LT and HT Aerial Bunch Cables
- Control Cables
- Instrumentation Cables

**Railway Cables**

- Signalling Cables
- Railway Power
- Axle Counter Cables

**Telecom Cables**

- Optical Fiber Cables (OFC)
- Fiber to the Home (FTTH) Cables
- Jelly Filled Telephone Cables (JFT)
- CATV Cables

**Domestic Wires & Cables**

- Building Wires
- Submersible Cables
- Multi-core Cables
- Coaxial and LAN Cables

**Special Products**

- PTFE and Thermocouple Cables
- Fire Survival Cables
- Solar Cables

**EPC Services**

- Telecom Consultancy and EPC
- Power and Railway EPC Turnkey Projects
- Submarine Cables Installation & Repair
- Specialized Projects OPGW



DRIVING INNOVATION

Led by our R&D capabilities, we have introduced many innovative products and solutions in the market. These are some of our achievements.



Among the few companies globally to manufacture the highest-rated 'F120' i.e. 120 minutes fire survival cables.

Product properties

- Resistant to fire temperatures of 950°C for 120 minutes
- Resistant to fire with intermittent water spray mimicking fireman's water hose
- Resistant to fire with mechanical impact mimicking falling stones/debris
- Combination of resistance to fire with mechanical impact and water jet spray

at a temperature of 830°C for a duration of two hours

- Limits the generation of toxic gases and fumes that hinder fire-fighting and rescue operations

- 100% conductivity and energy savings through the use of 99.97% pure high-quality copper
- Protection of ozone layer by eliminating the release of halogen
- Low smoke and gas emission

Among the first in India to develop eco-friendly electrical housing wires

Product properties

- Only Indian cables brand with lead-free PVC, making it non-toxic and safe

Sectoral Presence

Strength and Growth By serving multiple sectors

Our diverse portfolio enables us to cater to the needs of multiple sectors, insulating us from the downturn in any one or more industries. These end markets are poised to be growth drivers for years to come, adding further opportunity for growing our business.



Customer Profile

Strength and Growth Through nurturing partnerships

Underpinned by the expanded customer relationships that we have built in our institutional business, we continue to grow from strength to strength. In addition to a marquee customer base in the domestic market, our solutions are also exported to 15+ countries across four continents, reflecting our success in nurturing global partnerships.

Public Sector Undertaking



Private Sector



Quality

Strength and Growth With quality excellence

Our reputation in the market continues to strengthen with our products benchmarked to global standards and delivering reliable, certified performance to meet complex customer requirements. The products are manufactured at our state-of-the-art facilities having advanced machinery and testing standards.

INDIAN ACCREDITATION / APPROVALS

- Bureau of Indian Standards (BIS)
- Telecom Engineering Centre
- Research Designs & Standards Organization for Railways
- NTPC and PGCIL for Power Cables

INTERNATIONAL ACCREDITATION / APPROVALS

- British Approvals Service for Cables (BASEC) - LV Power Cables
- BASEC and Loss Prevention Certification Board (LPCB) - Fire Survival Cables
- UL - Service Entrance Cables and Thermoset Insulated Wires & Cables
- IEC, EN & - Solar Cables

INTERNATIONAL PRODUCT MANUFACTURING STANDARDS

- British Standard Specifications (BSS)
- American Society for Testing and Materials (ASTM)
- International Electro Technical Commission Specifications (IEC)
- Verband der Elektrotechnik (VDE)
- Deutsches Institut für Normung e.V. (DIN)
- Japanese Industrial Standards (JIS)
- French Standards (NFC)
- Russian Standards (GOST)

PRODUCT LICENSES

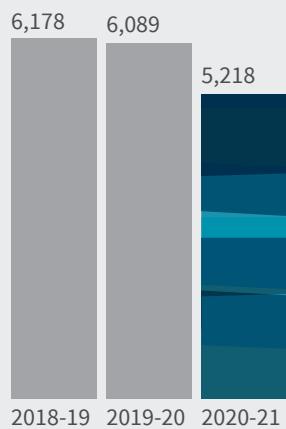
- Licensed by BIS to mark products with:
 - IS 7098 Part 1 and Part 2 for LT 1.1 KV and 3.3KV-33KV HT XLPE Power Cables
 - IS 14255 for 1.1 KV Aerial Bunch Cables
 - IS 694 for light-duty PVC Cables
 - IS 1554 Part 1 for 1.1 KV heavy-duty armoured and unarmoured cables including control cables
- Licensed by BASEC to mark products with BS5467, BS6724 & BS7846
- Licensed by LPCB to mark Fire Survival Cables
- UL marking approval for Service Entrance Cables as per UL 854 and Thermoset Insulated Wires & Cables as per UL 44



Financial Highlights

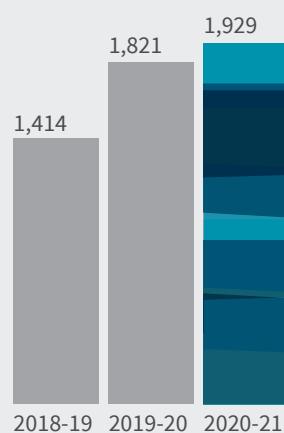
Total Revenue

₹ Million



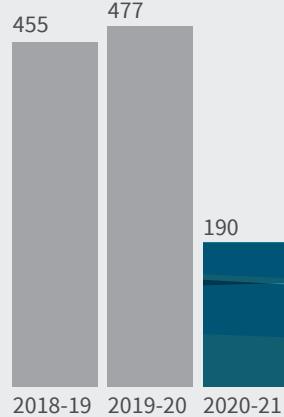
Net Worth

₹ Million



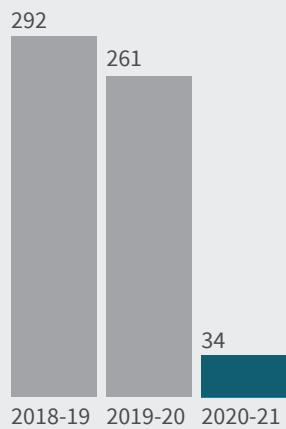
EBIDTA

₹ Million

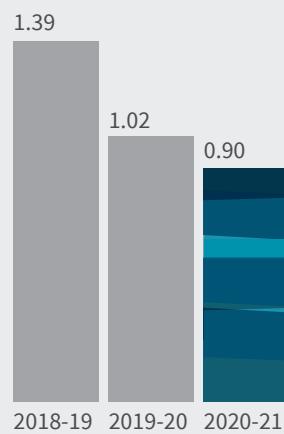


Net Profit including OCI

₹ Million

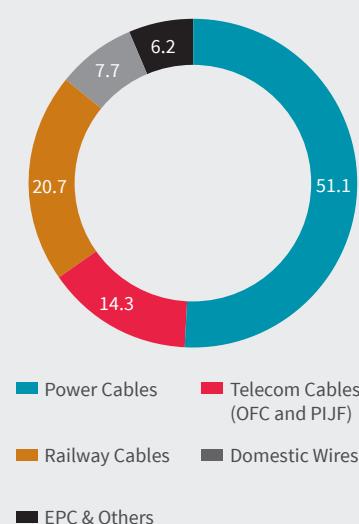


Debt Equity Ratio



Revenue break-up

%



Letter from the Chairman & CEO



Dear Shareholders,

The past year has been one of unprecedented challenges for individuals, communities, corporates and economies around the world. In India, the severe second wave of the pandemic has caused tremendous agony and suffering with innumerable lives succumbing to the virus. Yet, despite all the downsides and our resilience being tested across all areas, the pandemic has also shown us the innovative and indefatigable spirit of humankind. Moreover, the development of vaccines worldwide in record time demonstrates how working in unison can help us achieve even the most difficult targets.

At Paramount, our people have also demonstrated incredible grit, resilience and solidarity to surmount the challenges of this pandemic-hit year. I take this opportunity to express my pride and gratitude for their efforts. Further, despite our financial performance being lower than our expectations, our continued focus on quality, customer satisfaction, innovation, cost containment and employee safety has positioned Paramount Cables for future success.

PERFORMANCE REVIEW

We entered fiscal 2021 with the nationwide lockdown resulting in our plants being shut down for almost one month.

With the gradual unlocking of the Indian economy, we swiftly swung back into action. Our plants recommenced operations following all government guidelines and ensuring adherence to COVID-19 safety protocols. However, localized restrictions and weak demand from end markets due to the overall slowdown in economic activity resulted in our performance being subdued for the full year. Furthermore, exports which contribute significantly to our revenues, were also impacted due to lost/delayed sales and inventory build-up, with several overseas markets and airports being in a state of lockdown.

Our sales revenues declined from ₹ 6,062 million in FY 2019-20 to ₹ 5,191 million in FY 2020-21. While we maintained strict control on non-discretionary expenses and adopted austerity measures, EBIDTA declined from ₹ 477 million to ₹ 190 million. New ways of doing business in COVID-19 times and increased expenditure towards maintaining health and safety contributed to high overheads.

STAYING RESILIENT

As we faced the once-in-a-century health crisis, we hoped for the best yet prepared for the worst. We invoked our business continuity plans and rapidly implemented measures to ensure the safety and wellbeing of our employees while protecting our operations at all our sites.

As our people whose role allowed them to work from home transitioned to a remote working environment and our team at manufacturing plants adjusted to new shift schedules and working norms, we quickly got our operations back on track. With physical distancing being the need of the hour in the post-COVID world, technology and digital solutions were extensively deployed to enable seamless functioning.



We remained steadfast towards being a trusted partner to our customers by ensuring timely and seamless delivery of world-class products. For our EPC projects, we continued to focus on strong project performance. With supply chain disruptions challenging manufacturing operations across the world, we maintained agility by collaborating with regular and alternate vendors to ensure the uninterrupted supply of raw materials. Cost optimization without compromising on the health, safety and overall wellbeing of our employees was another key focus area to manage through this period of uncertainty. I am glad to share that none of our employees were retrenched during the lockdown period and vaccination drives have been taking place across all our sites. Further, we continued to build on our relationships with all our stakeholders, including our distributors and communities, by extending support for navigating this crisis.

UNLOCKING OPPORTUNITIES

Although we entered the new fiscal still being challenged by the pandemic, there have been significant positive developments in the operating environment that augur well for your Company.

The Government has renewed the thrust on infrastructure development to revive economic activity. Under the National Infrastructure Pipeline, an ambitious sum of ₹ 111 lakh crore have been allocated for various infrastructure projects across the country. As projects are rolled out on different fronts – power, roads, railways, metro rail, housing, digitalization, telecommunications, petrochemicals and renewables, among others – it will generate high demand for wires and cables in India.

Operations across various sectors are now on a stronger footing with the mass vaccination drive gathering momentum and the pandemic situation under better control. Meanwhile, the activation of the production-linked incentive (PLI) scheme by the Government, to realize the vision of India becoming ‘Atmanirbhar’, or a self-reliant economy, is incentivizing domestic manufacturing. Additionally, global players are increasingly adopting a ‘China Plus One’ strategy, thereby enhancing the opportunities for India to become a global manufacturing hub. In line with these developments, private investments are expected to pick up for revamping and expansion of existing infrastructure, thus driving the demand for wires and cables.

Over the years, we have built strong relationships with our customers by meeting their needs with the best quality products. Our strong prequalification criteria, wide product range, and cost competitiveness further enhance the value that we bring to them. Backed by these credentials, we are confident of capitalizing on


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the growing opportunities and pushing forward our institutional and export businesses. Meanwhile, we also remain geared to strengthen our retail revenues by strengthening our distribution network for housing wires and cables.

OUTLOOK

In summary, it has been a trying year for us with institutional orders facing a slowdown even as we managed the complex challenges of the COVID-19 pandemic and its effects on our business. However, as explained above, there are several reasons to be optimistic for FY 2021-22 and beyond. The strength we have built into our business over the years will enable us to extract the best value from these opportunities, making us look to the future with confidence.

We have ample balances of cash and liquid investments and have low interest burden; our healthy balance sheet should enable us to sustain our business through any potential prolonged pandemic. Our employees are very skilled and dedicated to delivering even in changing circumstances. Finally, having faced the storm of COVID-19, we have emerged even stronger with all the learnings and experiences. The Company looks forward to continuing to provide quality products and services to our customers and a safe work environment for our employees, generating a rebound in our revenues and profits and driving value creation for all.

On behalf of the Board, I would like to thank our employees once again for their resilience and commitment in this exceptional year. I would also like to express our gratitude to our customers, business partners, channel partners, shareholders and all other stakeholders for their continued support.

My best wishes for your health and safety during these challenging times.

Warm regards,

Sanjay Aggarwal
Chairman and CEO



Market Overview

Strength and Growth By capturing opportunities

Favorable trends are shaping the market for wires and cables in India as well as in international markets. We remain focused on capitalizing on these unfolding prospects to further strengthen and grow our business.



OPPORTUNITY

#1 Rising demand from the power sector

The demand for reliable power supply continues to drive the market for wires and cables. Growing population and rapid urbanization are leading to the creation of new industrial, commercial and residential spaces, leading to a surge in demand for electricity.

The Government has been undertaking numerous initiatives such as Ujwal Discom Assurance Yojana (UDAY) and Integrated Power Development Scheme (IPDS) to develop a robust transmission and distribution network in the country. Renewable energy is also growing at an impressive pace in recent years due to plummeting costs. This continued emphasis on strengthening the power sector provides considerable opportunities for the wires and cables market.

OUR STRENGTH

Our power cables portfolio is a major contributor to our revenues. We will continue to leverage the Government's schemes in the transmission and distribution sector to provide a further fillip to our business performance.



OPPORTUNITY

#2 Growth in investments in the construction sector

With most states opening up with the COVID-19 situation getting under control, and with economic activity getting normalized, the real estate sector is expected to register a recovery.

While commercial real estate demand is expected to take time to pick up, affordable housing and mid-price houses are likely to witness better demand and early recovery. This will increase the demand for wires and cables. Government initiatives such as Pradhan Mantri Awas Yojana (PMAY) program, which aim to provide affordable housing to all urban poor by 2022 through initiatives like financial support, and smart cities have proved to be additional incentives for boosting the wire and cables market.

The growth of the construction sector will also be supported by investment in transport, energy, and industrial infrastructure projects. Under the Union Budget 2021-22, the Government allocated ₹ 5.5 trillion (US\$ 78.2 billion) towards capital expenditure and the number of projects in the National Infrastructure Pipeline was increased from 6,835 projects to 7,400. To fund the new projects, the Government plans to increase the share of capital expenditure in central and state budgets in the coming years and establish a new ₹ 200 billion (US\$ 2.8 billion) development finance institution. All these investments augur well for the growth of the wire and cables market.

OUR STRENGTH

Our comprehensive portfolio enables us to meet diverse needs across all infrastructure segments. Backed by our quality credentials and strong customer relationships, we remain focused on tapping unfolding opportunities.





OPPORTUNITY

#3 Growing demand for optical fiber cables

The Indian optical fiber cables (OFC) market stood at US\$ 881.5 million in 2019 and is projected to grow at a CAGR of 19.7% to reach US\$ 2.1 billion by 2024.

Polymer optic fiber is widely being used in the telecommunications industry. The Indian government has prioritized the laying of optic fiber cables in line with its vision of 'Digital India'. The shift to remote working in the post-pandemic era has increased the demand for high speed and reliable broadband services. Even before the pandemic, in an increasingly knowledge-driven globalized world, telecommunication has emerged as a key driver of economic and social development. This surging demand for quality broadband services will require telecom operators to make new investments in their infrastructure, including fiberization.

Further, 5G network trials have already started in India, the DoT is expected to conduct 5G auctions later in 2021, and 5G network is expected to go live next year. This imminent introduction of 5G rollout requires a significant deployment of optical fiber networks.

Globally, the fiber optic connectivity market is expected to witness growth from increasing downstream activities and growing internet usage across the world. Apart from telecommunications, automotive, aircraft manufacturing, and electronics are the other industries driving the demand for optical fiber cables.

OUR STRENGTH

Powered by our robust portfolio of products that serve the requirements of 4G and 5G networks, we are at a vantage point to capture the expanding opportunities in the Indian communications market.



OPPORTUNITY

#4 High focus on developing railways

Indian railways have emerged as the largest revenue-generating end-user segment in the electric wire and cable market in India. The increased inflow of investments by the Government towards developing high-speed rail projects will fuel the growth of the wires and cables market. Under the Union Budget 2021-22, ₹ 110,055 crore has been allocated for Indian Railways, out of which ₹ 107,100 crore is for capital expenditure. To promote the Make in India program, the Government thrust is on lowering the freight cost for the industry. Aligned with this, the focus is on commissioning the Eastern and Western Dedicated Freight corridors by 2022. Further, the new rail plan envisages a future-ready Indian Railways by 2030.

The metro rail segment in India is also growing at a rapid pace with projects being implemented in 20+ Indian cities. Under metro construction, greenfield projects (those in the first phase), as well as projects for expansion of existing lines, are being carried out. Currently, 34 metro and rapid rail projects with a cumulative length of nearly 1,230 km are under implementation across the country.

OUR STRENGTH

We are a trusted provider of specialized cables for the Indian Railways. Our continued focus on enhancing our capabilities and operational efficiency in this segment further reinforces our position to capture the growing demand for railway cables.



Board of Directors



Mr. Sanjay Aggarwal

Chairman and CEO

Mr. Sanjay Aggarwal, the Executive Chairman & CEO of the Company, has more than three decades of experience in the Indian cables and wires Industry. Mr. Aggarwal has received various prestigious awards including the 'National Small Industry Award by the President of India', 'Niryat Shree Award by FIEO' and 'Entrepreneur of the Year Award 1994' by All India Manufacturers Organization for his entrepreneurship. He has been associated with the Company since its inception as promoter. With his deep industry knowledge and management skills, he has successfully steered the organization to greater heights. Besides this, Mr. Aggarwal holds the position of President of PHD Chamber of Commerce & Industry.



Mr. Sandeep Aggarwal

Managing Director

Mr. Sandeep Aggarwal, Managing Director of the Company, holds a bachelor's degree in Economic Hons., and has rich experience of more than 3 decades in the cables and wires Industry. He has also been conferred the Honorary Professorship on Industry Excellence in ICT, Cables, and Telecom Infra by Hemchandracharya North Gujarat University. He is associated with various technical, industrial and social bodies including 'Industrial Training Institute, Raini', Telecom Equipment Manufacturers Association of India and PHD Chamber of Commerce and Industry. With his innovative leadership and management approach, he is actively involved in all major activities of the Company.



Mr. Vijay Bhushan

Independent Director

Mr. Vijay Bhushan is an MBA from the University of Delhi and has been actively associated with the capital market since 1981. He was elected as the President of the Delhi Stock Exchange in the year 2001-02 and was also the Chairman of the Federation of Indian Stock Exchanges representing 20 Stock Exchanges from 2002-04. Mr. Bhushan has acted as President of the Association of National Exchanges Members of India (ANMI).



Mrs. Malini Gupta

Independent Director

Mrs. Malini Gupta is a dynamic personality with over two decades of experience in the areas of business strategy, performance improvement, supply chain re-engineering and project management. She is a Director at Positron Services. She has been on the Company's Board since January 2015. She has done a master's in management studies from BITS Pilani and is Certified in Production and Inventory Management from APICS, USA.



Mr. Vijay Maheshwari

Independent Director

Mr. Vijay Maheshwari is a fellow member of the Institute of Chartered Accountants of India and has over 40 years of experience in lending, project finance, auditing, and financial restructuring. He is acclaimed for his vision and dynamism. Mr. Maheshwari is actively involved in the promotion of trade and commerce being a Member of Bharat Chamber of Commerce-Sub-Committee, Member of Small-Scale Industry and Company Matter.



Mrs. Praveena Kala

Independent Director

Mrs. Praveena Kala has over three decades of experience in National and International Banking operations in State Bank of India. Mrs. Kala has been actively associated with RBI Business Re-Engineering Committee as a member and a keynote speaker in various banking conclaves. She has done master's in physics from Lucknow University. Mrs. P. Kala retired as the Chief General Manager of State Bank of India, Bhubaneswar Circle.

Corporate Social Responsibility

Strength and Growth By giving back

We endeavor to make a difference in the communities in which we operate by contributing to socio-economic development. Our CSR endeavors are guided by the firm belief that the way our Company affects the economy and society is just as important as our financial returns.



COVID-19 vaccination drive conducted at our facilities for our employees and their families



Oxygen plant set up at TRSCH, New Delhi to strengthen healthcare infrastructure and partner the fight against COVID-19



Contributed towards the construction of a check dam



Blood donation camp organized in association with Rotary Club of Delhi South Central and NGO Indraprastha Sanjeevni



Supporting the education and welfare of children from financially weaker backgrounds

Corporate Information

BOARD OF DIRECTORS

Mr. Sanjay Aggarwal

Chairman & CEO

Mr. Sandeep Aggarwal

Managing Director

Mr. Vijay Maheshwari

Independent Director

Mr. Vijay Bhushan

Independent Director

Mrs. Malini Gupta

Independent Director

Mrs. Praveena Kala

Independent Director

REGISTERED OFFICE

C-125, Naraina Industrial Area,
Phase 1, New Delhi - 110 028.

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E-mail: pcl@paramountcables.com
Website: www.paramountcables.com

WORKS

SP-30A, SP-30B and E-31,
Khushkhera Industrial Area,
District Alwar, Rajasthan, India

Plot No. 37 Industrial Estate,
Dharuhera, District Rewari,
Haryana, India

CHIEF FINANCIAL OFFICER

Mr. Shambhu Kumar Agarwal

COMPLIANCE OFFICER & COMPANY SECRETARY

Ms. Rashi Goel

AUDITORS

P. Bholusaria & Co.
Chartered Accountants,
New Delhi

COST AUDITORS

Jain Sharma & Associates
Cost Accountants, New Delhi

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Private Limited, Noble Heights, 1st Floor,
Plot No. NH-2, C-1 Block, LSC, Janakpuri, New Delhi - 110 058



Management Discussion and Analysis

ECONOMIC REVIEW

Global Economy

The year 2020 was a challenging period with lockdowns in most global economies posing a threat of deep recession. Most governments helped to maintain disposable income for households, protect cash flow for firms, and support credit provision. Sizable, swift, and unprecedented fiscal, monetary, and regulatory responses were initiated. The global contraction for 2020 is estimated at 3.3% with some signs of economic recovery in China and some large advanced economies.

Global Economic Growth: Actual and Projections (%)

Growth in %	2019	2020	2021	2022
World Output	2.8	(3.3)	6.0	4.4
Advanced Economies	1.6	(4.7)	5.1	3.6
United States	2.2	(3.5)	6.4	3.5
Euro Area	1.3	(6.6)	4.4	3.8
Japan	0.3	(4.8)	3.3	2.5
United Kingdom	1.4	(9.9)	5.3	5.1
Emerging Market and Developing Economies	3.6	(2.2)	6.7	5.0
China	5.8	2.3	8.4	5.6
India	4.0	(8.0)	12.5	6.9

2021 and 2022 are projections

Source: IMF WEO April 2021

The softening in early 2021 is expected to give way to rising momentum in the latter half of the year as vaccines and therapies become more readily available. Human adaptation to the pandemic restrictions and the vaccine rollout have enabled the global economy to see some recovery in 2021 despite subdued overall mobility across regions. Additional policy support in few large economies have raised hopes of a turnaround with growth expectations of 6% in 2021, moderating to 4.4% in 2022. Economic recoveries are diverging across countries and sectors, reflecting variation in pandemic-induced disruptions and the extent of policy support. Global growth is expected to moderate to 3.3% over the medium term. Acceleration in the production and distribution of doses and better co-ordination around the world can enable the economies to get ahead of virus mutations and recover faster. A recovery in global trade after the recession in 2020 offers an opportunity for emerging market and developing economies to bolster economic growth.

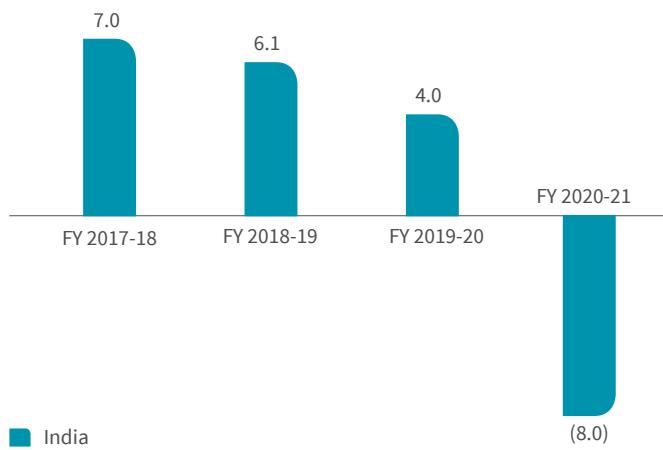
Source: IMF WEO April 2021

Indian Economy

In line with the global crisis, the Indian economy, too, witnessed a recession due to the COVID-19 outbreak. Mobility restrictions and social distancing caused supply-chain disruptions and consumer demand fallout. Later, as the economy unlocked in phases, mobility of goods eased supply-side pressures. This is also reflected in the industrial activity pick-up in H2 FY2020-21. Stronger car sales, rising finished steel production and diesel consumption, higher goods and services tax revenue collections followed. Improvement in the availability of finance from banks, pent-up demand and festivities added to buoyancy in economic activity.



Real GDP growth (Annual %)



The second advance estimates of National Income for FY 2020-21 by the National Statistics Office indicate real GDP contraction at 8% for FY 2020-21. The recovery in economic activity and improved investor sentiments are a result of impactful reforms undertaken by the Government since March 2020. The Union Budget 2021-22 revolving around Atmanirbhar Bharat and digitization of the economy laid strong thrust on development of healthcare, infrastructure and agriculture sectors to drive the economy out of the stress due to COVID-19 with a massive spending push of over ₹ 4 trillion. Several investment initiatives were announced like the national infrastructure pipeline, demand-driven capex, and the Centre's Production-Linked Incentive (PLI) scheme.

The most remarkable of these undertakings was announcing a stimulus package exceeding ₹ 20 lakh crore, amounting to ~10% of the country's GDP, under Atmanirbhar Bharat Abhiyan. A few highlights of the package include:

- ₹1.7 lakh crore relief package to alleviate challenges faced by the marginalized Indian population due to COVID-19.
- Direct cash transfer under PM-KISAN scheme, aiming to benefit 8.7 crore Indian farmers.
- ₹15,000 crore for Emergency Health Response Package.
- Relaxation in Statutory and Compliance matters.
- Liquidity enhancement in the banking system by ₹ 1.37 lakh crore.
- Significant growth stimulus to Micro, Small, and Medium Enterprises (MSMEs) including extending the scope of definition, announcing ₹ 3 lakh crore collateral-free automatic loans, and equity infusion of ₹ 50,000 crore through funds of funds.
- Disallowing global tenders up to ₹ 200 crore to improve the competitive position of Indian MSMEs vs Global players.

Going ahead, growth will remain subdued in the first quarter of FY 2020-21 as the severity of the second wave led to prolonged localized lockdowns and an overwhelming burden on medical infrastructure resulting in significant loss of human life and severe hit to consumer sentiment. As per the World Bank, India's GDP growth is estimated at 8.3% during FY 2021-22. Businesses and consumers have also grown more accustomed to operating under pandemic conditions which is expected to contain the negative impact on economy. Economic activity is expected to benefit from strong policy support, including higher spending on infrastructure, rural development, and health, and a stronger-than expected recovery in services and manufacturing sectors.

Source: NSO, World Bank

INDUSTRY OVERVIEW

Infrastructure sector

The infrastructure sector, a key economic driver, is highly responsible for propelling India's overall development. The Government's intense focus on sector is imperative to ensure time-bound creation of world-class infrastructure in the country. In Union Budget 2021, the Government gave a massive push to the infrastructure sector by allocating ₹ 233,083 crore to enhance the transport infrastructure. The Government expanded the National Infrastructure Pipeline (NIP) to 7,400 projects. Approximately 217 projects worth ₹ 1.10 lakh crore were completed as of 2020. Infrastructure sector includes power, bridges, dams, roads, and urban infrastructure development. The logistics sector in India is rising at a CAGR of 10.5% annually.

The Indian infrastructure sector exhibited remarkable growth even amidst COVID-19 pandemic. During the unlock process of the lockdown, infrastructure and construction was the first economic activity to resume in the country. Clean energy and green initiatives for infrastructure development have given a much-needed push to the sector's growth. Furthermore, the integration of the latest technology and the concept of building smart cities is continuously contributing to futuristic infrastructure developments in the country.

The Indian infrastructure sector has a multiplier effect on several other sectors. India is expected to become the world's 3rd largest construction market by 2022. To strengthen the sector, the government has announced several initiatives to have a remarkable impact on the country's infrastructure. From private companies to the Government, stakeholders are steering the sector to give it an edge. In Union Budget 2021, Indian railways received ₹ 110,055 crore of which ₹ 107,100 crore is for capital expenditure. Similarly, ₹ 118,101 crore was allocated towards road transport and highway sector. The Government announced ₹ 305,984 crore over the next five years for a revamped, reforms-based and result-linked new power distribution sector scheme. The announcement to set up the National Bank for Financing Infrastructure and Development



(NaBFID) in March 2021 also proves to be beneficial in the seamless funding of infrastructure projects in India. As a result, an efficacious conclusion will be given to a huge number of infra projects. Furthermore, the Mega Investment Textiles Parks (MITRA) scheme was launched to establish world-class infrastructure in the textile sector and establish seven textile parks over three years.

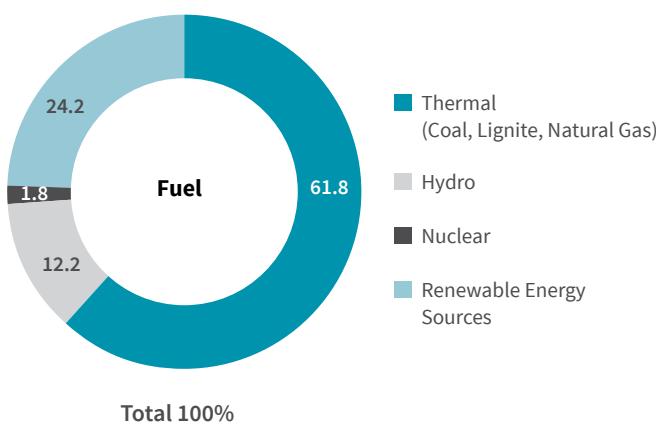
India and Japan have joined hands for infrastructure development in India's Northeast states and are also setting up an India-Japan Coordination Forum for Development of Northeast to undertake strategic infrastructure projects for the region. India has evolved from being in need of foreign aid to helping other countries develop their infrastructure. The nation has invested a massive amount in infrastructure projects in nations like Nepal and Afghanistan for the construction of hydroelectric plants, dams and schools.

The infrastructure sector has become the biggest focus area for the Government of India. In FY 2020-21, infrastructure activities accounted for 13% share of the total FDI inflows of US\$ 81.72 billion. As per Indian Infrastructure Sector in India Industry Report, India plans to spend US\$ 1.4 trillion on infrastructure between 2019 to 2023 which is predicted to boost the expansive growth of the sector.

Power Sector

The Indian power sector is one of the most diversified in the world ranging from conventional sources such as coal, lignite, natural gas, and oil to renewable energy sources such as wind, hydro, solar, and agricultural waste, among others. Total Installed Capacity as on June 30, 2021 was 384 GW. As per the IEA 2019 report, India is the 3rd largest producer of electricity in the world and ranks 106th in terms of per capita consumption.

Installed Power Generation Capacity (% of the Total Capacity)



Source: <https://powermin.nic.in/en/content/power-sector-glance-all-india>

The electricity generation target of conventional sources for FY 2021-22 has been fixed at 1,356 BU as compared to the actual conventional generation of 1,234.61 BU for FY 2020-21. The Indian power sector is on the cusp of rapid growth on account of rising all-India energy demand estimate to reach 3,175 BU by FY 2029-30. The growth would be primarily driven by rising consumption demand in line with increasing population, urbanization, agricultural outputs, and disposable incomes. This growth would be well supported by the Government's efforts such as:

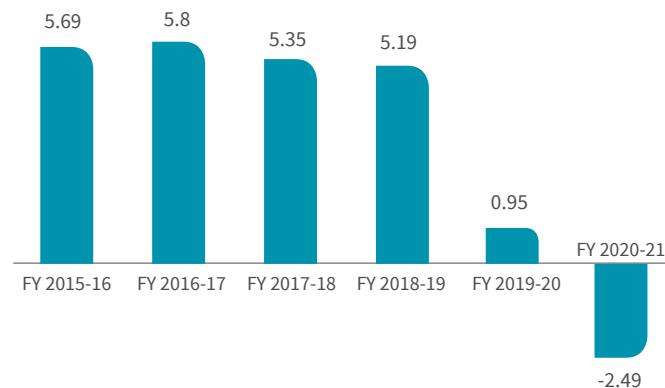
- Push to provide an affordable and constant supply of energy across the nation through its 'Power for All' mission.
- Focus on reviving infrastructure development through planned capital outlay via National Infrastructure Pipeline (NIP) in key energy-intensive sectors.
- Efforts to provide affordable housing to all by 2022 to address the significant housing shortage
- Rural and railway electrification program

By FY 2026-27, power generation installed capacity in India is estimated to reach 620 GW, 38% of which will be from coal and 44% from renewable energy. By 2022, 175 GW of energy capacity is expected to be from renewable resources including 100 GW from solar, 60 GW from wind, 10 GW from biomass and 5 GW from small hydro power.

Transmission and Distribution (T&D) Sector

Even as the country's power demand is on the rise, its inadequate and inefficient Transmission and Distribution (T&D) infrastructure continues to be a key factor inhibiting the Government's 'power for all' agenda. Prevalence of poor last-mile connectivity has also resulted in much lower per capita energy consumption than the global average. T&D renovation has become imperative to enable existing infrastructure to evacuate rising renewable energy generation.

Growth in power generation in India (%)



Source: <https://powermin.gov.in/en/content/power-sector-glance-all-india>

Keeping this in perspective, the Government is working to remove the bottlenecks plaguing T&D industry and strengthen the T&D network. A few of these include:

- Budgetary support to state government DISCOMs under the Deendayal Upadhyaya Gram Jyoti Yojana (in rural areas).
- Launching Saubhagya Scheme to improve last-mile connectivity to rural households and Integrated Power Development Scheme (IPDS) for urban areas
- Supporting financial and operational turnaround of DISCOMs through UDAY scheme launched in 2015
- Increasing allocation to the T&D sector in the 13th Plan (2017-2022) at ₹3-3.2 trillion as against ₹2.1-2.2 trillion over the 12th Plan
- National Smart Grid Mission to improve distribution system

The Government's effort to resolve the under-penetration of the T&D network is expected to create significant demand for C&W products, moving forward.

Cables and Wires

The Indian Cables & Wires (C&W) industry, one of the important segments in the electrical equipment industry, with 42% market share. It is characterized by an intense competition from existing and new players and its fragmentation is marked by the presence of both larger organized players and numerous smaller players in the unorganized segment. The industry is primarily driven by the growth in infrastructure and real estate sector. The Government's renewed thrust on augmenting power generation and distribution capacity, electrifying rural regions and railway infrastructure, focus on reviving housing sector, and infrastructure development through NIP have been key drivers of the domestic demand for the C&W industry. On the exports side, the industry's relentless focus on manufacturing high-quality products that meet international standards has enabled it to grow exports at 12% CAGR during 2009-2019.

As per the Crisil report, the organized market is pegged at ₹ 54,000 crore and has been consolidating its share over the years on account of its high-quality products, distribution network, and investment into various brand-building activities. The roll-out of GST has further improved price competitiveness with the unorganized market. On the other hand, rising quality awareness of the growing middle-class population with improved purchasing power is supporting superior offtake of value-added branded products supporting the growth of the organized segment. Backed by these positive attributes, the market share of the organized segment is expected to increase to 79% by FY 2023-24 from 68% in FY 2018-19.

Opportunities

I. Government's focus on 'Power for All'

The Government initiated 'Power for All' program in FY 2017-18 with an ambitious target of supplying uninterrupted energy to all households, industries, commercial businesses, and agricultural farm holdings. To meet this end it launched and successfully executed multiple schemes such as Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY) and Saubhagya scheme. To address the problem of the country's lagging T&D network in relation to power generation capacity and distress in the electricity distribution companies (DISCOMs), the Government launched Ujwal DISCOM Assurance Yojana (UDAY).

In light of the COVID-19 outbreak accentuating DISCOM distress, the Government announced a ₹ 90,000 crore liquidity infusion package in the form of state-guaranteed low-risk loans and relaxed borrowing limits on working capital requirements to provide some relief. The Ministry of Power has been pushing for the systematic privatization of DISCOMs through Standard Bidding Documents (SBD) draft. The materialization of these goals will result in a fresh inflow of private capital speeding up the T&D industry penetration in India. This, in turn, will augur well for the demand for power cables.

II. Growing digitization and 5G Infrastructure

The Indian telecom sector with a subscriber base of ~1.6 billion has emerged as the second-largest market in the world backed by a strong consumer demand coupled with liberal and reformist policies of the Government. With Government's Digital India Mission and BharatNet Project, it is estimated that, over the next five years, the country's internet user base would increase further by additional 500 million subscribers from the base of 743.19 million in FY 2019-20. Under project BharatNet, the Government targets to provide high-speed internet availability to over 2.5 lakh gram panchayats by 2022. These initiatives are expected to create robust demand for communication cables in the coming years. The Government with an aim to commercially launch 5G across the nation is rightly focusing on densification of transmission network which is augmenting demand for optical fiber cables. 5G Infrastructure developments across the globe are boosting demand for international network connections through undersea cables.

III. Railways and Metro Infrastructure

The Government has focused on investing in railway and metro infrastructure development by making investor-friendly



policies such as relaxing FDI norms to attract more private capital. To strengthen the country's metro infrastructure, it plans a capital outlay of over ₹1 trillion during FY 2018-19 to FY 2022-23. It is also undertaking a massive railway electrification program under which it plans to electrify 38,000 km railway route by FY 2021-22. These ongoing electrification programs should augur well for the demand for cables and wires.

IV. Urbanization and Housing Growth

India ranks as the second-most populous country globally and is witnessing rapid urbanization in the backdrop of better livelihood opportunities and better infrastructure amenities available in the urban clusters coupled with declining reliability in agricultural outputs. With increasing population coupled with increasing nuclearization of families, the urban housing shortage is expected to reach ~25 million units by 2030.

The Government has launched an ambitious target of 'Housing for All' by 2022. To meet this end, it has undertaken proactive initiatives and schemes such as Pradhan Mantri Awas Yojana (PMAY), Credit Linked Subsidy Scheme (CLSS), Smart Cities Mission, and AMRUT scheme, among others. Under PMAY, it plans to build ~1 crore urban houses and 1.95 crore rural household by 2022. It is incentivizing home buyers by providing partial interest subvention under CLSS. These efforts would play a key role in reviving Indian housing sector and thereby create a massive opportunity for the wires and cables industry.

V. Renewable Energy Push

India has built up robust renewable capacity additions and aims to reach a renewable target of 175 GW by FY 2022-23. To meet this objective, it is incentivizing private players by measures such as allowing 100% Foreign Direct Investment (FDI) through the automatic route, 'rent a roof' policy, standardize bidding processes to procure renewable power at affordable rates, extending the deadline for waiver of the Inter State Transmission System (ISTS) charges and losses for all solar projects commissioned before June 30, 2023.

To trigger higher undertakings in the solar energy projects in the country, the Government is proactively providing policy support through National Solar Mission, Green Energy Corridor, Electricity Amendment Bill, and PM-KUSUM Policy, among others. It is also providing support by promoting floating solar, rooftop solar, and streamlining the process for acquiring land for solar projects. These initiatives are expected to be potential demand drivers for solar and electric cables, moving forward.

VI. Green Energy Corridor

The Ministry of New and Renewable Energy sanctioned Intra State Transmission System (InSTS) project to enable conventional power stations grid to be able to evacuate large scale renewable energy. It launched Green Energy Corridor to set up of over 9,400 ckm [circuit kilometer] of intra-state transmission lines. The project is expected to fuel the demand for the transmission cables further.

VII. National Infrastructure Pipeline (NIP)

The Government announced ₹111 crore capital investments through National Infrastructure Pipeline (NIP) with an aim to kickstart infrastructure development and to make India a US\$ 5 trillion economy by FY 2024-25. Under the NIP roadmap, the Government has identified 6,500 projects across 23 sectors with ~71% of the total outlay earmarked to energy, road and highways, urban infrastructure, and railway development. Power supply being an indispensable input, NIP has created a massive opportunity for the C&W industry. With the Government encouraging private participation through public-private partnership model (PPP), the projects are seeing increasing use of sophisticated technologies and high-quality products benefiting organized players like Paramount Communications Limited.

VIII. Atmanirbhar Bharat

In May 2020, the Government announced a special economic package of ₹20 lakh crore intending to make the country independent in the global competition and support the nation's poor, laborers, farmers, and small businesses who were adversely affected by COVID-19. This package included support to Micro, Small, and Medium Enterprises (MSMEs) through collateral-free loans, capital infusion through fund of funds, and disallowing global tenders to protect MSME business. It improved the ease of doing business to accelerate private investments. The Government also provided support to agricultural and allied sectors by offering institutional credit facilities at concessional rates, providing emergency working capital, and launching Agri Infrastructure fund and Animal Husbandry Infrastructure Development Fund. These efforts are expected to kickstart both urban and rural economy, increase the demand and consumption of power and thereby benefit allied sectors such as the C&W industry.

COMPANY OVERVIEW

Paramount Communications Limited (hereinafter referred to as "Paramount" or "the Company") was established in 1955 as a small-scale cable manufacturing unit. Leveraging an extensive experience of over 6 decades, it has evolved into a 'one-stop



shop' for all cabling solutions that cater to the crucial power requirements of multiple industries. The Company has established a reputable brand through its relentless focus on technological advancement, customer satisfaction, and manufacturing products that meet global quality and performance standards.

The Company's diverse product portfolio includes housing wires and High Voltage (HV) cables that find applications in power, telecom, real estate, railways and other infrastructure linked sectors. The Company has also successfully forayed into specialized EPC services both in India and overseas either independently or in partnership with established equipment manufacturers and construction companies. The Company has established two world-class manufacturing units in Rajasthan and Haryana for the production of cables and wires.

Product segments

Power

- LT & HT Power Cables
- Control Cables
- LT & HT Aerial Bunch Cables
- Instrumentation Cables

Telecom

- Optical Fiber Cable (OFC) & FTTH
- CATV Cables
- Jelly Filled Cables

Domestic

- Building Wires
- Multi-Core Cables
- Submersible Cables
- Coaxial Cables and LAN Cables

Railways

- Signalling Cables
- Axle Counter Cables
- Railway Power

Special Products

- PTFE & Thermocouple Cables
- Fire Survival Cables
- Quad Cables
- Solar Cables

EPC Services

- Telecom Consultancy & EPC
- Specialized Projects OPGW
- Power & Railway EPC Turnkey Projects
- Submarine Cables Installation & repair

Product-Wise Business Analysis and Performance

The Company clocked sales revenue of ₹ 519.08 crore in FY 2020-21 as compared to ₹ 606.20 crore in FY 2019-20. Power cables continued to remain the key contributor to its overall revenue.

Revenue Breakup by Product Segment (%)

Segments	FY 2020-21	FY 2019-20
Power Cables	51.1%	50.3%
Telecom Cables (OFC and PIJF)	14.3%	8.0%
Railway Cables	20.7%	31.0%
Domestic Wires	7.7%	5.7%
EPC & Others	6.2%	5.0%

Power Cables

The power cables segment of the Company contributes highest to the revenue mix contributing 51.1% to total revenue in FY 2020-21 as compared to 50.3% in FY 2019-20. In FY 2020-21, total sales of the segment is ₹ 265.13 crore as compared to ₹ 305.08 crore in FY 2019-20. Leveraging its broad range of products in the segment, the Company is well-positioned to cater to increasing demand in the transmission & distribution sector.

Telecom Cables

The Company supplies high-quality and high-performance wires and cables to the telecommunication sector and has created a distinctive identity for itself in the market over the years. The total sale of OFC stood at ₹ 61.45 crore in FY 2020-21 from ₹ 45.12 crore in the previous year. The segment contributed 11.8% to the total revenue in FY 2020-21 as compared to 7.4% in FY 2019-20. The total sale of Jelly Filled Telephone Cables (JFTCs) increased to ₹ 13.04 crore in FY 2020-21 from ₹ 3.83 crore in the previous year. Its share in total revenue mix stood at 2.5% in FY 2020-21 as compared to 0.6% in FY 2019-20.

Railway Cables

The Company continues to be the largest supplier of specialized cables for the Indian Railways. The segment contributed 20.7% to the total revenue. In FY 2020-21, total sales of the segment is ₹ 107.21 crore from ₹ 187.70 crore in FY 2019-20. The segment is well-poised to deliver further growth mainly on account of the Government's focus on electrifying the Indian Railways.

Domestic Wires

The revenue from the domestic wires increased 17.36% in FY 2020-21 to ₹ 40.22 crore from ₹ 34.27 crore in FY 2019-20 due to substantial focus on the segment and growing distribution network of the Company. The revenue share increased from 5.7% in FY 2019-20 to 7.7% in FY 2020-21. The Company boasts of an extensive range of fire-retardant housing products and has been receiving excellent traction from the markets over the years.

EPC Projects and others

The Company is focusing on tapping nascent opportunities in the large scale EPC projects. The total sale increased 33.79%



in FY 2020-21 to ₹26.57 crore from ₹ 19.86 crore in FY 2019-20. EPC projects currently contributes 5.1% to the total revenue of the Company. The Export benefit and Scrap revenue stood at ₹5.47 crore in FY 2020-21, as compared to ₹10.34 crore in the previous year.

Competitive Business Strategy

The Company's focus on satisfying customers' changing requirements by consistently launching innovative and high-quality products has enabled it to achieve profitable growth over the years. Its continuous investments in augmenting R&D capabilities have played a critical role in achieving product competitiveness. This is well complemented by the Company's pan-India distribution network and well-nurtured customer relationship, positioning it well for future growth. The Company intends to leverage its key business strengths, a few of which are enumerated below.

Increasing penetration in the export markets

The Company is increasing its presence in the global markets by leveraging its best-in-class products, international certifications, and customer satisfaction testimonials across domestic and international markets. To meet this end, it is providing significant impetus to the R&D activities, achieve technological sophistication, and product upgradation to be able to successfully meet stringent international requirements.

Strong focus on house-wire

The Company sees high growth potential in the house-wire segment and is striving to develop a strong dealer and distributor network in select micro markets. The Company expanded the footprint in three new markets of Bihar, Uttar Pradesh and Karnataka creating a good base for network in the country. The Company's focus on strengthening retail network as well as presence in the construction segment is expected to create business opportunities for dealers, distributors and retailers.

Increasing presence in the retail business

In the light of low capital requirements, higher pricing power, and lucrative growth opportunities, the Company is steadily increasing its presence in the B2C retail business. It is increasing its distribution reach across the country to promote fire-retardant and lead-free home wiring solutions and increase the revenue contribution of the retail segment. This diversification is also enabling it to reduce its dependence solely on the institutional business and improve business resilience further.

Well-diversified and extensive product portfolio

The Company's products find critical applications in multiple core sectors of the country. This enables it to de-risk itself from sector/customer concentration risk while enabling to adapt to changing government focus and budgetary allocation to any of these sectors.

Government-supported institutional business

The Company's institutional business caters to cabling and wiring requirements of key government projects, public sector utility contracts, and orders from all major private players in the country. While the institutional business provides large stable cash flows, it also provides growth opportunities owing to the government's focus on accelerating infrastructure development.

Robust financial condition

The Company boasts of a robust financial condition with comfortable debt to equity ratio. While its financial strength enables it to capitalize on new growth opportunities, a prudent capital allocation approach by its experienced management enables it to mitigate financial risk and invest in worthwhile and margin-accretive projects.

Growing EPC opportunities

Given the natural extension of wire and cable business, the Company is keen on bagging specialized and profitable EPC projects in the telecommunications, power and railway sectors. This emphasis is also driven by the Government's increasing focus on executing large projects on EPC and PPP models which are creating substantial business opportunities to large and organized players like Paramount. The EPC business enables the Company to amplify and promote its own product portfolio.

Management Outlook

While COVID-19 brought severe disruption in both the global and Indian economy, it subsequently impacted the Company's operational and financial performance in FY 2020-21. However, the future outlook of the Company looks promising as business activities gradually resume to pre-COVID levels. Driven by Government's keen thrust on infrastructure and industrial development, universal electrification, and providing affordable housing to all, the Company foresees robust growth in the near future. The Company enjoys approval as a reliable cable supplier by both government and private clients. With the Company's focus on increasing its presence in high margin retail business, it is successfully strengthening the stability of its cash



flows. The Company is further improving business resilience by consistently increasing its geographic reach by augmenting its distribution network.

Financial Performance

Details of Key Financial Ratios as Compared to the Immediately Previous Financial Year

Particulars	FY 2020-21	FY 2019-20	% Change
Inventory Turnover	4.12	4.15	1%
Debt Equity Ratio	0.95	1.02	7%
Return on Net Worth	1.68%	14.46%	-88%

Risk Management

The Company has established a robust and comprehensive framework for the identification and mitigation of risks that may severely impact the Company's competitive position and profitability. It formulates strategies to mitigate or curtail identified risks, to maintain the long-term growth trajectory. The Company conduct a periodic review of the risks involved and implements prompt corrective measures as required. A few of the critical risks that the Company is exposed to are enumerated below:

Competition Risk: The Company faces stiff competition from both organized and unorganized players. Failure to ward off this competition successfully with consistently higher quality products and competitive prices, may adversely impact revenue and profitability. The Company, over the years, has created a robust and wide product portfolio having international certifications. A high product quality coupled with prudent pricing creates a compelling value proposition to its customers. Additionally, the Company has firmly established itself in the high growth OFC and stable railway cable business, providing ample growth opportunities even amidst rising competition.

Supply Risk: The Company's smooth operations may get interrupted in case of unavailability or delays in the supply of key raw materials from the suppliers. The Company may lose business opportunities if it fails to provide final products on time and in the right quantities. The Company mitigates this risk by engaging long-term contracts with suppliers of key components along with prudent inventory management.

Technology Risk: Failure to provide technologically advanced products meeting clients' technical specifications and quality parameters may lead to a loss of business. The Company proactively invests in augmenting and upgrading R&D capabilities to be able to keep abreast with the technological advancements.

This enables the Company to consistently launch high-quality products and achieve customer satisfaction.

Raw Material Risk: The availability of key raw materials such as copper, aluminum, steel, and nickel, among others at adequate quantities, quality, and competitive prices is critical to quality and pricing of the final product. Any adverse movement may impact market reputation and margin profile. Leveraging its robust internal control functions, the Company effectively manages volatility in the prices of raw materials. It has nurtured deep and long-standing relationships with key suppliers to ensure a stable supply of raw materials. It maintains adequate inventory levels and undertakes pricing action of final products in line with commodity price fluctuations to maintain margins.

Currency Rate Fluctuation Risk: The Company exports its final products as well as imports quantum of raw materials from many international markets exposing it to foreign currency rate risk. Being engaged in both provides the Company with a natural hedge to some extent. The Company proactively engages in future and forward contracts to hedge the currency fluctuation risk.

Policy Change Risk: Changes in Government regulations and policies may alter the sectoral allocation adversely impacting the Company's ongoing and upcoming projects in its institutional and EPC business. Any significant changes in monetary policies may affect borrowing rates impacting the Company's cost structure and margin profile. To mitigate these risks, the Company has judiciously undertaken three-pronged business diversification. This includes focusing on increasing retail that has less dependence on the Government's policies, catering to multiple industries, and increasing contribution of exports business.

Information Technology

The Company's robust Information Technology (IT) framework, enables it to leverage innovative solutions and achieve sustainable business growth. The Company has instituted a competent IT team to oversee technological progress and to ensure all operational, technological, and cyber processes meet the latest industry standards and changing trends. The Company has deployed sophisticated software and powerful servers to facilitate smooth running of its existing business as well as maintain new products, services, frameworks, processes and methodologies. Its effort to augment its technology infrastructure is well manifested in a seamless transition to work-from-home culture during the prolonged lockdown and even post relaxation. Leveraging its IT backbone, the Company has been able to operate without any hindrance and disruption and showed resilience amidst globally challenging times. The Company's SAP software, the world's



foremost ERP software, has gone live on April 01, 2021 and will reap benefits in the coming years, further strengthening the IT capabilities of the Company.

HUMAN RESOURCES

The Company acknowledges the importance and contribution of the competent human capital in achieving long-term goals of the organization. It has developed well-designed and well-documented HR policies that are employee-friendly and promote conducive, productive and motivating work environment. These policies help in bolstering trust, transparency, and sense of teamwork amongst its employees while aligning individual professional goals with the Company's larger goals. The Company conducts multiple internal trainings and development workshops to augment skillset of its workforce and to keep it upgraded and competent. The Company incentivizes the employees to contribute to their fullest potential by offering performance-based rewards and growth opportunities based on meritocracy.

INTERNAL CONTROL SYSTEM

The Company has deployed a robust internal control system commensurate with its size, nature and complexity of its business operations. The system ensures adherence to all applicable laws, regulations, and statutes and protects assets against misuse by inserting appropriate authorization levels and access mechanism. It also provides reliable financial reporting by complying with all applicable accounting standards and accurate and timely recording of all accounting, financial, operational transactions. The Company has instituted an internal audit team, responsible for conducting regular audits of its internal control functions. The audit reports are submitted to the Audit Committee of the Board. Based on the observations, the committee initiates corrective actions to maintain and improve the adequacy and efficacy of the Company's internal control systems.



Directors' Report

To,
 The Members of
Paramount Communications Limited

Your directors are pleased to present the Twenty Seventh Annual Report on the Business and operations of the Company together with the Audited Financial Statements for the year ended March 31, 2021.

1. FINANCIAL HIGHLIGHTS

The Company's financial performance for the year ended March 31, 2021 is summarised below:

Particulars	Figure in ₹ / Lakhs	
	Year ended 31.03.2021	Year ended 31.03.2020
Total Revenue including Other Income	52,177	60,889
Profit/ (Loss) before Interest, Depreciation, Tax and Exceptional items	1,896	4,770
Interest	679	1,030
Depreciation & Amortisation expenses	907	1,105
Profit/(Loss) before Tax and Exceptional Items	310	2,635
Tax Expenses	-	-
Profit/(Loss) after Tax and Exceptional Items	310	2,635
Other Comprehensive Income	32	(21)
Total Net Profit/(Loss) for the year including other Comprehensive Income	342	2,614

During the financial year ended 31st March 2021, your Company recorded total revenue ₹ 52,177 lakhs as compared to the total revenue of ₹ 60,889 lakhs recorded during the previous financial year ended 31st March 2020. The total Net Profit including other comprehensive Income of the Company for the financial year ended 31st March 2021, ₹ 342 lakhs as against ₹ 2,614 lakhs during previous year 2019-2020.

CONSOLIDATED FINANCIAL STATEMENT

In accordance with the provisions of the Act and Listing Regulations read with Ind AS-110-Consolidated Financial Statement, the consolidated audited financial statement forms part of the Annual Report.

2. SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

The Company does not have any Indian subsidiary company. However, the Company has the following direct wholly owned subsidiaries located outside India:

- a. *Paramount Holdings Limited, incorporated under the laws of Cyprus;
- b. **AEI Power Cables Limited, incorporated under the laws of England and Wales;

c. 06196375 Cables Limited (formerly known as AEI Cables Limited), which was a subsidiary company, is "in Administration" (as per UK Laws) w.e.f. 28th February, 2014.

Note:

- 1) *The management of Paramount Holdings Limited are taking steps to liquidate the Company in accordance with the applicable laws of the country.
- 2) **AEI Power Cables Limited, United Kingdom has ceased to trade and became dormant w.e.f. 1st April, 2017. The management of the Company intends to keep the company in existence, for use in foreseeable future, as and when required.

Financial Statements of Paramount Holdings Limited, Cyprus is drawn in Euro and AEI Power Cables Limited, United Kingdom are drawn in Sterling Pound.

The Consolidated financials include un-audited financials of Paramount Holdings Limited, Cyprus and un-audited financials of AEI Power Cables Ltd., United Kingdom for the year ended 31st March, 2021.

The Company has no Joint venture with any other Company in India or abroad.



There are no companies which have become or ceased to be subsidiary, joint venture and / or associate of the company during the financial year 2020-21.

3. TRANSFER TO RESERVES

During the Period under review, your Company does not propose to transfer funds to the Reserves.

4. DIVIDEND

Your directors do not recommend declaration of any dividend for the financial year 2020-2021.

5. FUTURE OUTLOOK

The government announced a special comprehensive package exceeding ₹ 20 lakh crores, equivalent to 10% of India's GDP under 'Self-reliant India' movement to revive the country's economic activity. The economic package is for different strata of the economy including industries, MSMEs, common people with the aim to cover land, labour, and liquidity related issues. Another notable initiative by the government has been 'Make in India' initiative which was launched globally in September 2014 as a part of India's renewed focus on manufacturing. The objective of the initiative is to promote India as the most preferred global manufacturing destination.

The government has announced an investment of ₹ 111 lakh crores over the next five years through National Infrastructure Pipeline with an aim to kick-start economic growth of the country. This scheme has been expanded to cover 7,400 projects across 23 sectors with 71% of the total capital outlay targeted to augment energy, road and highways, railways and metros, and urban infrastructure. With cables and wires providing crucial infrastructure to these sectors, cable and wires industry will be one of the key beneficiaries of National Infrastructure Pipeline investments.

Further, governments schemes such as Ujwal Discom Assurance Yojana (UDAY), Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY), Integrated Power Development Scheme (IPDS) and Pradhan Mantri Sahaj Bijli Har Ghar Yojana are likely to boost the growth of wires and cables in India. The government's target of generation of 100 GW of solar energy by 2022 has also increased the demand for electrical wires and cables. In addition, the government's 'Smart City' project is expected to promote large-scale growth in infrastructure, telecom, power generation, T&D, engineering, and automotive sectors. The budgetary allocation of ₹ 6,000 crores towards BharatNet is a step in the right direction, and an outlay towards building and modernizing digital infrastructure would have set the foundation for achieving accelerated growth and bridging the digital divide. Digital India, BharatNet, and introduction of 5G technology in the mobile spectrum shall create substantial

demand for Optical Fibre Cables. Furthermore, electric vehicles (EV) are expected to drive growth for cables and wires industry. Your Company enjoys a strong competitive edge, being among the top national players in Telecom, Railways and Power Sectors and is poised to leverage these opportunities and initiatives.

Your Company focuses on providing superior quality and timely delivery of its products. It also strives to update its products as per evolving customer preferences. By leveraging its fundamental strength of possessing a majority of prominent customer approvals and pre-qualifications in the country along with strong brand recall, the Company aims to propel growth in its major business segments of Optical Fibre cables, Railway Signalling cables, Power cables etc.

Your Company's healthy financial position offers it abundant scope to expand its capacities. It remains dedicated to increase sales and profitability through expanding the reach of its product offerings. Your Company aims to harness relevant government initiatives to drive future growth.

6. DETAILS OF MATERIAL CHANGES FROM THE END OF THE FINANCIAL YEAR

Global Pandemic -COVID-19

The Outbreak of Coronavirus (COVID-19) Pandemic globally and in India has had an impact on almost all entities, directly or indirectly, causing significant disturbance and slowdown of economic activity. Business Operations and revenue have been impacted due to COVID-19.

7. DETAILS OF MATERIAL EVENT DURING THE YEAR UNDER REVIEW

Conversion of Warrants into Equity Share

During the year under review, the Company had issued and allotted 1,00,50,000 equity shares of face value of ₹ 2/- each consequent to conversion of warrants to the eligible allottees from Promoter(s)/Promoter Group at an issue price of ₹ 9.81/-. An amount equivalent to 25% of the issue price viz ₹ 2.46/- per equity share/warrant was received at the time of allotment of warrant.

Accordingly, the paid-up share capital of the Company has increased from 18,41,33,965 Equity Shares of face value of ₹ 2/- each to 19,41,83,965 Equity Shares of face value of ₹ 2/- each

8. DIRECTORS AND KEY MANAGERIAL PERSONNEL

a) Composition

- i) Your Company's Board has an optimum combination of Executive, Non-executive and Independent Directors with two women Directors, as per the requirements of Regulation 17 of SEBI



(Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') as on date. The composition of the Board and the Independent Directors of the Company meet all the criteria mandated by SEBI Listing Regulations, 2015 and the Companies Act, 2013.

- ii) None of the Whole-time Key Managerial Personnel (KMP) of the Company is holding office in any other Company as a Key Managerial Personnel.
- iii) Further, none of the Directors/KMP of the Company is disqualified under any of the provisions of the Companies Act, 2013 and relevant Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- iv) None of the Director on the Board is a member of more than 10 Committees or a Chairman of more than 5 Committees across all listed companies in which he/ she is a director. Necessary disclosures regarding Committee positions in other Public Limited Companies as on March 31, 2021, have been disclosed by all the Directors of the Company.

b) Change in Director(s) and Key Managerial Personnel

In accordance with the provisions of the Act and the Company's Articles of Association, Mr. Sanjay Aggarwal (DIN 00001788), Whole time Director of the Company, will retire by rotation at the ensuing Annual General Meeting. The Board of Directors has recommended his re-appointment.

During the year, the Board of Directors has approved the appointment of Ms. Praveena Kala as a Non-Executive Independent Director of the Company for a period of five years in terms of provisions of section 149 of the Companies Act, 2013 which was further approved by the shareholders of the Company in their meeting held on 30.09.2020.

The Company has received declarations from all the Independent Directors of the Company confirming that:

- i) They meet the criteria of Independence prescribed under the Act and the Listing Regulations and
- ii) They have registered their names in the Independent Directors' Databank.
- iii) They have also confirmed that they have complied with the Company's Code of Business Conduct & Ethics.

- iv) In the opinion of the Board, the Independent Directors also possess the attributes of integrity, expertise and experience as required to be disclosed under Rule 8(5) (iiia) of the Companies (Accounts) Rules, 2014.

In compliance with the provisions of Section 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, the independent directors of the Company viz. Mr. Vijay Bhushan, Mr. Vijay Maheshwari, Mrs. Malini Gupta and Mrs. Praveena Kala holds office for a fixed term of five (5) years and are not liable to retire by rotation.

9. KEY MANAGERIAL PERSONNEL

Mr. Sanjay Aggarwal, Chairman & CEO, Mr. Sandeep Aggarwal, Managing Director, Mr. Shambhu Kumar Agarwal, Chief Financial Officer and Ms. Rashi Goel, Company Secretary & Compliance Officer are the Key Managerial Personnel of your Company under the provisions of Section 2(51) and Section 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

10. NUMBER OF MEETINGS OF THE BOARD AND AUDIT COMMITTEE

During the year, 4 (Four) Board Meetings and 4 (Four) Audit Committee Meetings were convened and held. The details of these meetings are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

Pursuant to the requirements of Schedule IV to the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, separate Meeting of the Independent Directors of the Company was also held on 11th February, 2021, without the presence of Non-Independent Directors and members of the management, to review the performance of Non-Independent Directors and the Board as a whole and also to assess the quality, quantity and timeliness of flow of information between the Company management and the Board.

11. PERFORMANCE EVALUATION

In accordance with the provisions of the Companies Act, 2013 and SEBI Listing Regulations, the performance of the Individual directors as well as the entire Board is required to be formally evaluated annually.



The evaluation process focused on various aspects of the functioning of the Board and Committees such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, governance issues, etc. Separate exercise was carried out to evaluate the performance of individual Directors on parameters such as attendance, contribution and independent judgement.

12. DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state that :

- i) In the preparation of the annual accounts for the year ended March 31, 2021, the applicable accounting standards read with requirements set out under Schedule III to the Act have been followed and there are no material departure from the same;
- ii) The Directors have 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 as at March 31, 2021 and of the profit of the Company for the year ended on that date;
- iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) The Directors have prepared the annual accounts on a going concern basis;
- v) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- vi) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

13. SECRETARIAL STANDARDS

The Company has followed applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively.

14. NOMINATION AND REMUNERATION POLICY

The Company has devised a Nomination and Remuneration Policy pursuant to Section 178 of the Companies Act, 2013 and Regulation 19(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Specified in Part D of the

Schedule II) for selection of Directors' and independence and their remuneration. The appointment of Directors on the Board is subject to the recommendation of the Nomination and Remuneration Committee. The detailed Nomination & Remuneration Policy is also available on the website of the Company at www.paramountcables.com under Investor Relations Section.

15. ANNUAL RETURN

In terms of the provisions of Section 134(3)(a) read with 92(3) of the Companies Act, 2013 and the relevant rules made thereunder, a copy of the Annual return as prescribed under Section 92 of the Companies Act, 2013, as amended shall be made available on the website of the Company www.paramountcables.com under the link <https://paramountcables.com/wp-content/uploads/2021/08/Extract-of-Annual-Return-2020-2021.pdf>

16. RISK MANAGEMENT

The Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks. Your Company periodically assesses the risk in the internal and external environment, along with the cost of treating risk and incorporates risk treatment plans in its strategy, business and operational plans.

Further details on the Risk Management activities including the key risks identified, and their mitigations are covered in Management's Discussion and Analysis section, which forms part of the Annual Report.

17. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY.

In the opinion of the Board, your Company has in place an adequate system of internal control commensurate with its size and nature of business. This system provides a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes, safeguarding of assets of the Company, and ensuring compliance with corporate policies. Assurance to the Board on the effectiveness of Internal Financial control through Internal Audit function and submission of Internal Audit Report to the Audit Committee of Board which reviews and approves performance of internal audit function and ensures the necessary checks and balances that may need to be built into the control system.

18. INDUSTRIAL RELATIONS

Paramount is an equal opportunities employer. The Company does not discriminate on grounds of age, gender, colour, race, ethnicity, language, caste, creed, economic or social status or



disability. We handle global preferences and mindsets of both internal and external customers.

The Company humbly acknowledges employees' contributions with best compensation and benefits that appropriately reward performance. Pay revisions and other benefits are designed in such a way to compensate good performance of the employees of the Company and motivate them to do better in future.

During the period under review, your Company enjoyed healthy, cordial and harmonious relationship with workers and employees at all levels.

19. RELATED PARTY TRANSACTIONS

During the financial year, the Company has not entered into any materially significant related party contracts/arrangements or transactions with the Company's promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. All the contracts/arrangements or transactions entered into by the Company with Related party(ies) are in conformity with the provisions of the Companies Act, 2013 and on an arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year 2020-2021, pursuant to Section 177 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Related Party Transactions were placed before the Audit Committee and also for the Board approval, wherever required. Prior omnibus approval of the Audit Committee is generally obtained for the transactions which are of a foreseen and repetitive nature and these transactions are reviewed by the Audit Committee on quarterly basis.

The policy on dealing with Related Party Transactions as approved by Board is put up on the Company's website and can be accessed at www.paramountcables.com.

Members may refer Note 46 to the Standalone Financial Statement which sets out related party disclosures pursuant to Ind AS.

20. VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has established a Vigil Mechanism and a Whistle-Blower policy in accordance with provisions of the Act and Listing Regulations. The Audit Committee periodically review the complaints and incidents, if any. Protected disclosure can be made by a whistle blower through an e-mail or letter to the chairman of the Audit Committee. The Vigil Mechanism and Whistle-blower policy is put up on the Company's website at www.paramountcables.com.

21. AUDITORS AND AUDITORS REPORT

a) Statutory Auditors:

P. Bholusaria & Co., Chartered Accountants were appointed as statutory auditors of the Company for a term of 5 (five) consecutive years, at the AGM held on August 17, 2017. The Auditors have confirmed that they are not disqualified from continuing as Auditors of the Company.

The Notes on Financial Statement referred to in the Auditors' Report are self-explanatory. The Auditors' Report does not contain any qualification, reservation or adverse remark.

b) Cost Auditors

The Board has appointed M/s. Jain Sharma & Associates, Cost Accountants as Cost Auditors for conducting the audit of cost records of products of the Company for the financial year 2021-22 under Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014.

In accordance with the provisions of Section 148(1) of the Act, read with the Companies (Cost Records and Audit) Rules, 2014, the Company has maintained cost records.

The Company has received a letter from their firm to the effect that their re-appointment would be within the limits prescribed under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for such re-appointment within the meaning of Section 141 of the Companies Act, 2013. There are no qualifications, reservations or adverse remarks made by Cost Auditors in their Report for FY 2020-21. Further, the Cost Audit Report for the FY 2019-20 was filed on September 23, 2020 and for the FY 2020-21 the Cost Audit Report to be filed within due date.

c) Secretarial Auditor

The Board had appointed Mr. Abhishek Mittal, Practicing Company Secretary, to conduct Secretarial Audit for the financial year 2020-21. The Secretarial Auditor has the following observation in Form MR-3 enclosed as Annexure A: i. The Company has filed Form No. IEPF-1 and IEPF-4 after the due date i.e. beyond 30 days. ii. The Company has filed Form No. CRA-4 and Form DPT-3, with a declaration on the forms that the director has been authorized by the Board of Directors vide resolution no. 19 dated 14th August, 2020. However, the Board Meeting was held on August 14, 2019.



Comments of Board of Directors:

Such lapses were happened due to technical glitches and typing error.

d) Annual Secretarial Compliance Report

The Annual Secretarial Compliance Report for the financial year ended 31st March, 2021 on compliance of all applicable SEBI Regulations and circulars/guidelines issued thereunder, was obtained from Nitin Gupta, Company Secretary in Whole Time Practice, and submitted to the stock exchange. The Board of Directors reviewed the Secretarial Compliance Report and comments that the delayed compliance of regulation 17 (1) (c) of SEBI LODR was due to the prevalent COVID-19 situation.

22. DETAILS IN RESPECT OF FRAUD REPORTED BY THE AUDITORS

During the year under review there were no instances of fraud reported by the auditors.

23. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Over the years, the Company has focused on several corporate social responsibility programmes like Empowering Children and Women, Blood Donation Camps, Promoting Health & Sanitation and Nurturing Communities. However, the provisions of the Act related to CSR and Companies (Corporate Social Responsibility Policy) Rules, 2014, are not applicable to the Company.

24. LOANS, GUARANTEE(S) OR INVESTMENT(S)

During the year, your Company has duly complied with the provisions of section 186 of the Companies Act, 2013 and no loan and guarantee was granted by the Company under Section 186 of the Companies Act, 2013. The particulars of the investments made by the Company are given in the notes to the financial statements.

27. UTILISATION OF PROCEEDS OF CONVERSION OF WARRANTS

During the year under review, the proceeds from conversion of warrants into equal number of equity shares to Promoter/Promoter Group have been utilized as per the objects / purpose of the preferential allotment as stated in the Explanatory statement of the Postal Ballot Notice dated 08.11.2019 of the Company and there were no deviation in the utilization of proceeds. The details of utilization of proceeds are as under:

Original Object	Modified Object, if any	Original Allocation ₹)	Modified allocation, if any	Funds Utilised	Amount of Deviation/ Variation if any
The Company has utilized the funds for Capital Expenditure for expansion and modernization of Business Activities, working Capital Requirement and R & D Expenditure	Not Applicable	7.38 Cr.	Not Applicable	7.38 Cr.	Not Applicable

25. SEXUAL HARASSMENT POLICY, HEALTH AND SAFETY

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner so as to ensure safety of all concerned, compliances of environmental regulations and preservation of natural resources. As part of the legal responsibility and zero tolerance towards sexual harassment at the workplace, a policy for prevention of Sexual Harassment has been adopted by the Company.

In order to comply with provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder, the Company has in place a policy which mandates no tolerance against any conduct amounting to sexual harassment of women at workplace. The Company has constituted Internal Committee to redress and resolve any complaints arising under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year, there was no complaint lodged with the Internal Complaint Committee, formed under "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013".

26. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

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, the details of the ratio of the remuneration of each director to the median employee's remuneration and such other details as prescribed therein are given in "**Annexure-B**", which is attached hereto and forms a part of this Report.

In terms of 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, no employee is covered under the purview of the aforesaid Section/Rule.



28. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to conservation of energy, technology absorption, Foreign Exchange Earnings and Outgo as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is annexed as "**Annexure C**" and forms part of this Report.

The Company constantly strives for maintenance and improvement in quality of its products and entire Research & Development activities are directed to achieve the aforesaid goal.

29. CORPORATE GOVERNANCE

The Company is committed to adheres to the Corporate Governance requirements set out by the Securities and Exchange Board of India ("SEBI"). The report on Corporate Governance as stipulated under the Listing Regulations forms part of the Annual Report. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached to the report on Corporate Governance.

30. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report on the operations of the Company, as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") is provided in a separate section and forms an integral part of this Report.

31. ISO CERTIFICATION

The Company holds ISO 9001:2015 and ISO 14001:2015 certifications for both of its plants at Khushkhera, Rajasthan and Dharuhera, Haryana. In addition to this, the Company is certified by BASEC and LPCB for supply of its products in the European Market.

32. INSURANCE

All insurable interest of the Company including inventories, buildings and plant & machinery are adequately insured.

33. GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- a) Details relating to deposits covered under Chapter V of the Act.
- b) Issue of equity shares with differential rights as to dividend, voting or otherwise.
- c) Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- d) Neither the Managing Director nor the Whole Time Director of the Company receives any remuneration or commission from any of its subsidiaries.
- e) No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- f) There has been no change in the nature of business of the Company.
- g) Transfer of unclaimed/unpaid amount to Investor Education and Protection Fund
- h) Details of application made or any proceedings pending under the Insolvency and Bankruptcy Code, 2016.
- i) Details of Money accepted from Directors.
- j) details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.

34. ACKNOWLEDGEMENT AND APPRECIATION

The Board of Directors wish to place on record its deep sense of appreciation for the committed services by all the employees of the Company. The Board of Directors would also like to express their sincere appreciation for the assistance and co-operation received from the government and regulatory authorities, banks, customers, vendors and members during the year under review.

For and on behalf of the Board
Paramount Communications Limited

Sd/-
(Sanjay Aggarwal)
 Chairman & CEO
 (DIN-00001788)

Place: New Delhi
 Date: 10.08.2021



FORM NO. MR-3

Annexure-A

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
PARAMOUNT COMMUNICATIONS LIMITED
(CIN: L74899DL1994PLC061295)
C-125, NARAINA INDUSTRIAL AREA,
PHASE-1, NEW DELHI - 110028

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Paramount Communications Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and as shown to us and also based on the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion and to the best of our knowledge and understanding, the Company has, during the audit period covering the financial year ended on **31st March, 2021** ("Audit Period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021, and as shown to us, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **[Applicable only to**

the extent of Foreign Direct Investment and Overseas Direct Investment];

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI ACT'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (upto 10th November, 2018) and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (with effect from 11th November, 2018)
 - d. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments from time to time
- (vi) Other Laws as informed and certified by the management of the Company which are specifically applicable to the Company are
 - (a) Environment (Protection) Act, 1986
 - (b) The Water (Prevention and Control of Pollution) Act, 1974 and
 - (c) The Air (Prevention and Control of Pollution) Act, 1981

We have also examined compliance with the applicable clauses of the

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meeting.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on



test-check basis and as per the clarifications given, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. The Company has filed Form No. IEPF-1 and IEPF-4 after the due date i.e. beyond 30 days. During the process of audit the Company explained that the delay was due to problem in linking of challan with SRN of forms.
2. The Company has filed Form No. CRA-4 and Form DPT-3, with a declaration on the forms that the director has been authorized by the Board of Directors vide resolution no. 19 dated August 14, 2020. However, the Board Meeting was held on August 14, 2019. During the process of audit the Company explained that due to typographical error, the date was written as August 14, 2020 instead of August 14, 2019.

We further report that

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors as on 31st March, 2021. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice was given to all directors to schedule the Board Meetings at least seven days in advance. Agenda and detailed notes on agenda were generally sent in advance. There exist a system for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.
- As informed by the management and on the basis of signed Minutes of Board Meeting, it is apparent that all the decisions were carried through unanimous consensus and there were no dissenting members' views and hence, no recording was done in this regard as part of the minutes.

We further report that based on review of compliance mechanism established by the company and on the basis of the compliance certificate(s) issued by the Heads of Departments and taken on record by the Board of Directors, we are of the opinion that there are adequate systems and processes in place in the Company which is commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report, to the best of our knowledge and understanding, that during the audit period, there were no specific events/actions except the following, having a major bearing on the Company's Affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc:

1. The Share Allotment Committee of the Board has, on 25th February, 2021, allotted 1,00,50,000 (One Crore Fifty Thousand only) equity shares of face value of ₹ 2/- each at a price of ₹ 9.81/- per equity share, upon conversion of 1,00,50,000 (One Crore Fifty Thousand only) warrants allotted by the Company on preferential basis to Promoter and Promoter Group.
2. The Company has received notice from BSE Ltd. on 20th August, 2020 through e-mail regarding Non-compliance of provisions of Regulation 17(1) of SEBI (LODR) Regulations, 2015 for the quarter ended June 2020 and levied fine for such non-compliance.

National Stock Exchange of India Limited has also through notice dated 20th August, 2020 and 17th November, 2020 levied fine for non-compliance with Corporate Governance requirements of SEBI (LODR) Regulations, 2015 for the quarter ended June 2020.

On the basis of representation made by the Company, BSE Ltd. on 16th April, 2021, confirmed its decision to waive the fines levied for aforementioned non compliance for June, 2020 and September, 2020. The Company has made the payment of fine levied by National Stock Exchange of India Limited on 06th May, 2021 and 12th May, 2021 under protest.

We further report that the compliance by the Company of applicable labour laws and financial laws, like direct and indirect tax laws and financial accounts, has not been reviewed in this Audit since the same has been subject to review by statutory financial audit and other designated professionals.

This report is to be read with our letter of even date which is annexed as **Annexure "A"** and forms an integral part of this Report.

For **Abhishek Mittal & Associates**

(CS Abhishek Mittal)

Practising Company Secretary
 M. No. : F7273 C. P. No. : 7943
 UDIN: F007273C000755647

Place: New Delhi
 Date : 09th August, 2021



"ANNEXURE A"

To,
The Members,
PARAMOUNT COMMUNICATIONS LIMITED
(CIN: L74899DL1994PLC061295)
C-125, NARAINA INDUSTRIAL AREA,
PHASE-1, NEW DELHI - 110028

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records, taxation compliance and Books of Accounts of the company.
4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
5. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.
6. For the purpose of our Secretarial Audit, we have assumed that all of the documents shown and/ or submitted to us as copies are in conformity with the originals and all documents shown and/ or submitted to us as originals are genuine and authentic. We have also relied upon the verbal or written statements of officers and other representatives of the Company. We have assumed that all relevant documents and information have been shown and/ or provided to us and the conclusions set out therein clarify that no further documents and / or information exists that may have been withheld and / or not made available and/ or shown to us. While conducting the audit, reliance has been placed on the information, documents and undertakings shown and/ or submitted to us by the Company and our Secretarial Audit Report is entirely based on the same.
8. We have not carried out any search at any public office including the office of Registrar of Companies for the purposes of our review. We have not conducted any site visit in relation to the properties and manufacturing facilities of the Company. We express no opinion as to the title of the Company in relation to its immovable properties.
9. We have not conducted Secretarial Audit on the core financial, taxation and labour aspects of the Company including liabilities, rights and obligations of the Company in relation to the applicable taxes.
10. Depending upon the requirement, we have applied substantive and test check procedures while reviewing the information supplied by the Company. This review is confined to and is limited to the business of the Company and to the extent of the information furnished to us by the Company. In preparing this Report, we have limited our enquiries to matters of a legal nature and accordingly we express no opinion on any other matters including marketing, purchasing, logistics, manufacturing, maintenance, engineering, operations, technical, brand analysis, commercial or financial information or issues and accounts of the Company relating to or otherwise.
11. Our review of regulatory licences and approvals is limited to documents which have been shown to us. We do not claim to be experts in the line of the specific business/industry, which is the subject matter of our Secretarial Audit Report.
12. We express no comment/opinion/observation as to matters governed by any law other than the laws of India. Our Secretarial Audit Report is based on the laws of India as such laws stand at the date hereof.
13. Abhishek Mittal & Associates, its partners, associates, employees or staff, shall not be held responsible or held liable in the event of any loss and/or damage suffered by the addressees of this Secretarial Audit Report or prospective investors of the Company or any third party, as a result of placing reliance on the contents of this Secretarial Audit Report and or on any written or verbal representation(s) of the Company or its officers not in fact being correct or genuine.

For **Abhishek Mittal & Associates**

(CS Abhishek Mittal)

Practising Company Secretary

M. No. : F7273 C. P. No. : 7943

UDIN: F007273C000755647

Place: New Delhi
Date : 09th August, 2021



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.

- A. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2020-21, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2020-21.

Sl. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for financial year 2020-21 (₹ in Lac)	% increase in Remuneration in the financial year 2020-21	Ratio of remuneration of each Director/to median remuneration of employees
1.	Mr. Sanjay Aggarwal (Whole Time Director)	153.15	-14%	34.97
2.	Mr. Sandeep Aggarwal (Managing Director)	152.42	-14%	34.81
3.	Mr. Shambhu Kumar Aggarwal (Chief Financial Officer)	26.74	-14%	6.11
4.	Ms. Rashi Goel (Company Secretary and Compliance Officer)	8.38	NA	1.91

- B. There were 331 permanent employees on the rolls of Company as on 31st March, 2021.
- C. The explanation on the relationship between average increase in remuneration and Company performance: *The Key Performance Indicators (KPI) are set for each year with the main focus on Order Bookings, Revenues, Profits, etc. which are keenly monitored and measured against the set targets.*
- D. Because of COVID-19 no increase in the salaries of employees and the managerial personnel in the financial year 2020-2021.
- E. The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination & Remuneration Committee.
- F. The ratio of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: *The Chairman & CEO is the highest paid Director. No employee received remuneration higher than the Chairman & CEO.*
- G. It is hereby affirmed that the remuneration paid during the year ended 31st March, 2021 is as per the Remuneration Policy of the Company.



ANNEXURE C TO THE DIRECTORS' REPORT

The information of energy, technology absorption, Foreign Exchange Earnings and outgo as required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is as follows:

A. CONSERVATION OF ENERGY:

1. steps taken or impact on Conservation of Energy

Paramount Communications Limited is committed for environment protection and energy conservation to preserve natural resources. The Company has taken continuous efforts and continual improvement to minimize energy consumption by use of advanced technologies and continuous monitoring of energy conservation. Following steps are taken for energy conservation and to save natural resources.

- i) Replaced DC motor with energy efficient IE-3 AC Motor.
- ii) Replaced plant, office, shop floor lights with LED lights.
- iii) Reduced CO₂ emission by using PNG gas in Boilers in place of Diesel
- iv) Recharged ground water by using Rain Water Harvesting Tank
- v) Enable the company with zero discharge by treating waste water through STP and treated water used for green belt.
- vi) Diesel generator set converted into duel fuel (Diesel+PNG) from only Diesel
- vii) Used acrylic transparent sheet in some area of the plant to improve visibility of day light and to save power consumption.
- viii) Cooling tower is synchronized with temperature controller to switch ON or OFF fan motor when it is required
- ix) used special motorized air wiper on machines to minimized use of compressed air.
- x) Automation of pump house, reduced the energy consumption at pump house by 50%.

2. Steps taken by the company for utilizing alternate sources of energy.

In Process to install the roof top solar plant, capacity 640 KWp & estimated generation KWh/Year =883620.

3. The capital investment on energy conservation equipment.

No Capital Investment was made on energy conservation equipment.

B. TECHNOLOGY ABSORPTION:

I. Research and Development (R&D)

R & D expenditure has not been accounted for separately.

II. Technology Absorption, Adaptation, and Innovation

1. Efforts, in brief, made towards technology absorption, adaptation and innovation

The Company, with its long experience in the cable industry, has been a leader in cable technology. Innovation in process control, product development, cost reduction and quality improvement are being made on continuous basis as per the requirements of domestic and international markets. The technology being used for manufacturing cables is developed by in-house efforts and is at par with the industry norms.



2 Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution, etc.

Upliftment of facilities, proper resource utilization, lesser scrap/wastage generation, better preventive maintenance, lesser breaks down & enhancement of productivity & morale of work force improved Plant housekeeping & tidiness.

3. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

No new technology was imported during the last three years.

III. Foreign Exchange Earnings and Outgo

Total Foreign exchange used and earned

Earnings : ₹ 3630.39 lakh

Outgo : ₹ 673.48 lakh

For and on behalf of the Board
Paramount Communications Limited

Sd/-

(Sanjay Aggarwal)

Chairman & CEO
(DIN-00001788)

Place: New Delhi

Date: 10.08.2021



Corporate Governance Report

This report is prepared in accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), and the report contains the details of Corporate Governance systems and processes at Paramount Communications Limited (PCL).

1. STATEMENT ON COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company believes in adopting best practices in Corporate Governance and follows the principles of full transparency and accountability by providing information on various issues concerning the Company's business and financial performance to its shareholders. The Company has a strong legacy of fair, transparent and ethical governance practices. The Company's corporate governance philosophy has been further strengthened through the Paramount Code of Conduct for Prevention of Insider Trading ("Insider Trading Code").

The Company will continue to focus its resources, strengths, and strategies to achieve its vision of becoming leader in Cable Industry. The Company has complied with all the regulations stipulated by the Securities and Exchange Board of India (SEBI) in the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. This report, along with the Management Discussion and Analysis, constitutes Paramount's compliance with SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

2. BOARD OF DIRECTORS

• Composition of the Board

- (i) The Company has six Directors. Of the six Directors, four (i.e., 66.7 percent) are Non-Executive Independent Directors. The profiles of Directors can be found on www.paramountcables.com. The Composition of the Board is in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 149 of the Companies Act, 2013.
- (ii) None of the Directors on the Board holds directorships in more than ten public companies. None of the

Independent Directors serves as an independent director on more than seven listed entities. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he / she is a director. For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of SEBI Listing Regulations. None of the Directors is related to each other except Sanjay Aggarwal and Sandeep Aggarwal, Executive Directors of the Company.

- (iii) Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management.
- (iv) Four board meetings were held during the year under review and the gap between two meetings did not exceed one hundred and twenty days. The agenda of the Board / Committee meeting(s) with proper explanatory notes to agenda was prepared and circulated well in advance to all the Board / Committee members. The said meetings were held on: July 14, 2020; August 28, 2020; November 07, 2020; February 11, 2021. The necessary quorum was present for all the meetings.
- (v) The names and categories of the Directors on the Board, their attendance at board meetings held during the year under review and at the last Annual General Meeting ("AGM"), name of other listed entities in which the Director is a director and the number of Directorships and Committee Chairmanships / Memberships held by them in other public limited companies as on March 31, 2021 are given herein below. Other directorships do not include directorships of private limited companies, foreign companies and companies registered under Section 8 of the Act.



Name of the Director	Category	Number of Board Meetings attended during FY 2021	Whether attended last AGM held on September 30, 2020	Number of Directorships in other Public Limited Companies	Number of Committee positions held in other Public Companies		Directorship in other listed entity (Category of Directorship)
					Chairman	Member	
Sanjay Aggarwal (Chairman & CEO) DIN 00001788	Executive Director	4	Yes	0	0	0	0
Sandeep Aggarwal (Managing Director) DIN 00002646	Executive Director	4	Yes	0	0	0	0
Vijay Bhushan (DIN 00002421)	Independent, Non-Executive	4	Yes	4	1	4	1. Bharat Bhushan Finance and Commodity Brokers Limited. (Non-Executive -Non Independent Director) 2. KEI Industries Limited (Non-Executive-Independent Director)
Vijay Maheshwari (DIN 00216687)	Independent, Non-Executive	4	Yes	1	0	0	1. Sumedha Fiscal Services Limited
Malini Gupta (DIN 03464410)	Independent, Non-Executive	4	Yes	0	0	0	0
Praveena kala (DIN 08765830)	Independent, Non-Executive	4	Yes	0	0	0	0

*Excludes directorship in Paramount Communications Limited. Also excludes directorship in Private Limited Companies, Foreign Companies, Section 8 Companies and Alternate Directorships.

**Only two committees viz. Audit Committee and Stakeholders'/Investors' Grievance Committee are considered

- (vi) During FY 2021, information as mentioned in Part A of Schedule II of the SEBI Listing Regulations, has been placed before the Board for its consideration.
- (vii) During FY 2021, one meeting of the Independent Directors was held on February 11, 2021.
- (viii) The Board periodically reviews the compliance reports of all laws applicable to the Company.
- (ix) Due to the Covid-19 pandemic and the relaxation given by MCA and SEBI, all the Board meetings of the company during the year under review were held through video conferencing.

- (x) Details of equity shares of the Company held by the Directors as on March 31, 2021 are given below:

Name	Category	Number of Equity Shares
Sanjay Aggarwal	Non-Independent, Executive	1,40,61,013
Sandeep Aggarwal	Non-Independent, Executive	1,40,00,733



- Key Board qualifications, skills, expertise and attributes**

In the context of Company's business and activities, the Company requires skills/expertise/competencies in the areas of Finance, Internal Audit, Capital Market, Economics, Experience in cable Industry, Risk and Governance, Strategy & Planning, Business Leadership, General Corporate Management, Entrepreneurship and allied fields. The Company's Board is consisting of eminent persons with considerable professional expertise and experience that allows them to make effective contribution to the Board and its committees.

- The Board has adequate mix of skills, expertise, and competencies for running the business of the Company as detailed below.**

S.No.	Name of the Director	Category	Skills/Expertise
1	Sanjay Aggarwal	Executive Director	Business Leadership, Strategy & Planning, Finance, Operations, and overall support services
2	Sandeep Aggarwal	Executive Director	Business Leadership, Strategy & Planning, Operations, and overall support services
3	Vijay Maheshwari	Non-Executive Director	Risk & Governance, Finance & Law
4	Vijay Bhushan	Non-Executive Director	Risk & Governance, Finance & Law and Capital Market
5	Malini Gupta	Non-Executive Director	Corporate Management, Internal Control, Audit, Costing.
6	Praveena Kala	Non-Executive Director	Risk & Governance, Finance, Internal Control, Audit, Costing.

- Directors' Profile**

A brief resume of the Directors, nature of their expertise in specific functional areas etc. are available on the website of the Company.

3. COMMITTEES OF THE BOARD

The Board has constituted following Committees to discharge its responsibilities in an effective manner, and they meet as often as required and is authorized to constitute other functional committees, from time to time, depending on the business needs.

The role and composition of the committees, including the number of meetings held during the financial year ended on 31st March, 2021, and attendance of Directors thereat, are given hereunder.

(a) AUDIT COMMITTEE

Qualified and Independent Audit Committee

The Board has constituted an Audit committee, comprising of all independent non-executive directors.

All members of the Audit Committee possess financial and accounting expertise and exposure. Mr. Vijay Maheshwari - Chairman of the Committee is a fellow member of the Institute of Chartered Accountants of India (ICAI) and has expertise in accounting & finance matters. Mr. Vijay Maheshwari was present at the last Annual General Meeting of the Company held on 30th September, 2020. Ms. Rashi Goel, Company Secretary of the Company acts as the Secretary of the Committee.

Meetings of Audit Committee held during the financial year 2020-21.

During the financial year ended on 31st March, 2021, four meetings of the Audit Committee were held. The composition of Audit Committee, date on which the meetings were held and attendance of Directors at the above meetings is as follows:



Name of the Director	Position in the Committee	Presence of directors at the meetings			
		14 th July, 2020	28 th August, 2020	7 th November, 2020	11 th February, 2021
Mr. Vijay Maheshwari	Chairman	√	√	√	√
Mr. Vijay Bhushan	Member	√	√	√	√
Ms. Malini Gupta	Member	√	√	√	√
Ms. Praveena Kala	Member	NA	NA	NA	NA

Notes:

- 1) The Board has reconstituted the Audit Committee with effect from 11.02.2021 and Ms. Praveena Kala was appointed as member of the Audit Committee.
- 2) Committee invites such of the executives as it considers appropriate, representatives of the statutory auditors and internal auditors, to be present at its meetings.
- 3) Proper quorum was present at the afore mentioned meetings of the Audit Committee

Powers of Audit Committee

The audit committee of the Company is vested with the following powers:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

Role of Audit committee

The Terms of reference/role stipulated by the Board for the Audit Committee are in consonance with Part C of Schedule II of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and as per Section 177 of the Companies Act, 2013.

Review of information by Audit Committee

The audit committee shall mandatorily reviews the following information:

1. Management discussion and analysis of financial condition and results of operations.
2. Statement of significant related party transactions submitted by management.
3. Management letters / letters of internal control weaknesses issued by the statutory auditors.
4. Internal audit reports relating to internal control weaknesses.

5. The appointment, removal, and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
6. Statement of deviations:(a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1). (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

Terms of reference of Audit Committee

- (i) Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements reflect a true and fair position.
- (ii) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- (iii) Approval of payment to statutory auditors for any other services rendered by the statutory auditors
- (iv) Review of Quarterly and annual financial statements and auditor's report thereon before submission to the board for approval, with reference to:
 - a) Matters required to be included in the director's responsibility statement to be included in the board's report in terms of Companies Act, 2013.
 - b) Changes, if any, in accounting policies and practices and reasons for the same.



- c) Major accounting entries involving estimates based on the exercise of judgment by management.
 - d) Significant adjustments made in the financial statements arising out of audit findings.
 - e) Compliance with listing and other legal requirements relating to financial statements.
 - f) Disclosure of any related party transactions.
 - g) Modified opinion(s) in the draft audit report.
 - (v) Reviewing the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.)
 - (vi) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
 - (vii) Approval or any subsequent modification of transactions of the listed entity with related parties.
 - (viii) Scrutiny of inter-corporate loans and investments.
 - (ix) Valuation of undertakings or assets.
 - (x) Evaluation of internal financial controls and risk management systems.
 - (xi) Reviewing the performance of statutory and internal auditors, adequacy of the internal control systems.
 - (xii) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 - (xiii) Discussion with internal auditors of any significant findings and follow up thereon.
 - (xiv) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
 - (xv) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
 - (xvi) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non -payment of declared dividends) and creditors.
 - (xvii) To review the functioning of the whistle blower mechanism.
 - (xviii) Approval of appointment of chief financial officer after assessing the qualifications, experience, and background, etc. of the candidate.
 - (xix) Carrying out any other function as is mentioned in the terms of reference of the audit committee.
 - (xx) Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.
 - (xxi) Consider and comment on rationale, cost -benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.
- (b) STAKEHOLDERS' RELATIONSHIP/INVESTOR'S GRIEVANCE COMMITTEE**
- In compliance with Regulation 20 of the SEBI (LODR) Regulations 2015, the Board had constituted the Stakeholders' Relationship Committee, *inter alia* to consider and review the complaints received from shareholders. The Stakeholders' Relationship Committee comprises of Mrs. Malini Gupta, Mr. Vijay Bhushan, Mr. Sanjay Aggarwal and Mr. Sandeep Aggarwal. Mrs. Malini Gupta, non-executive and independent director is the Chairperson of the Committee.
- The Committee, *inter alia*, overlooks:**
1. Investor's grievances/complaints such as non-receipt of notices, annual reports.
 2. Share Transfer/Transmission related work.
 3. Issue of duplicate share certificate



Meetings

During the financial year ended on 31st March, 2021, one meeting of the Stakeholders' Relationship Committee was held. The composition of Stakeholders' Relationship Committee and attendance of Directors at the above meeting is as follows:

Name of the Director	Position in the Committee	Presence of directors at the meeting	11 th February, 2021
Ms. Malini Gupta	Chairperson	✓	
Mr. Vijay Bhushan	Member	✓	
Mr. Sanjay Aggarwal	Member	✓	
Mr. Sandeep Aggarwal	Member	✓	

The Chairperson of the meeting was present at the last Annual General Meeting of the Company held on September 30, 2020.

No investor complaints were received during the year under review. The requests for change of address, exchange of share certificate, KYC registration were received during the year, and all were replied to the satisfaction of the shareholders. As on 31.03.2021, no complaints were outstanding.

The Company has designated an e-mail id investors@paramountcables.com exclusively for the purpose of receiving investors' queries and complaints so that they can be attended promptly.

Compliance officer:

Ms. Rashi Goel, Company Secretary and Compliance Officer is the Compliance Officer for complying with requirements of Securities Laws.

(c) NOMINATION & REMUNERATION COMMITTEE

The Board has constituted a Nomination & Remuneration Committee, comprising of three independent non-executive directors viz. Mr. Vijay Bhushan - Chairman of the Committee, Mr. Vijay Maheshwari and Mrs. Malini Gupta. Ms. Rashi Goel, Company Secretary acts as the Secretary of the Committee. The Chairman of the Committee was present at the last Annual General Meeting of the Company held on September 30, 2020.

One meeting of the Nomination & Remuneration Committee was held during the period under review and attendance of Directors at the meeting is as follows:

Name of the Director	Position in the Committee	Presence of directors at the meeting	14 th July, 2020
Mr. Vijay Bhushan	Chairman	✓	
Mr. Vijay Maheshwari	Member	✓	
Mrs. Malini Gupta	Member	✓	

The Terms of reference are as follows:

- To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and to recommend to the Board their appointment and removal;
- To carry out evaluation of every director's performance;
- To formulate the criteria for determining qualifications, positive attributes and independence of a director and
- To recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- recommend to the board, all remuneration, in whatever form, payable to senior management.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.
- To consider such other matters as specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 as and when amended.

Further, the Nomination and Remuneration Committee also ensures that—

1. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors and employees of the Company;
2. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and remuneration to directors, Key Managerial Personnel (KMPs) and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.



Performance Evaluation criteria for Independent Directors:

The performance evaluation criteria for independent directors is determined by the Nomination and Remuneration Committee. An indicative list of factors on which evaluation was carried out includes participation and contribution, maintenance of confidentiality, integrity and timely decisions. The Performance evaluation of Independent Director was done by the entire Board of Directors (excluding the director being evaluated)

(d) SHARE ALLOTMENT COMMITTEE

The Share Allotment Committee was constituted by the Board of Directors of the Company with detailed terms of reference which include, inter-alia, the following powers:

- To consider and allot the equity shares upon conversion of warrants, as requested by the warrant holders from time to time.
- To consider and allot the equity shares upon conversion of other convertible securities issued by the Company from time to time.
- To exercise all other powers as may be delegated by the Board from time to time.

One meeting of the Share Allotment Committee was held during the period under review and attendance of Directors at the meeting is as follows

(f) RISK MANAGEMENT COMMITTEE

The Provision is applicable on Top 1000 Companies and the same is not applicable on the Paramount Communications Limited

(g) DETAILS OF THE REMUNERATION FOR THE YEAR ENDED MARCH 31, 2021

- **Details of remuneration paid to Executive Directors (Key Managerial Personnel) during the year 2020-2021:**

Aggregate value of salary, perquisites and commission paid during the financial year 2020-21 to the executive directors (Key Managerial Personnel) are as follows:-

(Amount in ₹ lakhs)				
Name	Salary, perquisites and Defined Benefit Plan	Company's Contribution to P.F.	Sitting Fees	Total
Mr. Sanjay Aggarwal	137.85	15.3	Nil	153.15
Mr. Sandeep Aggarwal	137.12	15.3	Nil	152.42

• Service Contracts, Severance Fees and Notice Period

The tenure of the office of Managing Director and Whole Time Director is 3 (Three) years from respective dates of their appointment/re-appointment and is governed by the resolutions passed by the Board, the Nomination and Remuneration Committee and the Shareholders of the Company, which cover the terms and conditions of such appointment. Further, there is no separate provision for payment of severance fees.

Name of the Director	Position in the Committee	Presence of directors at the meeting
25th February, 2021		
Mr. Sanjay Aggarwal	Chairman	✓
Mr. Sandeep Aggarwal	Member	✓

Ms. Rashi Goel, Company Secretary & Compliance Officer of the Company acts as Secretary to the Committee.

(e) MEETING OF INDEPENDENT DIRECTORS

The Company's Independent Directors meet as and when required, and at least once in every financial year. Such meeting of the Independent Directors is held without any intervention of the Executive directors and other management personnel of the Company. All the information sought by the Independent Directors for such meeting is duly provided to them for perusal. One meeting of Independent director was held during the year:

Name of the Director	Presence of directors at the meeting
11th February, 2021	
Mr. Vijay Maheshwari	✓
Mr. Vijay Bhushan	✓
Mrs. Malini Gupta	✓
Mrs. Praveena Kala	✓

• Compensation and Disclosures of Non-Executive Directors

The Non-executive Directors are paid a sitting fee at the rate of 60,000/- (Rupees Sixty Thousand Only) per meeting. The independent directors are also paid a lump sum for conveyance and out of pocket expenses at the rate of 10,000/- (Rupees Ten Thousand Only), for each committee meeting or meeting of the Board of Directors attended by them.



The details of sitting fee paid to the directors for attending the Board and Committee meetings for the year ended 31st March, 2021 are as follows:

(Amount in ₹)

Name of the Director	Sitting Fee paid
1. Mr. Vijay Maheshwari	6,00,000
2. Mr. Vijay Bhushan	6,60,000
4. Mrs. Malini Gupta	6,60,000
5. Mrs. Praveena Kala	3,00,000

During the year, there were no other pecuniary relationships or transactions of Non-Executive Directors with the Company. The Company has not granted any stock options to its Non-Executive Directors.

The Company's Remuneration Policy is available on the website of the Company.

- **Number of shares held by Non- Executive Directors**

None of the Non-Executive Directors holds any share of the Company in their individual capacity.

4. GENERAL MEETINGS

Details of date, time and venue of the last three Annual General Meetings are as under:

Date & Time	30 th September, 2020 at 04.30. P.M	24 th September, 2019 at 3.00. P.M	21 st September, 2018 at 11.30. A.M
Financial year	2019-2020	2018-2019	2017-2018
Venue	Held through video conference / other audio visual means. Deemed venue was C-125, Naraina Industrial Area, Phase-1, New Delhi-110028	Sri Sathya Sai International Center, Pragati Vihar, Institutional Area, Lodhi Road, New Delhi-110003	Air Force Auditorium, NH 48, Subroto Park, New Delhi-110010
Special Resolution(s) Passed	Re-appointment of Ms. Malini Gupta as Independent Director for another term of five years. Appointment of Ms. Praveena Kala as Independent Director for a term of five years. Re-appointment of Mr. Sanjay Aggarwal as Whole Time Director, to be designated as CEO & Chairman of the Company. Re-appointment of Mr. Sandeep Aggarwal as Managing Director of the Company.	Re-appointment of Mr. Vijay Bhushan as Independent Director for another term of five years. Appointment of Mr. Vijay Maheshwari as Independent Director for a term of five years. Revision in Remuneration of Sanjay Aggarwal, CEO & Chairman of the Company. Revision in Remuneration of Sandeep Aggarwal, Managing Director of the Company.	Making contribution for bonafide and charitable purposes not exceeding ₹25 Lac in one financial year.

5. POSTAL BALLOT

- During the financial year ended 31st March, 2021, No resolutions were passed by way of postal ballot for seeking approval of members.
- Currently, there is no proposal to pass any Special resolution through Postal Ballot.



6. OTHER DISCLOSURES

Particulars	Regulations	Details	Website for details/policy
Related party transactions	Regulation 23 of SEBI Listing Regulations and as defined under the Act	<p>There are no material related party transactions during the year under review that have conflict with the interest of the Company. Transactions entered with related parties during FY 20-21 were in the ordinary course of business and at arms' length basis and were approved by the Audit Committee. The Board's approved policy for related party transactions is available on the website of the Company under Investor Relations Section</p>	www.paramountcables.com
Details of non - compliance by the Company, penalty, strictures imposed on the Company by the stock exchange, or Securities and Exchange Board of India ('SEBI') or any statutory authority on any matter related to capital markets during the last three financial years	Schedule V (C) 10(b) to the SEBI Listing Regulations	<p>a) In accordance with regulation 17(1)(c) of SEBI(LODR) 2015, the Company was unable to appoint sixth director on the Board as on April 01, 2020, due to ongoing COVID-19 induced lockdown at that time. However, the Company had appointed Ms. Praveena Kala as Director on 14.07.2020 to comply with the aforesaid regulation. The penalty imposed on the Company by the National Stock Exchange for the aforesaid non-compliance have been duly paid.</p> <p>b) The Board Meeting for approval of un-audited Financial Results for the quarter and half year ended 30th September, 2017 could not be held within the time stipulated under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, due to technical failure in implementation of upgraded ERP in the Company. The penalty imposed on the Company by the Stock Exchanges for the aforesaid non-compliance have been duly paid.</p>	
Whistle Blower Policy and Vigil Mechanism	Regulation 22 of SEBI Listing Regulations	The Company has whistle blower policy and has established the necessary vigil mechanism for directors and employees to report concerns about unethical behavior. No person has been denied access to the Chairman of the Audit Committee. The policy is available on the website of the Company under Investor Relations Section.	www.paramountcables.com
Discretionary requirements	Schedule II Part E of the SEBI Listing Regulations	<ol style="list-style-type: none"> 1) The Company does not have Non-Executive Chairman and no expenses are being incurred & reimbursed in this regard. 2) The auditors' report on financial statements of the Company are unmodified 3) The Internal Auditor of the Company directly reports to the Audit Committee. 4) The quarterly and half yearly results are not being sent to the personal address of shareholders as the quarterly financial results of the Company are published in the Newspaper having wide circulation in India. The quarterly/ half-yearly/ annual financial results are also posted on the website of the Company www.paramountcables.com. Also, financial results and shareholding pattern of the Company are available at www.bseindia.com & www.nseindia.com. 	



Particulars	Regulations	Details	Website for details/policy
Subsidiary companies	Regulation 24 of the SEBI Listing Regulations	<p>The Company does not have any Indian subsidiary company. However, the Company has the following direct wholly owned subsidiaries located outside India:</p> <ol style="list-style-type: none"> 1) *Paramount Holdings Limited, incorporated under the laws of Cyprus; 2) **AEI Power Cables Limited, incorporated under the laws of England and Wales; 3) 06196375 Cables Limited (formerly known as AEI Cables Limited), which was a subsidiary company, is “in Administration” (as per UK Laws) w.e.f 28th February, 2014. <p>Note:</p> <ol style="list-style-type: none"> 1) *The management of Paramount Holdings Limited are taking steps to liquidate the Company in accordance with the applicable laws of the country. 2) **AEI Power Cables Limited, United Kingdom has ceased to trade and became dormant w.e.f. 1st April, 2017. The management of the Company intends to keep the company in existence, for use in foreseeable future, as and when required. 	
Policy on Determination of Materiality for Disclosures	Regulation 30 of SEBI Listing Regulations	The Company has adopted this policy and is available on the website of the company under Investors Relation Section.	www.paramountcables.com
Policy on Archival and Preservation of Documents	Regulation 9 of SEBI Listing Regulations	The Company has adopted this policy and is available on the website of the company under Investors Relation Section.	www.paramountcables.com
Reconciliation of Share Capital Audit Report	Regulation 76 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and SEBI Circular No D&CC / FITTC/ Cir- 16/2002 dated December 31, 2002.	<p>A qualified Practicing Company Secretary carries out a quarterly reconciliation of share capital audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and certify the total issued and listed capital.</p> <p>The reconciliation of share capital audit report confirms that the total issued and paid up capital is in agreement with the total number of shares in physical form and the total number of shares held in dematerialized form with NSDL and CDSL.</p>	
Code of Conduct	Regulation 17 of the SEBI Listing	The members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them during the year ended March 31, 2021. The Annual Report of the Company contains a certificate by the Chairman & Chief Executive Officer on the compliance declarations received from the members of the Board and Senior Management. The Code is available on the website of the Company under Investor Relations Section. (Annexure-A)	www.paramountcables.com



Particulars	Regulations	Details	Website for details/policy
Terms of Appointment of Independent Directors	Regulation 46 of SEBI Listing Regulations and Section 149 read with Schedule IV of the Act	Terms and conditions of appointment / re-appointment of Independent Directors are available on the Company's website under Investor Relations Section.	www.paramountcables.com
Familiarisation Program	Regulations 25(7) and 46 of SEBI Listing Regulations	In order to comply with the provisions of the SEBI regulations, and for the purpose of making the Board familiar with the latest developments in the Corporate laws, or other applicable laws, deliberations were held and presentations were made from time to time on major developments in the areas of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.	https://paramountcables.com/wp-content/uploads/2021/05/Policy-on-Familiarization-Program-for-Independent-Directors.pdf https://paramountcables.com/wp-content/uploads/2021/09/DETAILS-OF-INDUCTION-PROGRAMME-AND-FAMILIARISATION-PROGRAMME-IMPARTED-TO-INDEPENDENT-DIRECTOR-DURING-FY-2020-2021.pdf
Policy on determining Material Subsidiary	Regulation 16 (1) (c) of SEBI Listing Regulations	The Company has adopted a Policy for determining "Material Subsidiaries" of the Company and is available on the website of the Company under Investor Relations Section.	www.paramountcables.com
CEO/CFO Certification	Regulation 17 (8) and Part B of Schedule II of Listing Regulations	The Chairman & CEO and CFO of the Company have furnished the requisite certificate to the Board of Directors which is annexed hereto as Annexure B .	
Total fees Paid to Statutory Auditors		The Company has paid a Total fees of ₹ 18,43,743/- to statutory Auditors i.e. P. Bholusaria & Co., during the FY 2020-21	
Compliance with the code of Corporate Governance.		The Company regularly complies with the mandatory requirements of the code of Corporate Governance.	
Insider Trading Code	SEBI (Prohibition of Insider Trading) Regulations, 2015	The Company has formulated 'The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)' in compliance with the PIT Regulations. The Code is available on the website of the Company under Investor Relations Section.	www.paramountcables.com
DISCLOSURE OF COMPLIANCE OF REGULATION 17 TO 27 AND CLAUSES (B) TO (I) OF SUBREGULATION (2) OF REGULATION 46		The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause (b) to (i) of Sub regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.	
Disclosure where the board had not accepted any recommendation of any committee of the board, which is mandatorily required, in the relevant financial year.	Para 10 of Part C of Schedule V of Listing Regulations	The Board accepted the recommendations of its committees, wherever made, during the year	



Particulars	Regulations	Details	Website for details/policy
Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:		The Company has fully complied with the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.	
Prevention of Sexual Harassment of Women at Workplace		The Company is committed to provide a work environment which ensures that every employee is treated with dignity and respect. During the year, no complaint was filed related to Sexual Harassment of Women at Workplace	
Disclosure of Compliance of requirement of Corporate Governance Report	Sub Para (2) to (10) of Schedule V of SEBI Listing Regulation	The Company has complied with the requirements of Corporate Governance Report as mentioned in Sub Paras (2) to (10) of schedule V of the SEBI Listing Regulations.	
Disclosure with respect to demat suspense account/ unclaimed suspense account		The Company does not have any shares in the demat suspense account or unclaimed suspense account.	
Disclosure of Accounting treatment	Regulation 34 (3) and 53 (f) read with Schedule V of SEBI Listing Regulations	The Company prepared its Financial Statements to comply with the accounting standards specified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.	

7. MEANS OF COMMUNICATION

The Board recognizes the importance of transparency in communicating with stakeholders and promotes two-way communications. The various means of communication adopted by the Company are as follows

Financial results

- The quarterly and annual financial results of the Company are published in 'Jansatta' (Hindi newspaper) and Financial Express (English newspaper). The up-to date results are also available on the website of the Company, i.e. www.paramountcables.com, and portals of the Stock Exchanges where the Company's shares are listed

Company's Website

- Important shareholders' information such as Annual Report of the company, important policies, quarterly results, shareholding patterns etc are displayed on the website of the Company, i.e. www.paramountcables.com

Annual Report

- The Annual Report containing, *inter alia*, Audited Financial Statement, Audited Consolidated financial Statement, Board's Report, Auditors' Report and other important information is circulated to the members and others entitled thereto. The Management Discussion and Analysis Report forms part of the Annual Report. The Annual Report is also available on the website of the Company.

NSE Electronic Application Processing System (NEAPS)/BSE Listing Center (Listing Center)

- NEAPS and Listing Center is a web-based application designed by NSE and BSE for Corporates. All periodical and other compliance filings are filed electronically on NEAPS and BSE listing Center.

Designated e-mail-id

- The Company has designated the e-mail id viz. investors@paramountcables.com, in order to ensure prompt redressal of investor's requests/complaints

Scores

- Facility has been provided by SEBI for investors to place their complaints/grievances on a centralized web-based complaints redressal system viz. SEBI Complaints Redress System (SCORES). On receipt of any complaint thereof, the Company strive to give prompt response and Action Taken Report (ATRs) are uploaded for information about the current status of the complaint



8. GENERAL SHAREHOLDER INFORMATION

CIN	L74899DL1994PLC061295
Registered Office	C-125, Naraina Industrial Area, Phase-1, New Delhi-110028.
Compliance officer	Ms. Rashi Goel, Compliance Officer and Company Secretary
Twenty Seventh Annual General Meeting	Tuesday, the 28th September, 2021 at 4.30 PM
● Day, Date & Time:	
● Venue:	The Company is conducting meeting through VC / OAVM pursuant to the MCA Circular No. 02/2021 dated January 13, 2021 and as such there is no requirement to have a venue for the AGM. For details please refer to the Notice of this AGM.
Financial Year	1 st April of each year to 31 st March of the next year
Face Value per Equity share	₹ 2/-
Dividend Payment date	Not Applicable
Book Closure	Wednesday, the 22 nd September, 2021 to Tuesday, the 28 th September, 2021 (both days inclusive).
ISIN Number	● Demat ISIN Number in NSDL and CDSL for Equity Shares is INE074B01023

- **Financial Calendar (Tentative)**

Results for quarter ending 30th June, 2021	Mid August, 2021
Results for quarter/ half-year ending 30 th September, 2021	Mid November, 2021
Results for quarter ending 31 st December, 2021	Mid February, 2022
Results for year ending 31 st March, 2022	End May, 2022
Annual General Meeting (i.e., next year)	By September, 2022

- **Listing of Equity Shares on Stock Exchanges and Stock Codes**

The Equity Shares of the Company are listed on the following Stock Exchanges:

Name of the Stock Exchange	Stock Code
Bombay Stock Exchange Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	530555
National Stock Exchange of India Limited (NSE) Exchange Plaza, Plot No. C/1, G- Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051	PARACABLES
The Calcutta Stock Exchange Assn. Ltd*	

*The Company has submitted application for voluntary de-listing of equity shares to the Calcutta Stock Exchange Association Ltd., Kolkata during the year 2003-04, which is pending for disposal.

- **Payment of Listing fee**

The annual listing fee for the financial year 2021-22 has been paid to both the stock exchanges (viz. BSE and NSE), where the securities of the Company are listed.

- **Payment of Depository Fees**

The Annual Custodial/Issuer Fee for the year 2021-2022 has been duly paid by the Company to NSDL and CDSL.

- **In case the securities are suspended from trading, the Director's Report shall explain the reason thereof:**

Not Applicable.

- **Certificate from Company Secretary in Practice:**

None of the Directors of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India or the Ministry of Corporate Affairs or any such statutory authority. A Certificate to this effect, duly signed by the Practicing Company Secretary is **annexed to this Report (Annexure-C)**.

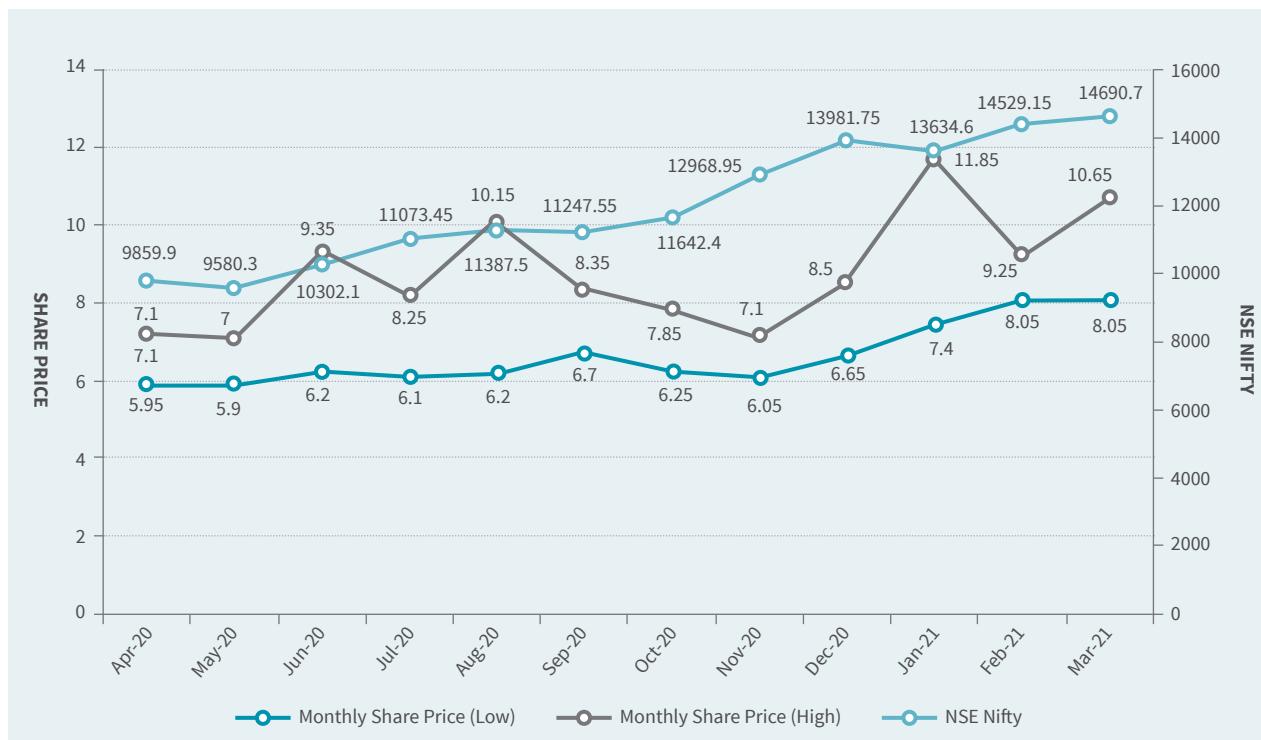


- **Stock Price Data:**

a) **NSE Scrip Code: PARACABLES (For the period: April, 2020 to March, 2021)**

Value in ₹

Month	High Price (H)	Low Price (L)	NSE NIFTY (closing prices)
April 2020	7.10	5.95	9859.9
May 2020	7.00	5.90	9580.3
June 2020	9.35	6.20	10302.1
July 2020	8.25	6.10	11073.45
August 2020	10.15	6.20	11387.5
September 2020	8.35	6.70	11247.55
October 2020	7.85	6.25	11642.4
November 2020	7.10	6.05	12968.95
December 2020	8.50	6.65	13981.75
January 2021	11.85	7.40	13634.6
February 2021	9.25	8.05	14529.15
March 2021	10.65	8.05	14690.7



b) BSE Scrip Code: 530555 (For the period: April, 2020 to March, 2021)

Performance of equity shares in comparison with BSE SENSEX during the Financial Year 2020-2021

Value in ₹

Month	High Price (H)	Low Price (L)	BSE (Closing Price)
April 2020	7.20	5.86	33717.62
May 2020	7.03	5.96	32424.1
June 2020	9.21	6.00	34915.8
July 2020	8.25	6.11	37606.89
August 2020	10.09	6.10	38628.29
September 2020	8.90	6.84	38067.93
October 2020	7.86	6.49	39614.07
November 2020	7.10	6.18	44149.72
December 2020	8.40	6.66	47751.33
January 2021	11.68	7.45	46285.77
February 2021	9.17	7.81	49099.99
March 2021	10.75	8.14	49509.15



Shareholding as on March 31, 2021
a) Distribution of equity shareholding as on March 31, 2021

Shareholding of shares	No. of Shareholders		No. of Shares held	Amount	
	Number	% to total		In ₹	% to total
Upto 500	18960	67.05	3413426	68,26,852	1.81
501 - 1,000	4175	14.76	3543791	70,87,582	1.79
1,001 - 2,000	2229	7.88	3560818	71,21,636	1.75
2,001 - 3,000	823	2.91	2145295	42,90,590	1.07
3,001 - 4,000	376	1.33	1370799	27,41,598	0.70
4,001 - 5,000	447	1.58	2160795	43,21,590	1.07
5,001 - 10,000	576	2.04	4487845	89,75,690	2.10
10,001 & Above	693	2.45	173501196	3,47,002,392	89.71
Total	28279	100.00	194183965	38,83,67,930	100.00

b) Categories of equity shareholding as on March 31, 2021

Category	Number of Equity shares held	Percentage of holding
Promoters	120618303	62.12
Bodies Corporate	7172623	3.69
NRI/OCBs/Clearing Members/Trust	7496235	3.86
Mutual Funds/Alternate Investment Funds/Banks/Financial Institutions/FIIs/Foreign Portfolio Investors	2924076	1.51
Non-institutions/Indian Public/HUF/IEPF	55972728	28.82
Grand Total	194183965	100

• Steps taken by the management for strengthening the company's performance

The Promoters and other persons/entities forming part of the Promoter group have infused funds amounting to ₹ 7.38 Crore in the financial year 2020-2021, by way of conversion of warrants into equal number of equity shares on preferential basis.

The Management is further exploring possibilities of new investors in order to invest funds in the Company for modernization, expansion and strengthening the financial position of the Company.

• Registrars and Share Transfer Agent

Name and Address: M/s Link Intime India Private Limited
 Noble Heights, 1st Floor, Plot No NH-2, LSC,
 C-1 Block, Near Savitri Market, New Delhi-110058
 Telephone : +91-11-4141 0592, 93, 94
 Fax : 011 - 4141 0591
 E-mail : delhi@linkintime.co.in
 Website : www.linkintime.co.in

• Share Transfer System:

As mandated by SEBI, securities of the Company can be transferred/traded only in dematerialized form. Shareholders holding shares in physical form are advised to avail the facility of dematerialization. During the year, the Company obtained, on half yearly basis, a certificate from a Company Secretary in Practice, certifying that all certificates for transfer, transmission, sub-division, consolidation, renewal, and exchange, were issued as required under Regulation 40(9) of the Listing Regulations read with SEBI Circular No. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/59, dated April 13, 2020. These certificates were duly filed with the Stock Exchanges.



- Dematerialization of Shares and liquidity**

The Company's shares are compulsorily traded in dematerialized form on NSE and BSE. Equity shares of the Company representing 92.68 percent of the Company's equity share capital are dematerialized as on March 31, 2021. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE074B01023.

10050000 warrants got converted into equal number of equity shares constituting 5.18% of total issued capital. On 25.02.2021, equity shares consequent to conversion of warrants were allotted to allottees. The Listing approval from BSE and NSE was received on 31.05.2021. Further the above allotted equity shares pursuant to conversion are neither in physical form nor in demat form as on 31.03.2021.

However, the Demat credit of Equity shares consequent to conversion of warrants was completed on June 01, 2021.

- Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity:**

There are no outstanding warrants or convertible bonds having any impact on equity.

- Commodity price risk or foreign exchange risk and hedging activities:**

The Company has in place a robust risk management framework for identification and monitoring and mitigation of commodity price and foreign exchange risks. The risks are tracked and monitored on a regular basis and mitigation strategies are adopted in line with the risk management framework.

- Transfer of Shares to Investor Education and Protection Fund:**

In accordance with the provisions of the Companies Act, 2013, the Company has transferred 5,19,166 equity shares, to the credit of IEPF Authority, on December 31, 2020, in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more and the ownership of the relevant equity shares was not claimed on or before the cutoff date i.e., September 25, 2020.

- Plant Locations (as on 31st March, 2020)**

Address

SP-30A, SP-30B and E-31, Khushkhera Industrial Area, District Alwar, Rajasthan, India
Plot No. 37 Industrial Estate, Dharuhera, District Rewari, Haryana, India

- Nodal Officer:**

Ms. Rashi Goel, Company Secretary & Compliance Officer of the Company has been appointed as Nodal officer of the Company pursuant to the IEPF rules.

- Address for correspondence:**

Paramount Communications Limited
C-125, Naraina Industrial Area, Phase-I, New Delhi – 110028, India
Telephone: 91 11 45618800
Designated e-mail address for Investor Services: investors@paramountcables.com
Website: www.paramountcables.com

- Green Initiative:**

In view of the continuing restrictions on the movement of persons at several places in the country, due to COVID-19, outbreak, the Ministry of Corporate Affairs vide its circular dated May 5, 2020 and January 13, 2021 has allowed the Company to conduct their AGM through Video Conferencing or other audio-visual means. Therefore, Notice convening the 27th Annual General Meeting, Audited Financial Statements, Board's Report, Auditor's Report and other documents are being sent to the email address provided by the Shareholders with the relevant depositories. The shareholders are requested to update their email addresses with their depository participants to ensure that the Annual Report and other documents reaches on their registered email Ids. The same is available on the website of the Company as well as of Stock Exchanges.



DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director and Executive Directors. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors. These Codes are available on the Company's website.

I confirm that the Company has in respect of the year ended March 31, 2021, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For this declaration, Senior Management Team means the Chief Financial Officer, Head - HR, Vice President – Finance & Accounts and the Company Secretary as on March 31, 2021.

For Paramount Communications Limited

Sd/-

(Sanjay Aggarwal)

Chairman & CEO
(DIN-00001788)

Place: New Delhi
Date: 10.08.2021



CHIEF EXECUTIVE OFFICER (CEO) & CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

Dear Sirs,

We the undersigned, in our respective capacities as Chief Executive Officer (CEO) and Chief Financial Officer (CFO) of Paramount Communications Limited ("the Company") to the best of our knowledge and belief, certify that:

- a. We have reviewed the Financial Statements and the Cash Flow Statement of the Company for the year ended on 31st March, 2021 and that to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. there are, to the best of our knowledge and belief, no transactions entered into by the Company during the said year, which are fraudulent, illegal or violative of the Company's 'Code of Conduct for Directors and Key Managerial Personnel'.
- c. we accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies (wherever applicable).
- d. we have indicated to the Auditors and the Audit Committee
 - i. significant changes in internal control over financial reporting during the year (wherever applicable);
 - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements (wherever applicable); and
 - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting (wherever applicable).

Place: New Delhi
Date: 26.06.2021

(Sanjay Aggarwal)
Chairman & Chief Executive Officer

(Shambhu Kumar Agarwal)
Chief Financial Officer



AUDITOR'S CERTIFICATE**Independent Auditors' Report on compliance with the conditions of Corporate Governance**

[As per provisions of Chapter IV of Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended]

To,
The Members of
Paramount Communications Limited

1. The Corporate Governance Report prepared by Paramount Communications Limited (hereinafter 'the Company'), contains details as specified in regulations 17 to 27, clauses (b) to (i) of sub - regulation (2) of regulation 46 and para C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Listing Regulations') ('Applicable criteria') for the year ended 31 March 2021 as required by the Company for annual submission to the Stock Exchange and to be sent to the shareholders of the company.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether; the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations referred to in paragraph 1 above.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgment, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedures includes but not limited to verification of secretarial records and financial information of the Company and obtained necessary representations and declarations from directors including independent directors of the Company.
8. The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.



Opinion

9. Based on the procedures performed by us, as referred in paragraph 7 & 8 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended 31 March 2021, referred to in paragraph 4 above except the delayed compliance of Regulation 17(1)(c) of SEBI (Listing Obligations and Disclosure Requirements) 2015, as per which the company must have 6 directors on the board from 01/04/2020, whereas the company had 5 directors at that time. The sixth director was appointed on 14/07/2020. As per the explanation of management, the delay was due to COVID-19.

Other Matters and Restrictions on use

10. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
11. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **P.Bholusaria & Co.**
 Chartered Accountants
 Firm Reg. No. 000468N

(Pawan Bholusaria)

Partner

M.No. 080691

UDIN: 21080691AAABV7708

Place: New Delhi

Dated: 10.08.2021



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
 (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
 The Members of
Paramount Communications Limited
 C-125 Naraina Industrial Area,
 Phase-1 New Delhi- 110028

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s Paramount Communications Limited having CIN: L74899DL1994PLC061295 and having registered office at C-125, Naraina Industrial Area, Phase-1 New Delhi- 110028 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Mr. Sanjay Aggarwal	00001788	01-11-1994
2	Mr. Vijay Bhushan	00002421	22-07-2000
3	Mr. Sandeep Aggarwal	00002646	01-11-1994
4	Mr. Vijay Maheshwari	00216687	01-04-2019
5	Ms. Malini Gupta	03464410	30-01-2015
6	Ms. Praveena Kala	08765830	14-07-2020

Disclaimer:

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Nitin Gupta

Company Secretary in whole time practice

UDIN: A035299C000732402

Membership No.: A35299

C. P. No.: 14087

Place: New Delhi

Date: 04-08-2021



Independent Auditors' Report

To
 The Members of
PARAMOUNT COMMUNICATIONS LIMITED

Report on the Standalone financial statements

Opinion

We have audited the accompanying standalone financial statement of **PARAMOUNT COMMUNICATIONS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the Standalone Financial Statements).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis of Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone financial statements section of our report. We are independent of the Company in accordance with Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rule thereunder, and we have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report

Description of Key Audit Matter	How our audit addressed the key audit matter
Provision of Doubtful Debts	<ol style="list-style-type: none"> 1. We Obtain a detailed age analysis of the year end of debtors and test the analysis for a selection of the balances; 2. Obtain an analysis of the provision for doubtful debts; 3. Scrutinize the analysis and identify those debts which appear doubtful; 4. Discuss with management their reasons, if any of these debts are not included in the provision for bad debts; 5. Perform further testing where any disputes exists; 6. Reach a final conclusion regarding the adequacy of the bad debts provision
Accuracy of Recognition, Measurement, Presentation and Disclosure of Revenue	We assessed the company's process to identify the impact of the new revenue accounting standard.
Impairment of Assets	We perform the analytical procedure to assess the impairment loss and review the market value for impairment loss as per IND AS 36.



Information Other than the Standalone financial statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this Auditors' Report. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibility

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures,



and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 'A' a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Change in Equity and the Cash Flow Statement

dealt with by this Report are in agreement with the books of account;

- (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015;
- (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to Annexure 'B'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as at 31st March, 2021 on its financial position in its standalone financial statements – Refer Note No 43.
 - ii. The Company did not have any long-term contracts including derivative contracts as at 31st March, 2021.
 - iii. There were no amounts, which were required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended on 31st March, 2021.
- (h) The managerial remuneration for the year ended 31st March, 2021 has been paid/ provided for by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act.

For P. Bholusaria & CO.
CHARTERED ACCOUNTANTS
Firm Registration No: 000468N

Pawan Bholusaria

Partner

M.No.080691

UDIN: 21080691AAAABE2936

Place: New Delhi
Date: 26.06.2021



ANNEXURE 'A' TO INDEPENDENT AUDITORS' REPORT

(Annexure referred to in our report of even date to the members of **Paramount Communications Limited** on the accounts for the year ended March 31, 2021)

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
 - (b) The fixed assets of the Company have been physically verified by the Management during the year. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account. In our opinion, the frequency of verification is reasonable.
 - (c) The title deeds of immovable properties, as disclosed in Note 5 on Property Plant & Equipment to the financial statements, are held in the name of the Company, except for one free hold land having gross block and net block of ₹ 6,04,17,500/-, which is yet to be registered transferred in the name of company. The same is held in the name of erstwhile partnership firm Paramount Cable Corporation.
- In respect of immovable property being Leasehold Land, as shown in Note 6 – Right of Use Assets, the lease deed is in the name of the Company.
- ii. The physical verification of inventory (excluding stocks with third parties) have been conducted at reasonable intervals by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
 - iii. The Company has not granted any loans secured or unsecured to Companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
 - iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans given and investments made, to the extent applicable to the company. The company has not given any guarantees or provided any security in connection with the loan taken by others.
 - v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under to the extent notified.
 - vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, *prima facie*, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
 - vii. a) According to the records of the Company and information and explanations given to us and the records of the Company examined by us, the Company has been generally regular in depositing the undisputed statutory dues including provident fund, employees state insurance, income tax, Investor education and protection fund, customs duty, cess, goods and service tax and other material statutory dues applicable to it with the appropriate authorities. However, there have been some delays in few cases.
 - b) There were no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, Investor education and protection fund, customs duty, cess, goods and service tax and other material statutory dues in arrears as at 31st March 2021 for a period of more than six months from the date they became payable.
 - c) According to the information and explanations given to us and according the records of the Company examined by us, the particular of statutory dues which have not been deposited as at 31st March 2021 on account of pending disputes are as follows:
- | Name of the Statute | Name of the Due | Amount ₹ | Period to which the amount relates | Forum where dispute is pending |
|----------------------------|------------------------|-----------------|---|---------------------------------------|
| Customs Act | Customs Duty | 13,12,721 | F.Y. 2005-06 & 2006-07 | CESTAT |
| Income Tax Act | Income Tax | 64,78,182 | A.Y. 2017-18 | CIT(A) |
- viii. In our opinion, on the basis of books and records examine by us and according to the information and expiations given to us, the Company has not defaulted in repayment of loans/ borrowings from Banks, Financial Institutions, Assets Reconstruction company and Non-Banking Finance Company



- during the year. The company does not have any borrowings from debenture holders or Government.
- ix. The Company has not raised moneys by way of initial public offer (including debt instruments) or term loans. However, the Company has made preferential allotment of equity shares to promoters/ promoter group entities, and the same were utilized for the purpose for which they were raised.
 - x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
 - xi. The Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
 - xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
 - xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting Standard.
 - xiv. The Company has made preferential allotment of fully paid up Equity Shares (upon conversion of Warrants) during the year. The company has complied with the requirements of section 42 of the companies Act, 2013, to the extent applicable. The amount raised were used for the purposes for which the funds were raised.
 - xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
 - xvi. According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India, 1934. Accordingly, provisions of clause 3 (xvi) of the Order are not applicable to the Company

For P. BHOLUSARIA & CO.
 CHARTERED ACCOUNTANTS
 Firm Registration No: 000468N

Pawan Bholusaria
 Partner
 M.No.080691

Place: New Delhi
 Date: 26.06.2021



ANNEXURE 'B' TO INDEPENDENT AUDITORS' REPORT

Annexure referred to in our report of even date to the members of **Paramount Communications Limited** on the accounts for the year ended 31st March, 2021.

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

We have audited the internal financial controls over financial reporting of Paramount Communications Limited ("the Company") as of 31st March, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become



inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2021, based on the internal control over financial reporting criteria established by the Company and the components of internal control stated

For **P. BHOLUSARIA & CO.**
CHARTERED ACCOUNTANTS
Firm Registration No: 000468N

Place: New Delhi
Date: 26.06.2021

Pawan Bholusaria
Partner
M.No.080691



Standalone Balance Sheet

 as at 31st March 2021

Particulars	Note No.	As at 31 st March 2021	(Amount in ₹) As at 31 st March 2020
I. ASSETS			
1 Non-current assets			
(a) Property, Plant and Equipment	5	1,000,409,695	1,022,866,193
(b) Right of use assets	6	404,746,344	418,984,084
(c) Intangible assets	7	16,187,261	8,943,947
(d) Financial Assets			
(i) Investments	8	3	3
(ii) Loans	9	441,250	343,125
(iii) Others	10	207,292,396	139,699,414
(e) Other non-current assets	11	4,399,278	4,637,849
		1,633,476,227	1,595,474,615
2 Current assets			
(a) Inventories	12	1,002,032,186	1,089,266,548
(b) Financial Assets			
(i) Trade Receivables	13	1,672,058,608	2,072,176,439
(ii) Cash and cash equivalents	14	72,660,122	15,252,769
(iii) Bank Balances other than (ii) above	15	133,838,779	141,612,624
(iv) Loans	16	2,090,771	7,591,071
(v) Other Current Financial Assets	17	37,020,194	44,504,695
(c) Current Tax Assets	18	40,938,311	21,804,108
(d) Other current assets	19	114,922,892	134,945,216
		3,075,561,863	3,527,153,470
Total Assets		4,709,038,090	5,122,628,085
II. EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share Capital	20	388,367,930	368,267,930
(b) Other Equity	21	1,541,149,070	1,453,173,178
		1,929,517,000	1,821,441,108
2 Liabilities			
(i) Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	22	1,740,975,000	1,852,558,369
(ii) Lease Liabilities	23	119,359,778	134,534,178
(b) Provisions	24	10,150,516	24,877,869
		1,870,485,294	2,011,970,416
(ii) Current liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities	25	15,174,400	13,873,015
(ii) Trade payables	26	16,837,800	10,233,318
Total outstanding dues of Micro and Small Enterprises		655,761,606	1,082,028,907
Total outstanding dues of creditors other than Micro and Small Enterprises		183,787,596	141,217,980
(iii) Other Current Financial Liabilities	27	28,986,468	37,645,803
(b) Other current liabilities	28	8,487,926	4,217,538
(c) Provisions	29		
		909,035,796	1,289,216,561
TOTAL Equity and Liabilities		4,709,038,090	5,122,628,085

Notes forming part of the Standalone Financial Statements

1 to 50

As per our Report of even date attached

For and on behalf of the Board

For **P. Bholusaria & Co.**
 Chartered Accountants
 Firm Registration No.: 000468N

(Sanjay Aggarwal)
 Chairman & CEO
 DIN No.: 00001788

(Sandeep Aggarwal)
 Managing Director
 DIN No.: 00002646

Pawan Bholusaria
 Partner (M.No.: 80691)
 UDIN: 21080691AAABE2936
 Place : New Delhi
 Date : 26.06.2021

(S K Agarwal)
 Chief Financial Officer
 Mem No.: 053595

(Rashi Goel)
 Company Secretary
 Mem No.: FCS 9577



Statement of Profit and Loss

for the year ended 31st March 2021

Particulars	Note No.	For the year ended 31 st March 2021	For the year ended 31 st March 2020
Revenue :			(Amount in ₹)
I. Revenue from operations	30	5,190,832,872	6,062,029,908
II. Other income	31	26,850,501	26,890,831
III. Total Income (I + II)		5,217,683,373	6,088,920,739
IV. Expenses:			
Cost of material consumed	32	3,972,876,200	4,909,261,024
Change in Inventories of finished goods, work-in-progress and scrap	33	160,421,391	(389,567,590)
Employee benefits expenses	34	197,132,023	211,749,663
Finance costs	35	70,464,149	105,237,737
Depreciation and amortization Expenses	36	90,716,124	110,463,408
Other Expenses	37	695,070,794	878,309,684
Total Expenses (IV)		5,186,680,681	5,825,453,926
V. Profit/(loss) Before exceptional items and Tax (III - IV)		31,002,692	263,466,813
VI. Exceptional items		-	-
VII. Profit before tax (V - VI)		31,002,692	263,466,813
VIII. Tax expense:			
Current tax		-	-
Deferred tax		-	-
Total Tax Expense (VIII)		-	-
IX. Profit for the year (VII - VIII)		31,002,692	263,466,813
X. Comprehensive Income			
Other Comprehensive Income			
Items that will not be reclassified to profit and loss			
Re-measurement gains/ (losses) on defined benefit plans		3,205,700	(2,091,581)
Income tax effect on above		-	-
Total Comprehensive Income for the year (IX + X) (Comprehensive profit and other comprehensive income for the year)		3,205,700	(2,091,581)
XII. Earnings Per Equity Share:	47		
(1) Basic		0.17	1.53
(2) Diluted		0.17	1.52

Notes forming part of the Standalone Financial Statements

1 to 50

As per our Report of even date attached

For **P. Bholusaria & Co.**
Chartered Accountants
Firm Registration No. : 000468N

Pawan Bholusaria
Partner (M.No.: 80691)
UDIN: 21080691AAAABE2936
Place : New Delhi
Date : 26.06.2021

For and on behalf of the Board

(Sanjay Aggarwal)
Chairman & CEO
DIN No.: 00001788

(S K Agarwal)
Chief Financial Officer
Mem No.: 053595

(Sandeep Aggarwal)
Managing Director
DIN No.: 00002646

(Rashi Goel)
Company Secretary
Mem No.: FCS 9577



Standalone Statement of Cash Flow

for the year ended 31st March 2021

(Amount in ₹)

Particulars	For the year ended 31 st March 2021	For the year ended 31 st March 2020
(A) CASH FLOWS FROM OPERATING ACTIVITIES		
Net Profit before taxation	31,002,692	263,466,813
Adjustment for :		
Depreciation and amortization expenses	90,716,124	110,463,408
Interest Expenses/Finance Cost	59,101,584	91,254,312
Interest on lease liability & on fair valuation of Security Deposit	11,362,565	13,983,425
Reversal of rent lease liability	(26,066,064)	(26,666,664)
Unrealised Exchange Gain/(Loss)	(105,370)	1,188,048
Profit on sales of Mutual Funds	-	(145,497)
Loss/(Profit) on sale of assets(net)	(233,939)	31,415
Interest Income	(21,152,165)	(22,124,565)
	113,622,735	167,983,882
Operating Profit before working capital changes	144,625,427	431,450,695
Adjustment for :		
Decrease / (Increase) in Trade Receivables	400,199,975	60,630,255
Decrease / (Increase) in Loans & Advances	5,402,176	(3,539,519)
Decrease / (Increase) in Inventories	87,234,361	(311,476,147)
Decrease / (Increase) in Other financial and non financial Assets	(38,477,242)	(43,306,924)
(Decrease) / Increase in Trade Payables	(419,639,593)	59,640,303
(Decrease) / Increase in Other Liabilities & Provisions	(16,866,813)	(45,356,852)
	17,852,863	(283,408,884)
Cash generated from operation	162,478,290	148,041,811
Exceptional items		
Income Tax Paid	(19,134,203)	(10,070,733)
Net Cash From Operating Activities	143,344,087	137,971,078
(B) CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets including Capital WIP	(57,338,075)	(76,984,549)
Sale of Fixed Assets	5,079,209	395,313
Interest Received	19,613,756	18,408,522
Sale of Investments (Mutual Fund)	-	45,145,497
Purchase of Investments (Mutual Fund)	-	(45,000,000)
	(32,645,110)	(58,035,217)
Net Cash From Investing Activities	(32,645,110)	(58,035,217)



Standalone Statement of Cash Flow (Contd...)

for the year ended 31st March 2021

(Amount in ₹)

Particulars	For the year ended 31 st March 2021	For the year ended 31 st March 2020
(C) CASH FLOWS FROM FINANCING ACTIVITIES		
Interest Expenses/ Finance Cost	(59,101,584)	(91,254,312)
Increase/(Decrease) in Borrowings from banks / ARC / NBFC	(68,057,539)	(126,420,051)
Loan From Directors	-	(12,250,000)
Proceeds from Issue of Equity Share upon conversion of Equity share warrant	73,867,500	145,876,500
	(53,291,623)	(84,047,863)
Net Cash from Financing Activities	(53,291,623)	(84,047,863)
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	57,407,354	(4,112,002)
Cash and Cash Equivalents at Beginning of the Year	15,252,769	19,364,771
Cash and Cash Equivalents at end of the Year	72,660,122	15,252,769
Net Increase/(Decrease)in Cash & Cash Equivalents	57,407,353	(4,112,002)

Reconciliation of Borrowings

(Amount in ₹)

Particulars	Borrowings (Current & Non-Current)	Borrowings (Current & Non-Current)
	As at 31 st March 2021	As at 31 st March 2020
Opening balance	1,956,485,641	2,095,155,692
Proceeds	35,425,000	-
Repayments	103,482,539	138,670,051
Closing balance	1,888,428,102	1,956,485,641

Note:

1. Cash Flow Statement has been prepared under indirect method as set out in IND AS-7 (Statement of Cash Flows)
2. Figures in brackets represent outflow of cash.

Notes forming part of the Standalone Financial Statements 1 to 50

As per our Report of even date attached

For **P. Bholusaria & Co.**
Chartered Accountants

Firm Registration No.: 000468N

Pawan Bholusaria
Partner (M.No.: 80691)
UDIN: 21080691AAABE2936
Place : New Delhi
Date : 26.06.2021

For and on behalf of the Board

(Sanjay Aggarwal)
Chairman & CEO
DIN No.: 00001788

(S K Agarwal)
Chief Financial Officer
Mem No.: 053595

(Sandeep Aggarwal)
Managing Director
DIN No.: 00002646

(Rashi Goel)
Company Secretary
Mem No.: FCS 9577



Standalone Statement of Changes In Equity

for the year ended 31st March 2021

A. EQUITY SHARE CAPITAL

Particulars	Balance as at 1 st April 2019	Changes in equity share capital during the year 2019-20	Balance as at 31 st March 2020	Changes in equity share capital during the year 2020-21	Balance as at 31 st March 2021
No of Shares	171,783,965	12,350,000	184,133,965	10,050,000	194,183,965
Amount in (₹)	343,567,930	24,700,000	368,267,930	20,100,000	388,367,930

B. OTHER EQUITY

Particulars	Equity component of convertible instruments			Reserve and Surplus		(Amount in ₹)
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Items of Other comprehensive Income	
Balance as at March 31, 2019	-	3,031,100	1,670,020,458	25,403,272	(624,449,591)	(3,383,793) 1,070,621,446
Total Comprehensive Income for the year 2019-20				263,466,813		263,466,813
Addition during the year	145,876,500		96,453,500			242,330,000
Re-measurement of net defined benefit Plans					(2,091,581)	(2,091,581)
Transfer to Equity and share premium	(121,153,500)					(121,153,500)
Balance as at March 31, 2020	24,723,000	3,031,100	1,766,473,958	25,403,272	(360,982,778)	(5,475,374) 1,453,173,178
Total Comprehensive Income for the year 2020-21				31,002,692		31,002,692
Addition during the year			78,490,500			78,490,500
Re-measurement of net defined benefit Plans					3,205,700	3,205,700
Transfer to Equity and share premium	(24,723,000)					(24,723,000)
As at 31st March 2021	-	3,031,100	1,844,964,458	25,403,272	(329,980,086)	(2,269,674) 1,541,149,070

Notes forming part of the Standalone Financial Statements

1 to 50

As per our Report of even date attached

For and on behalf of the Board

(Sanjay Aggarwal)

Chairman & CEO
DIN No.: 00001788

(S K Agarwal)

Chief Financial Officer
Mem No.: 053595

(Sandeep Aggarwal)

Managing Director
DIN No.: 00002646

(Rashi Goel)

Company Secretary
Mem No.: FCS 9577



Significant Accounting Policies and Notes to the Standalone Financial Statements

for the year ended 31st March 2021

1. CORPORATE AND GENERAL INFORMATION

Paramount Communications Limited ("PCL") or ("the Company") is a public limited company domiciled in India and incorporated under the provisions of Companies Act,1956. The registered office of the company is situated at C-125 Naraina industrial Area Phase-1, New Delhi – 110028. The Company is engaged in manufacturing business of Wires and Cables comprising of power cables, telecom cables, railway cables and specialised cables. The manufacturing facilities of the company are situated at Khushkhera, Rajasthan and Dharuhera, Haryana.

The Equity shares of the company are listed at National Stock Exchange and Bombay stock Exchange.

2. STATEMENT OF COMPLIANCE & BASIS OF PREPARATION

The standalone financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rule 2015

The significant accounting policies used in preparing the financial statements are set out in Note no.3 of the Notes to the Financial Statements.

The preparation of the financial statements requires management to make estimates and assumptions. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future years (refer Note no.4 on critical accounting estimates, assumptions and judgements).

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of Measurement

The financial statements have been prepared on accrual basis and under the historical cost convention except following which have been measured at fair value:

- Certain financial assets and liabilities carried at fair value or amortised cost,
- defined benefit plans – plan assets measured at fair value,

The standalone financial statements are presented in Indian Rupees, which is the Company's functional and presentation currency and all amounts are rounded to the nearest rupees.

3.2 Property, Plant and Equipment

- a) Property, Plant and Equipment are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items.
- b) Assets are depreciated to the residual values on a straight-line basis over the estimated useful lives based on technical estimates. Assets residual values and useful lives are reviewed at each financial year end considering the physical condition of the assets and benchmarking analysis or whenever there are indicators for review of residual value and useful life. Freehold land is not depreciated. Estimated useful lives of the assets are as follows:

Category of Assets	Years
- Leasehold Land	Lease period
- Leasehold Building	Over the Lease period
Equipment & Machinery	
- Building	30-60
- Plant and Machinery	15-25
- Electric Installation	10
- Furniture and Fixtures	10
- Computer equipment	3
- Software	5
- Office furniture and equipment	5
- Vehicles	8

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss on the date of disposal or retirement.

3.3 Intangible Assets

Identifiable intangible assets are recognised:

- a) when the Company controls the asset,
- b) it is probable that future economic benefits attributed to the asset will flow to the Company and
- c) the cost of the asset can be reliably measured.



Significant Accounting Policies and Notes to the Standalone Financial Statements (Contd.)

for the year ended 31st March 2021

Computer software's are capitalised at the amounts paid to acquire the respective license for use and are amortised over the period of license, generally not exceeding five years on straight line basis. The assets' useful lives are reviewed at each financial year end.

3.4 Impairment of non-current assets

An asset is considered as impaired when at the date of Balance Sheet there are indications of impairment and the carrying amount of the asset, or where applicable the cash generating unit to which the asset belongs exceeds its recoverable amount (i.e. the higher of the net asset selling price and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the Statement of Profit and Loss. The impairment loss recognized in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the impaired asset over its remaining useful life.

3.5 Cash and cash equivalents

Cash and cash equivalents includes Cash on hand and at bank and other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

For the purpose of the Statement of Cash Flows, cash and cash equivalents consists of cash and short term deposits, as defined above, net of outstanding bank overdraft as they are considered an integral part of the Company's cash management.

3.6 Inventories

Inventories are valued at the lower of cost and net realizable value except scrap, which is valued at net realizable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their respective present location and condition. Cost is computed on the weighted average basis.

3.7 Employee benefits

- a) Short term employee benefits are recognized as an expense in the Statement of Profit and Loss of the year in which the related services are rendered.
- b) Leave encashment being a short term benefit is accounted for using the Projected Unit Credit Method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to profit and loss in the period in which they arise.
- c) Contribution to Provident Fund, a defined contribution plan, is made in accordance with the statute, and is recognised as an expense in the year in which employees have rendered services.
- d) The cost of providing gratuity, a defined benefit plans, is determined using the Projected Unit Credit Method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to Other Comprehensive Income in the period in which they arise. Other costs are accounted in statement of profit and loss.

3.8 Foreign currency reinstatement and translation

(a) Functional and presentation currency

The financial statements have been presented in Indian Rupees (₹), which is the Company's functional and presentation currency.

(b) Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at rates prevailing at the date of the transaction. Subsequently monetary items are translated at closing exchange rates of balance sheet date and the resulting exchange difference recognised in profit or loss. Differences arising on settlement of monetary items are also recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using



Significant Accounting Policies and Notes to the Standalone Financial Statements (Contd.)

for the year ended 31st March 2021

the exchange rates at the dates of the transaction. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the exchange rates prevailing at the date when the fair value was determined. Exchange component of the gain or loss arising on fair valuation of non-monetary items is recognised in line with the gain or loss of the item that gave rise to such exchange difference.

3.9 Financial instruments – initial recognition, subsequent measurement and impairment

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Financial Assets are measured at amortised cost or fair value through Other Comprehensive Income or fair value through Profit or Loss, depending on its business model for managing those financial assets and liabilities and the assets and liabilities contractual cash flow characteristics.

Subsequent measurements of financial assets are dependent on initial categorisation. For impairment purposes significant financial assets are tested on an individual basis, other financial assets are assessed collectively in groups that share similar credit risk characteristics.

Trade receivables

A receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. For some trade receivables the Company may obtain security in the form of guarantee, security deposit or letter of credit which can be called upon if the counterparty is in default under the terms of the agreement.

Impairment is made on the expected credit losses, which are the present value of the cash shortfalls over the expected life of financial assets. The estimated impairment losses are recognised in a separate provision for impairment and the impairment losses are recognised in the Statement of Profit and Loss within other expenses.

Subsequent changes in assessment of impairment are recognised in provision for impairment and the change in impairment losses are recognised in the Statement of Profit and Loss within other expenses.

For foreign currency trade receivable, impairment is assessed after reinstatement at closing rates.

Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.

Subsequent recoveries of amounts previously written off are credited to other income

Investment in equity shares

Investment in equity securities are initially measured at fair value. Any subsequent fair value gain or loss is recognized through Profit or Loss if such investments in equity securities are held for trading purposes. The fair value gains or losses of all other equity securities are recognized in Other Comprehensive Income.

Financial Liabilities

At initial recognition, all financial liabilities other than fair valued through profit and loss are recognised initially at fair value less transaction costs that are attributable to the issue of financial liability. Transaction costs of financial liability carried at fair value through profit or loss is expensed in profit or loss. However, borrowings, which is likely to be assigned or negotiated are initially measured at fair value through profit and loss account. Other borrowings are measured at amortised cost using the effective interest rate method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the Effective rate of interest (EIR). The EIR amortisation is included in finance costs in the Statement of Profit and Loss.

Trade and other payables

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are



Significant Accounting Policies and Notes to the Standalone Financial Statements (Contd.)

for the year ended 31st March 2021

unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

3.10 Borrowing costs

Borrowing costs specifically relating to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized (net of income on temporarily deployment of funds) as part of the cost of such assets. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the Company that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period.

All other borrowing costs are expensed in the period in which they occur.

3.11 Taxation

Income tax expense represents the sum of current and deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income, in such cases the tax is also recognised directly in equity or in other comprehensive income. Any subsequent change in direct tax on items initially recognised in equity or other comprehensive income is also recognised in equity or other comprehensive income, such change could be for change in tax rate.

Current tax provision is computed for Income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws. Current tax assets and current tax liabilities are off set, and presented as net.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet

and the corresponding tax bases used in the computation of taxable profit and are accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised. Deferred tax assets and liabilities are measured at the applicable tax rates.

Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred tax assets and deferred tax liabilities are off set, and presented as net.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

3.12 Revenue recognition and Other income

Sale of Goods

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer. Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped. Revenue is recognized at the fair value of consideration received or receivable and represents the net invoice value of goods supplied to third parties after deducting discounts, volume rebates and amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government) are recognized either on delivery or on transfer of significant risk and rewards of ownership of the goods as per IND AS 115.

Consideration is generally due upon satisfaction of performance obligations and a receivable is recognised when it becomes unconditional.

The Company is generally the principal as it typically controls the goods or services before transferring them to the



Significant Accounting Policies and Notes to the Standalone Financial Statements (Contd.)

for the year ended 31st March 2021

customer. Revenue is inclusive of Material returned/ rejected is accounted for in the year of return/ rejection.

The Company does not adjust short-term advances received from the customer for the effects of significant financing component if it is expected at the contract inception that the promised good or service will be transferred to the customer within a period of one year.

Revenue from rendering of services is recognised over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

Interest

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

3.13 Recent accounting development

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards. There is no such notification from April 1, 2020, which has been applicable to the Company.

3.14 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares, if any.

3.15 Provisions and contingencies

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying

economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

Contingencies

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

3.16 Lease

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-measurement of the lease liability. The right-of-use assets is depreciated using the straight-line method the commencement date over the shorter of lease term or useful life of right-of-use asset.



Significant Accounting Policies and Notes to the Standalone Financial Statements (Contd.)

for the year ended 31st March 2021

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications. The Company recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

3.17 Current /non-current classification

The Company presents assets and liabilities in statement of financial position based on current/non-current classification.

The Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by MCA.

An asset is classified as current when it is:

- a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
- b) Held primarily for the purpose of trading,
- c) Expected to be realised within twelve months after the reporting period, or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- a) It is expected to be settled in normal operating cycle,
- b) It is held primarily for the purpose of trading,
- c) It is due to be settled within twelve months after the reporting period, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

3.18 COVID Policy

The outbreak of Corona Virus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activities. The company's operations and revenue during the period / year were impacted due to COVID-19. The company has assessed the possible impacts of COVID-19 on its financial statements based on internal and external factors up to the date of approval of the Audited Financial Results. The Company will continue to closely monitor any material changes arising of future economic conditions and impact on its business.

4. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgements, which have significant effect on the amounts recognised in the financial statement:

(a) Property, plant and equipment

External adviser and internal technical team assess the remaining useful lives and residual value of property, plant and equipment. Management believes that the assigned useful lives and residual value are reasonable, the estimates and assumptions made to determine their carrying value and related depreciation are critical to the Company's financial position and performance.



Significant Accounting Policies and Notes to the Standalone Financial Statements (Contd.)

for the year ended 31st March 2021

(b) Income taxes

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.

(c) Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

(d) Allowance for uncollected accounts receivable and advances

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible.

Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

(e) Fair valuation of Financial Assets and Liabilities

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The input to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair value. Judgements include consideration of input such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(f) Defined Benefit Plan

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in future. These includes the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.



Notes to Standalone Financial Statements (Contd)

for the year ended 31st March 2021

5. PROPERTY, PLANT AND EQUIPMENT

Particulars	Freehold Land	Lease hold Land	Buildings	Lease hold Building improvement	Plant and Equipment	Furniture and Fixture	Vehicles	Office Equipment	Total
Gross Block									
As at April 1, 2019	230,235,130	290,187,000	219,071,718	5,234,030	812,181,701	11,703,571	4,250,043	8,666,408	1,587,509,601
Additions	-	-	-	-	66,773,249	559,881	1,043,918	3,054,501	71,431,549
Disposals/Adjustments	-	-	-	(252,750)	-	(504,821)	-	-	(757,571)
Transfer to Right of Use Assets*	290,187,000	-	-	-	-	-	-	-	290,187,000
As at March 31, 2020	230,235,130	-	219,071,718	5,234,030	878,702,200	18,263,452	4,789,140	11,700,909	1,367,996,579
Additions	-	-	-	-	45,388,950	95,474	199,990	1,412,572	47,096,986
Disposals/Adjustments	-	-	-	(7,636,855)	(53,894)	(51,882)	-	-	(7,742,631)
As at March 31, 2021	230,235,130	-	219,071,718	5,234,030	916,454,295	18,305,032	4,937,248	13,113,481	1,407,350,934
Accumulated Depreciation									
As at April 1, 2019	10,405,133	25,757,195	4,585,735	211,391,208	11,721,413	2,354,685	3,781,431	269,996,800	
Depreciation charge for the year	-	8,655,379	50,723	71,647,760	3,224,658	449,715	1,841,327	85,869,562	
Impairment	-	-	-	(15,684)	-	(315,159)	-	-	(330,843)
Disposals/Adjustments	-	-	-	-	-	-	-	-	10,405,133
Transfer to Right of Use Assets*	10,405,133	-	-	-	-	-	-	-	
As at March 31, 2020	-	34,412,574	4,636,458	283,023,284	14,946,071	2,489,241	5,622,758	345,130,386	
Depreciation charge for the year	-	8,631,730	10,161	53,216,172	659,865	249,301	1,940,985	64,708,214	
Impairment	-	-	-	(2,851,223)	(46,138)	-	-	-	(2,897,361)
Disposals/Adjustments	-	-	-	-	-	-	-	-	
As at March 31, 2021	-	43,044,304	4,646,619	333,388,233	15,559,798	2,738,542	7,563,743	406,941,239	
Net Carrying Amount									
As at March 31, 2020	230,235,130	-	184,659,144	597,572	595,678,916	3,317,380	2,299,899	6,078,151	1,022,866,193
As at March 31, 2021	230,235,130	-	176,027,414	587,411	583,066,062	2,745,233	2,198,706	5,549,738	1,000,409,695

Note:-

- 1) Property, plant and equipment is hypothecated for long term borrowings from Assets Reconstruction Company and NBEC. (Refer note no. 22)
- 2) Title deeds of factory land measuring 3,108.72 sq. mtr. at Prahladpur, Bawana Road, Delhi of ₹ 60,417,500 are yet to be registered/transferred in the name of company.
- 3) * Lease hold land has been transferred to Right of Use Assets as per IND AS 116.



Notes to Standalone Financial Statements (Contd.)

for the year ended 31st March 2021

6. RIGHT TO USE ASSETS

Particulars	Lease hold Land	Right of use assets (Lease Hold Building)	Total
As at April 1, 2019	-	-	-
Additions	-	161,090,432	161,090,432
Disposals/Adjustments	-	-	-
Transfer from Property Plant & Equipment due to adoption of IND AS 116	279,781,867	-	279,781,867
As at March 31, 2020	279,781,867	161,090,432	440,872,299
Additions	-	8,772,395	8,772,395
Disposals/Adjustments	-	-	-
As at March 31, 2021	279,781,867	169,862,827	449,644,694
Accumulated Depreciation			
As at April 1, 2019	-	-	-
Depreciation charge for the year	3,477,880	18,410,335	21,888,215
Impairment	-	-	-
Disposals/Adjustments	-	-	-
As at March 31, 2020	3,477,880	18,410,335	21,888,215
Depreciation charge for the year	3,468,378	19,541,757	23,010,135
Impairment	-	-	-
Disposals/Adjustments	-	-	-
As at March 31, 2021	6,946,258	37,952,092	44,898,350
Net Carrying Amount			
As at March 31, 2020	276,303,987	142,680,097	418,984,084
As at March 31, 2021	272,835,609	131,910,735	404,746,344

Note:-

1) Lease hold land is hypothecated for long term borrowings from Assets Reconstruction Company and NBFC. (Refer note no. 22)



Notes to Standalone Financial Statements (Contd.)

for the year ended 31st March 2021

7. INTANGIBLE ASSETS

(Amount in ₹)

Particulars	Other Intangibles (Software)	Total
Gross Block		
As at April 1, 2019	11,496,129	11,496,129
Addition during the year	5,553,000	5,553,000
Adjustment	-	-
As at March 31, 2020	17,049,129	17,049,129
Addition during the year	10,241,089	10,241,089
Adjustment	-	-
As at March 31, 2021	27,290,218	27,290,218
Accumulated Amortization		
As at April 1, 2019	5,399,551	5,399,551
Charge for the year	2,705,631	2,705,631
Impairment	-	-
As at March 31, 2020	8,105,182	8,105,182
Charge for the year	2,997,775	2,997,775
Impairment	-	-
As at March 31, 2021	11,102,957	11,102,957
Net Carrying Amount		
As at March 31, 2020	8,943,947	8,943,947
As at March 31, 2021	16,187,261	16,187,261

8. NON CURRENT INVESTMENTS

(Amount in ₹)

Particulars	As at 31 st March 2021			As at 31 st March 2020		
	No. of Shares	Face Value	Amount	No. of Shares	Face Value	Amount
Long Term (Unquoted)						
In Subsidiaries						
Equity Instruments						
Paramount Holding Limited, Cyprus	3675	€ 1.71 each	1	3675	€ 1.71 each	1
AEI Power Cables Limited, United Kingdom	1000	£1 each	1	1000	£1 each	1
06196375 Cables Limited" (formerly AEI Cables Limited), United Kingdom. In administration liquidation	20000	£1 each	1	20000	£1 each	1
Total			3			3
Aggregate amount of unquoted investment (Market value)			3			3
Grand Total			3			3
Aggregate value of quoted investments			-			-
Aggregate Market value of quoted investments			-			-
Aggregate value of unquoted investments			255,469,934			255,469,934
Aggregate amount of impairment in value of investments			255,469,931			255,469,931

Aggregate Provision for diminution in value of investments in Paramount Holdings Limited, Cyprus ,”06196375 Cables Limited” (formerly AEI Cables Limited), United Kingdom and AEI Power Cables Limited, United Kingdom has been made keeping in view negative net worth.

AEI Power Cables Limited, United Kingdom has ceased to trade. From 1 st April, 2017 it is dormant company.

The board of directors of Paramount Holdings Limited, Cyprus are taking steps to liquidate Paramount holdings Limited.



Notes to Standalone Financial Statements (Contd.)

for the year ended 31st March 2021

9. NON CURRENT LOANS

Particulars	(Amount in ₹)	
	As at 31 st March 2021	As at 31 st March 2020
Staff Loans		
Secured, considered good	-	-
Unsecured, considered good	441,250	343,125
Loan Receivables which have significant increase in credit Risk	-	-
Loan Receivables- credit impaired	-	-
Total	441,250	343,125

10. NON CURRENT OTHER FINANCIAL ASSETS (Unsecured, considered good)

Particulars	(Amount in ₹)	
	As at 31 st March 2021	As at 31 st March 2020
Security Deposits		
to related party **	9,227,605	-
to others	15,702,506	15,696,024
Interest Accrued but not due on fair valuation of Security Deposit to related party	830,484	-
Bank Deposits (with remaining maturity of more than 12 months)*	170,061,115	117,460,096
Interest Accrued but not due on fixed deposits	11,470,686	6,543,294
Advance to Related Parties - (Net of Provision)**	-	-
Total	207,292,396	139,699,414

*Under lien/custody with banks.

** Refer Note no 46

11. OTHER NON-CURRENT ASSETS

Particulars	(Amount in ₹)	
	As at 31 st March 2021	As at 31 st March 2020
Capital Advances (Unsecured, considered good)	4,399,278	4,637,849
Total	4,399,278	4,637,849

12. INVENTORIES

Particulars	(Amount in ₹)	
	As at 31 st March 2021	As at 31 st March 2020
Raw Material *	291,197,729	237,424,123
Work- in -progress	290,720,525	265,881,620
Finished goods	374,538,154	557,948,874
Stores and Spares*	36,887,610	17,376,750
Packing materials *	6,484,138	6,581,574
Scrap	2,204,030	4,053,607
Total inventories	1,002,032,186	1,089,266,548

* The above includes Goods in Transit in respect of raw material amounting to ₹ 50,35,845/-Previous year (2,97,94,382)/-, packing material ₹ Nil Previous year (₹ 1,96,180/-) & stores and spares ₹ Nil Previous year (₹ 7,22,897/-).

Inventories have been offered as security against the borrowings (Refer Note No 22)



Notes to Standalone Financial Statements (Contd.)

for the year ended 31st March 2021

13. TRADE RECEIVABLES

Particulars	(Amount in ₹)	
	As at 31 st March 2021	As at 31 st March 2020
Secured, considered good	-	-
Unsecured, considered good	1,672,058,608	2,072,176,439
Trade Receivables which have significant increase in credit Risk	54,632,233	55,061,406
Trade Receivables- credit impaired	(54,632,233)	(55,061,406)
Total Trade Receivables	1,672,058,608	2,072,176,439

14. CASH AND CASH EQUIVALENTS

Particulars	(Amount in ₹)	
	As at 31 st March 2021	As at 31 st March 2020
Balances with banks		
On current accounts	71,385,599	12,510,564
Cash on hand	1,274,524	2,742,205
	72,660,122	15,252,769

15. OTHER BANK BALANCES

Particulars	(Amount in ₹)	
	As at 31 st March 2021	As at 31 st March 2020
Fixed Deposits with remaining maturity of less than twelve months and other than those considered in cash and cash equivalents *	133,838,779	141,612,624
	133,838,779	141,612,624

*Under lien/custody with banks.

16. CURRENT LOANS

Others Loans

Particulars	(Amount in ₹)	
	As at 31 st March 2021	As at 31 st March 2020
Secured, considered good	-	-
Unsecured, considered good		
- Employees Loans & advances	2,090,771	7,591,071
Loan Receivables which have significant increase in credit Risk	-	-
Loan Receivables- credit impaired	-	-
	2,090,771	7,591,071



Notes to Standalone Financial Statements (Contd.)

for the year ended 31st March 2021

17. OTHER CURRENT FINANCIAL ASSETS

Particulars	(Amount in ₹)	
	As at 31 st March 2021	As at 31 st March 2020
Earnest Money Deposits	25,426,640	11,407,158
Security Deposits		
to related party *	-	18,000,000
to others	722,284	837,284
Interest Accrued but not due on fixed deposits	10,871,270	14,260,253
	37,020,194	44,504,695

* Refer Note no 46

18. CURRENT TAX ASSETS

Particulars	(Amount in ₹)	
	As at 31 st March 2021	As at 31 st March 2020
TDS & Income Tax Paid	40,938,311	21,804,108
	40,938,311	21,804,108

19. OTHER CURRENT ASSETS

Particulars	(Amount in ₹)	
	As at 31 st March 2021	As at 31 st March 2020
Advances to contractors and suppliers		
to related party	-	6,078,440
to others	67,215,198	41,570,468
Balance with GST Authorities	37,204,358	62,334,714
Amount Recoverable from Government*	2,582,457	9,832,055
Prepaid Expenses	7,920,879	15,129,539
Total	114,922,892	134,945,216

* represents sales tax, duty draw back and incentive schemes etc.

20. EQUITY SHARE CAPITAL

Particulars	(Amount in ₹)	
	As at 31 st March 2021	As at 31 st March 2020
Authorised share capital		
250,000,000(March 31, 2020- 250,000,000) Equity Shares of ₹ 2/-each	500,000,000	500,000,000
1,000,000(March 31, 2020- 1,000,000) Redeemable Preference Shares of ₹ 100/-each	100,000,000	100,000,000
Issued, Subscribed and Paid up Capital	600,000,000	600,000,000
194,183,965 (March 31 ,2020 -184,133,965) Equity Shares of ₹ 2/-each fully paid up	388,367,930	368,267,930
	388,367,930	368,267,930



Notes to Standalone Financial Statements (Contd.)

for the year ended 31st March 2021

Reconciliation of the number of equity shares and share capital

Name of the shareholders	As at 31 st March 2021		As at 31 st March 2020	
	No of shares	(Amount in ₹)	No of shares	(Amount in ₹)
Shares outstanding as at the beginning of the year	184,133,965	368,267,930	171,783,965	343,567,930
Add: Shares issued during the year *	10,050,000	20,100,000	12,350,000	24,700,000
Shares outstanding as at the end of the year	194,183,965	388,367,930	184,133,965	368,267,930

* Upon conversion of Warrants

Aggregate number of bonus shares issued, shares issued for consideration other than cash and bought back shares during the period of five years immediately proceeding the reporting date:

NIL	NIL
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List of Shareholders holding more than 5% of the aggregate Shares:

Name of the shareholders	As at 31 st March 2021		As at 31 st March 2020	
	No of Shares Hold	% of Holding	No of Shares Hold	% of Holding
M/s Paramount Telecables Limited	38,743,500	19.95	38,743,500	21.04
M/s April Investment and Finance Pvt. Ltd.	13,040,172	6.72	13,040,172	7.08
Mrs. Shashi Aggarwal	9,762,800	5.03	9,762,800	5.30
Mr. Sanjay Aggarwal	14,061,013	7.24	9,761,013	5.30
Mr. Sandeep Aggarwal	14,000,733	7.21	9,700,733	5.27

Terms /Right of Equity shares

Company has only one class of issued equity shares having a par value of ₹ 2/- per equity share. Each equity share holder is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to approval of the share holders in the ensuing Annual General meeting except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholdings.

Equity Share Warrants (Pending Allotment)

Particulars	(Amount in ₹)	
	As at 31 st March 2021	As at 31 st March 2020
25% Upfront Payment	-	24,723,000
Total	-	24,723,000
 Equity Share Warrants	 No of Warrants	 No of Warrants
Opening Balance	10,050,000	-
Add Issued during the Year	-	22,400,000.00
Less : Converted into Equity Shares	(10,050,000)	(12,350,000)
	-	10,050,000

During the previous year, the Company had issued to its Promoter/Promoter Group Entities 2,24,00,000 Warrants at a price of ₹ 9.81 each entitling them for issue/allotment on preferential basis of equivalent number of Equity Shares of ₹ 2 each (including premium of ₹ 7.81 each share) in accordance with SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2018. Against these warrants, the Company had issued and allotted 1,23,50,000 equity shares of ₹ 2 each during the previous year and remaining 100,50,000/- shares have been issued during the year.



Notes to Standalone Financial Statements (Contd.)

for the year ended 31st March 2021

21. OTHER EQUITY

Particulars	(Amount in ₹)	
	As at 31 st March 2021	As at 31 st March 2020
(A) Retained Earnings		
Opening Balance	(360,982,778)	(624,449,591)
Add: Net profit for the year	31,002,692	263,466,813
Total of A	(329,980,086)	(360,982,778)
(B) Other Reserves		
items of Other comprehensive Income		
Re-measurement gains (losses) on defined benefit plans		
Opening Balance	(5,475,374)	(3,383,793)
Addition during the year	3,205,700	(2,091,581)
	(2,269,674)	(5,475,374)
General Reserve		
Opening Balance	25,403,272	25,403,272
Addition during the year	-	-
	25,403,272	25,403,272
Capital Reserve		
Opening Balance	3,031,100	3,031,100
	3,031,100	3,031,100
Security Premium		
Opening Balance	1,766,473,958	1,670,020,458
Addition during the year	78,490,500	96,453,500
	1,844,964,458	1,766,473,958
Equity component of financial instruments (advance against equity share warrant)		
Opening Balance	24,723,000	-
Addition during the year	-	145,876,500
Less : Transfer to Share Capital and Share Premium	(24,723,000)	(121,153,500)
	-	24,723,000
Total of B	1,871,129,156	1,814,155,956
Total (A+B)	1,541,149,070	1,453,173,178

Retained Earnings represent the undistributed profits of the Company. Debit/negative balance represents remaining accumulated losses.

Other Comprehensive Income Reserve represent the balance in equity for items to be accounted in other comprehensive income. OCI is classified into (i). Items that will not be reclassified to profit and loss. (ii). Items that will be reclassified to profit and loss.

General reserve represents the statutory reserve, this is in accordance with Indian corporate law wherein a portion of profit is apportioned to General Reserve. Under Companies Act 1956 it was mandatory to transfer amount before a company can declare dividend. However under Companies Act 2013 transfer of any amount to General Reserve is at the discretion of the company.

Securities Premium represents the amount received in excess of per value of securities (equity share, preference shares and debentures). Premium on redemption of securities is accounted in security premium available. Where security premium is not available, premium on redemption of securities is accounted in statement of Profit and Loss. Section 52 of Companies Act 2013 specify restriction and utilisation of security premium.

Capital Reserve represents project subsidy from State Government.



Notes to Standalone Financial Statements (Contd.)

for the year ended 31st March 2021

22. BORROWINGS (At amortised cost)

Particulars	As at 31 st March 2021		As at 31 st March 2020	
	Current	Non Current	Current	Non Current
Secured				
Term Loans				
From Securitisation and Assets Reconstruction Company (ARC)	87,000,000	1,627,800,000	31,200,000	1,714,800,000
From Financial Institution	-	113,175,000	-	77,750,000
From Non Banking Financial Company	60,453,102	-	72,727,272	60,008,369
Total	147,453,102	1,740,975,000	103,927,272	1,852,558,369

Nature of Security :-

Term Loan from Securitisation and Assets Reconstruction Company (ARC)

Term loans from Securitization and Assets Reconstruction Company (ARC) are secured by 1st pari-passu charge on present and future fixed assets of the company, 1st pari-passu charge on land and building situated at Plot No. 37, Industrial Estate, Dharuhera, District Rewari, Haryana, 1st pari-passu charge on land and building situated at Plot No M4, Bahubali Plot No 17, Block 59, Municipal No. 1353/153 New Rohtak Road Delhi 110005, 1st pari-passu charge on land and building situated at SP-30A, SP-30B & E-31 RIICO Industrial Area, Village Karoli, PO Khushkhera District Alwar Rajasthan, 1st pari-passu charge on land and building situated at 45/14 & 45/17 Prahladpur, Bawana Road New Delhi and 2nd pari-passu charge on present and future current assets of the Company. Further they are secured through personal guarantees of Mr. Sanjay Aggarwal and Mr. Sandeep Aggarwal, Directors of the Company and pledge of 39,674,457 equity shares out of 12,06,18,303 equity shares of the company held by Promoters/ Promoters Group Companies. The rate of interest is NIL. The remaining outstanding amount payable as at the year end is repayable in unequal 18 quarterly installments with last installment being payable in September 2025.

Term Loan from Financial Institution

Loan from Financial Institution is secured against surrender value/ maturity value of keyman insurance policy of Mr. Sanjay Aggarwal and Mr. Sandeep Aggarwal, Directors of the Company. The rate of interest is 9.5%. This loan is repayable at time of surrender of policy in Financial Year 2025-26.

Term Loan from Non Banking Financial Company

Term loan from Non Banking Financial Company is secured by 1st pari-passu charge on present and future fixed assets of the company, 1st pari-passu charge on land and building situated at Plot No. 37, Industrial Estate, Dharuhera, District Rewari, Haryana, 1st pari-passu charge on land and building situated at Plot No M4, Bahubali Plot No 17, Block 59, Municipal No. 1353/153 New Rohtak Road Delhi 110005, 1st pari-passu charge on land and building situated at SP-30A, SP-30B & E-31 RIICO Industrial Area, Village Karoli, PO Khushkhera District Alwar Rajasthan, 1st pari-passu charge on land and building situated at 45/14 & 45/17 Prahladpur, Bawana Road New delhi and 2nd pari-passu charge on present and future current assets of the Company. Further they are secured through personal guarantees of Mr. Sanjay Aggarwal and Mr. Sandeep Aggarwal, Directors of the Company. The rate of interest is 16%. This loan is repayable in 33 equal monthly installments starting from 22.05.2019. Last installment due in January 2022.

Maturity Profile of Borrowings are as set out below :-

Particulars	Maturity Profile			
	1-2 Years	2-3 Years	3-4 Years	Beyond 4 Years
From Securitisation and Assets Reconstruction Company (ARC)	170,000,000	452,800,000	985,500,000	19,500,000
From Financial Institution	-	-	-	113,175,000
Total	170,000,000	452,800,000	985,500,000	132,675,000



Notes to Standalone Financial Statements (Contd.)

for the year ended 31st March 2021

23. LEASE LIABILITIES

Particulars	(Amount in ₹)	
	As at 31 st March 2021	As at 31 st March 2020
Lease Liability towards right of use assets *	119,359,778	134,534,178
Total	119,359,778	134,534,178

* Refer note no 48 of Notes to Financial Statements

24. PROVISIONS

Particulars	(Amount in ₹)	
	As at 31 st March 2021	As at 31 st March 2020
Provisions for employee benefits		
Provision for Gratuity	4,978,227	19,360,751
Provision for Leave Encashment	5,172,289	5,517,118
Total	10,150,516	24,877,869

24.1 MOVEMENT IN PROVISIONS

Particulars	As at 31 st March 2021		As at 31 st March 2020	
	Gratuity (funded)	Leave Encashment (unfunded)	Gratuity (funded)	Leave Encashment (unfunded)
Opening balance	21,961,591	7,133,816	15,409,762	15,671,982
Add: Provision created during the year	171,701	278,050	6,551,829	2,126,173
Less: Paid during the year	(10,000,000)	(906,716)	-	(4,354,750)
Less: Unused amount written back	-	-	-	(6,309,589)
Closing Balance	12,133,292	6,505,150	21,961,591	7,133,816
of which, current Provision (Refer Note no 29)	7,155,065	1,332,861	2,600,840	1,616,698

25. LEASE LIABILITIES

Particulars	(Amount in ₹)	
	As at 31 st March 2021	As at 31 st March 2020
Lease Liability towards right of use lease assets	15,174,400	13,873,015
Total	15,174,400	13,873,015



Notes to Standalone Financial Statements (Contd.)

for the year ended 31st March 2021

26. TRADE PAYABLES

Particulars	(Amount in ₹)	
	As at 31 st March 2021	As at 31 st March 2020
Total outstanding dues of Micro and Small Enterprises	16,837,800	10,233,318
Total outstanding dues of creditors other than Micro and Small Enterprises	655,761,606	1,082,028,907
Total	672,599,406	1,092,262,225

26.1 According to information available with the Management, on the basis of intimation received from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'), the Company has amounts due to Micro, Small and Medium Enterprises under the said Act as follows :

Particulars	(Amount in ₹)	
	As at 31 st March 2021	As at 31 st March 2020
Principal Amount remaining unpaid at the end of the year	16,837,800	10,233,318
Interest Amount remaining unpaid at the end of the year	-	-
Amount of Interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
Amount of Interest due and payable for the period of delay in making payment (in addition to the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
Amount of Interest accrued and remained unpaid at the end of the year	-	-
Amount of further Interest remaining due and paid in the succeeding year	-	-
Total	16,837,800	10,233,318

27. OTHER CURRENT FINANCIAL LIABILITIES

Particulars	(Amount in ₹)	
	As at 31 st March 2021	As at 31 st March 2020
Current maturities of long term debts (Refer Note No 22)		
From Securitisation and Assets Reconstruction Company (ARC)	87,000,000	31,200,000
From Non Banking Financial Company	60,453,102	72,727,272
Other Financial Liabilities	36,334,494	37,290,708
(Includes Expenses payable, salary & bonus payable and interest accrued but not due)		
Total	183,787,596	141,217,980

28. OTHER CURRENT LIABILITIES

Particulars	(Amount in ₹)	
	As at 31 st March 2021	As at 31 st March 2020
Advance from customers	22,263,314	27,736,841
Statutory Dues Payable	6,723,154	9,908,962
Total	28,986,468	37,645,803



Notes to Standalone Financial Statements (Contd.)

for the year ended 31st March 2021

29. PROVISIONS

Particulars	(Amount in ₹)	
	As at 31 st March 2021	As at 31 st March 2020
Provisions for employee benefits *		
Provision for Gratuity	7,155,065	2,600,840
Provision for Leave Encashment	1,332,861	1,616,698
Total	8,487,926	4,217,538

* Movement in provisions Refer Note No 24.1

30. REVENUE FROM OPERATIONS

Particulars	(Amount in ₹)	
	For the year ended 31 st March 2021	For the year ended 31 st March 2020
a) Sale of Products /Services		
Revenue from contacts with customers		
Sales of Products: - Manufactured goods	4,862,970,458	5,760,015,909
Sales of Services :- Job Work & EPC Contracts	265,709,554	198,580,191
Other Revenue :- Sales of Scrap	54,660,340	93,616,324
b) Other Operating Revenue		
Export benefits	7,492,520	9,817,484
Total	5,190,832,872	6,062,029,908

30.1 GEOGRAPHICAL MARKET -ALL SALES ARE POINT IN TIME

Particulars	(Amount in ₹)	
	For the year ended 31 st March 2021	For the year ended 31 st March 2020
India	4,820,301,477	5,790,317,012
Outside India	363,038,875	261,895,412
Total Revenue Sale of Products /Services	5,183,340,352	6,052,212,424

30.2 RECONCILIATION OF REVENUE RECOGNIZED WITH CONTRACT PRICE

Particulars	(Amount in ₹)	
	For the year ended 31 st March 2021	For the year ended 31 st March 2020
Gross revenue recognized during the year	5,184,897,181	605,541,6562
Less: Discount paid/payable to Customers	(1,556,829)	(3,204,138)
Net revenue recognized during the year	5,183,340,352	6,052,212,424



Notes to Standalone Financial Statements (Contd.)

for the year ended 31st March 2021

31. OTHER INCOME

(Amount in ₹)

Particulars	For the year ended 31 st March 2021	For the year ended 31 st March 2020
Interest on Bank Deposit	16,751,102	16,816,883
Interest Income - Others	4,401,063	5,307,682
Profit on sale/disposal of Fixed Assets (Net)	233,939	-
Profit on sales of Investment -FVTPL	-	145,497
Exchange Rate Variation (Net)*	5,306,352	4,288,119
Miscellaneous Income	158,045	332,650
	26,850,501	26,890,831

* Refer Note No 38

32. COST OF MATERIALS CONSUMED

(Amount in ₹)

Particulars	For the year ended 31 st March 2021	For the year ended 31 st March 2020
Raw Material consumed		
Opening stock	237,424,123	317,866,843
Add: Purchases	4,026,649,806	4,828,818,304
Less: Closing stock	291,197,729	237,424,123
Raw Material consumed	3,972,876,200	4,909,261,024

33. CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND SCRAP

(Amount in ₹)

Particulars	For the year ended 31 st March 2021	For the year ended 31 st March 2020
Opening Stock		
- Finished Stock	557,948,874	270,132,731
- Work in Progress	265,881,620	161,205,544
- Scrap	4,053,607	6,978,236
	827,884,101	438,316,511
Less: Closing Stock		
- Finished Stock	374,538,154	557,948,874
- Work in Progress	290,720,525	265,881,620
- Scrap	2,204,030	4,053,607
	667,462,709	827,884,101
Net (Increase)/Decrease in Inventories of finished goods, work-in-progress and scrap	160,421,391	(389,567,590)

34. EMPLOYEE BENEFITS EXPENSES

(Amount in ₹)

Particulars	For the year ended 31 st March 2021	For the year ended 31 st March 2020
Salaries and wages	179,721,370	186,846,072
Contribution to provident and other funds	11,450,014	18,472,751
Staff Welfare	5,960,639	6,430,840
Total	197,132,023	211,749,663



Notes to Standalone Financial Statements (Contd.)

for the year ended 31st March 2021

35. FINANCE COST

Particulars	(Amount in ₹)	
	For the year ended 31 st March 2021	For the year ended 31 st March 2020
Interest on Loans	24,226,286	35,837,010
Interest on Bills Discounting & others	31,835,280	52,478,321
Interest on lease liability	11,362,565	13,983,425
Other Borrowing Cost	2,575,736	2,192,366
Loan Processing Fees amortized	464,283	746,615
Total	70,464,149	105,237,737

36. DEPRECIATION AND AMORTIZATION EXPENSES

Particulars	(Amount in ₹)	
	For the year ended 31 st March 2021	For the year ended 31 st March 2020
Depreciation on Property Plant and Equipment	64,708,214	85,869,562
Amortization on Intangible Assets	2,997,775	2,705,631
Depreciation on Right of use assets	23,010,135	21,888,215
Total	90,716,124	110,463,408

37. OTHER EXPENSES

Particulars	(Amount in ₹)	
	For the year ended 31 st March 2021	For the year ended 31 st March 2020
Stores , Spares & Consumables	21,940,121	38,128,895
Packing Expenses	116,749,551	146,243,673
Power and Fuel	106,279,591	132,078,833
Rent	1,370,660	1,810,910
Repair and Maintenance		
- Plant and Machinery	22,953,779	37,458,614
- Building	11,293,831	3,556,253
- Others	2,035,867	2,844,555
Insurance	7,207,584	4,305,079
Rates and Taxes	883,254	741,131
Auditor's Remuneration	1,843,743	1,832,004
Conversion Charges	21,957,787	14,831,535
Labour Charges	110,628,709	129,378,301
Commission and Brokerage	12,334,822	16,192,392
Rebate and Discount	13,448,842	2,090,984
Freight & cartage	99,758,379	141,038,814
Bad Debts written off	2,773,775	4,066,282
Less: Provision for doubtful debts written back	429,173	2,348,035
Travelling and Conveyance	21,548,260	33,063,652
Advertisement and Publicity	566,973	1,133,073
Communication Expenses	5,647,802	5,247,489
Loss on sale/disposal of Fixed Assets	-	31,415
Donations	2,364,810	1,669,310
Professional Charges	47,225,242	82,883,216
Business Promotion Expenses	21,466,203	36,941,537
Printing and Stationary	3,298,715	5,156,211
Security Charges	8,218,126	8,441,623
Testing Charges	8,263,421	8,279,828
Directors Meeting Fee	2,220,000	2,100,000
Miscellaneous Expenses	21,220,120	19,112,110
Total	695,070,794	878,309,684



Notes to Standalone Financial Statements (Contd.)

for the year ended 31st March 2021

38. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Company's principal financial liabilities, comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company has short term trade receivable and bank deposits which are under lien with banks for availing credit facilities. The Company's activities expose it to a variety of financial risks:

i) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and investments. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. This is based on the financial assets and financial liabilities held as of March 31, 2020 and March 31, 2021.

ii) Credit risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

iii) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Market Risk

The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations provisions and on the non-financial assets and liabilities. The sensitivity of the relevant Statement of Profit and Loss item is the effect of the assumed changes in the respective market risks. The Company's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates. However, such effect is not material.

(a) Foreign exchange risk and sensitivity

The Company transacts business primarily in Indian Rupee. However, the Company has transactions in USD, Euro, and GBP. The Company has foreign currency trade payables and receivables and is therefore, exposed to foreign exchange risk, though not material.



Notes to Standalone Financial Statements (Contd.)

for the year ended 31st March 2021

The following table demonstrates the sensitivity in the USD, Euro & GBP to the Indian Rupee with all other variables held constant. The impact on the Company's profit before tax and other comprehensive income due to changes in the fair value of monetary assets and liabilities is given below:

The assumed movement in exchange rate sensitivity analysis is based on the currently observable market environment.

(Amount in ₹)

Particulars	Net monetary items in respective currency outstanding on reporting date	Change in currency exchange rate	Effect on profit/(loss) before tax
For the year ended 31st March 2021			
USD-Receiveable	411,605	+5%	1,479,102
		-5%	(1,479,102)
USD-Payable	36,556	+5%	(136,336)
		-5%	136,336
GBP-Receiveable	680,906	+5%	3,367,420
		-5%	(3,367,420)
For the year ended 31st March 2020			
USD-Receiveable	474,064	+5%	1,769,683
		-5%	(1,769,683)
USD-Payable	87,509	+5%	(337,698)
		-5%	337,698
GBP-Receiveable	137,413	+5%	633,474
		-5%	(633,474)

Summary of exchange difference accounted in Statement of Profit and Loss:

(Amount in ₹)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Net Foreign Exchange gain shown as other income	5,306,352	4,288,119

(b) Interest rate risk and sensitivity

The Company's exposure to the risk of changes in market interest rates relates primarily to long term debt. All borrowings are at fixed rate and hence, there is no interest risk sensitivity. Weighted average cost of borrowing is 12.50 % for the year ended 31st March,2021 (13.79% for the year ended 31st March,2020) excluding borrowings which are assigned/negotiated with banks with no interest liability.

Credit risk

The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks which are under lien with banks for availing credit facilities.

- Trade Receivables

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.



Notes to Standalone Financial Statements (Contd.)

for the year ended 31st March 2021

The ageing of trade receivable is as below:

Particulars	Neither due nor impaired	Past due			(Amount in ₹)		
		upto 6 months	6 to 12 months	Above 12 months			
As at March 31, 2021							
Trade receivables							
Unsecured	998,885,113	546,870,012	61,747,264	64,556,219	1,672,058,608		
Significant increase in credit risk	-	-	-	54,632,233	54,632,233		
Gross Total	998,885,113	546,870,012	61,747,264	119,188,452	1,726,690,841		
Credit Impaired	-	-	-	54,632,233	54,632,233		
Net Total	998,885,113	546,870,012	61,747,264	64,556,219	1,672,058,608		
As at March 31, 2020							
Trade receivable							
Unsecured	1,225,496,045	722,770,147	43,935,260	79,974,987	2,072,176,439		
Significant increase in credit risk	-	-	-	55,061,406	55,061,406		
Gross Total	1,225,496,045	722,770,147	43,935,260	135,036,393	2,127,237,845		
Credit Impaired	-	-	-	55,061,406	55,061,406		
Net Total	1,225,496,045	722,770,147	43,935,260	79,974,987	2,072,176,439		

Liquidity risk

The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements. In case of temporary short fall in liquidity to repay the bank borrowing/operational short fall, promoters envisage to infuse capital and loans.

The table below provides undiscounted cash flows towards non-derivative financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

Particulars	Carrying Amount	On demand	Ageing as on 31 st March 2021			(Amount in ₹)
			< 6 months	6-12 months	> 1 years	
Borrowings	1,888,428,102	-	72,363,636	75,089,466	1,740,975,000	1,888,428,102
Trade payable	672,599,406	-	672,599,406	-	-	672,599,406
Other liabilities	65,320,962	-	65,320,962	-	-	65,320,962
Total	2,626,348,470	-	810,284,004	75,089,466	1,740,975,000	2,626,348,470
Ageing as on 31st March 2020						
Borrowings	1,956,485,641	-	41,563,636	62,363,636	1,852,558,369	1,956,485,641
Trade payable	1,092,262,225	-	1,092,262,225	-	-	1,092,262,225
Other liabilities	74,936,511	-	74,936,511	-	-	74,936,511
Total	3,123,684,377	-	1,208,762,372	62,363,636	1,852,558,369	3,123,684,377

Capital risk management

The Company aim to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The Company's primary objective when managing capital is to ensure the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.



Notes to Standalone Financial Statements (Contd.)

for the year ended 31st March 2021

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary, adjust, its capital structure.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital. Net debt is calculated as loans and borrowings less cash and cash equivalents.

The Gearing ratio for FY 2020-21 and 2019-20 is as under.

Particulars	(Amount in ₹)	
	As of March 31, 2021	As of March 31, 2020
Loans and borrowings	1,888,428,102	1,956,485,641
Less: cash and cash equivalents	72,660,122	15,252,769
Net debt	1,815,767,980	1,941,232,872
Equity	1,929,517,000	1,821,441,108
Total capital	3,745,284,980	3,762,673,980
Gearing ratio	48.48%	51.59%

The Company envisage healthy gearing ratio in forthcoming year/s.

39. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognised in the financial statements.

Fair Value hierarchy

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: Quoted prices/NAV for identical instruments in an active market;
- Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and
- Level 3: Inputs which are not based on observable market data.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.



Notes to Standalone Financial Statements (Contd.)

for the year ended 31st March 2021

The following table provides the fair value measurement hierarchy of Company's asset and liabilities, grouped into Level 1 to Level 2 as described below:

(Amount in ₹)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial assets designated at amortised cost				
Fixed deposits with banks	303,899,894	303,899,894	259,072,720	259,072,720
Cash and bank balances	72,660,122	72,660,122	15,252,769	15,252,769
Investment	3	3	3	3
Trade and other receivables	1,674,590,628	1,674,590,628	2,080,110,635	2,080,110,635
Other financial assets	74,251,474	74,251,474	66,744,013	66,744,013
	2,125,402,122	2,125,402,122	2,421,180,140	2,421,180,140
Financial liabilities designated at amortised cost				
Borrowings- fixed rate	1,888,428,102	1,888,428,102	1,956,485,641	1,956,485,641
Trade & other payables	672,599,406	672,599,406	1,092,262,225	1,092,262,225
Other financial liabilities	36,334,494	36,334,494	37,290,708	37,290,708
	2,597,362,002	2,597,362,002	3,086,038,574	3,086,038,574

Assets / Liabilities for which fair value is disclosed at amortised cost.

(Amount in ₹)

Particulars	As at March 31, 2021		
	Level 1	Level 2	Level 3
Financial liabilities			
Borrowings- fixed rate		1,888,428,102	
Other financial liabilities		36,334,494	
As at March 31, 2020			
Financial liabilities	Level 1	Level 2	Level 3
		1,956,485,641	
Other financial liabilities		37,290,708	

During the year ended March 31, 2020 and March 31, 2021, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements.

Following table describes the valuation techniques used and key inputs to valuation for level 2

March 31, 2020 and March 31, 2021, respectively:

a) **Assets / Liabilities for which fair value is disclosed at amortised cost.**

Particulars	Fair value hierarchy	Valuation technique	Inputs used
Financial liabilities			
Other borrowings- fixed rate	Level 2	Discounted Cash Flow	Prevailing interest rates in market, Future payouts
Other financial liabilities	Level 2	Discounted Cash Flow	Prevailing interest rates to discount future cash flows



Notes to Standalone Financial Statements (Contd.)

for the year ended 31st March 2021

40. SEGMENT INFORMATION

Information about primary segment

The Company operates in a Single Primary Segment (Business Segment) i.e. Wire and Cables comprising of power cables, telecom cables, railway cables and specialised cables.

Information about Geographical Segment – Secondary

The Company's operations are located in India.

The Management has not identified any geographical segment.

41. DEFINED CONTRIBUTION PLAN

(a) Expense recognised for Defined Contribution plan

Particulars	(Amount in ₹)	
	Year ended March 31, 2021	Year ended March 31, 2020
Company's contribution to provident fund	11,278,313	11,920,922
	11,278,313	11,920,922

(b) Defined Benefit Plan

It consists of Gratuity and leave encashment.

Below tables sets forth the changes in the projected benefit obligation and plan assets and amounts recognized in the Balance Sheet as of March 31, 2020, and March 31, 2021, being the respective measurement dates:

(c) Movement in obligation

Particulars	(Amount in ₹)	
	Gratuity (funded)	leave encashment (unfunded)
Present value of obligation - April 1, 2019	35,989,725	15,671,982
Current service cost	3,378,217	982,118
Interest cost	2,728,021	1,144,055
Benefits paid	-	(6,309,589)
Remeasurements - actuarial loss/ (gain)	2,002,386	(4,354,750)
Present value of obligation - March 31, 2020	44,098,349	7,133,816
Present value of obligation - April 1, 2020	44,098,349	7,133,816
Current service cost	3,654,617	1,203,124
Interest cost	2,848,415	456,564
Benefits paid	-	(1,381,638)
Remeasurements - actuarial loss/ (gain)	(4,762,495)	(906,716)
Present value of obligation - March 31, 2021	45,838,886	6,505,150



Notes to Standalone Financial Statements (Contd.)

for the year ended 31st March 2021

(d) Movement in Plan Assets – Gratuity

Particulars	Year ended March 31, 2021	Year ended March 31, 2020	(Amount in ₹)
Fair value of plan assets at beginning of year	22,136,758	20,579,963	
Expected return on plan assets	1,568,159	1,646,397	
Employer contributions	10,000,000	-	
Benefits paid	-	-	
Actuarial gain / (loss)	677	(89,602)	
Fair value of plan assets at end of year	33,705,594	22,136,758	
Present value of obligation	(45,838,886)	(44,098,349)	
Net funded status of plan	33,705,594	22,136,758	
Actual return on plan assets	(12,133,292)	(21,961,591)	

The components of the gratuity & leave encashment cost are as follows:

(e) Recognised in profit and loss

Particulars	Gratuity	leave encashment	(Amount in ₹)
Current Service cost	3,378,217	982,118	
Interest cost	1,081,624	1,144,055	
Remeasurement - Actuarial loss/(gain)	407	(6,309,589)	
For the year ended March 31, 2020	4,460,248	(4,183,416)	
Current Service cost	3,654,617	1,203,124	
Interest cost	1,280,256	456,564	
Remeasurement - Actuarial loss/(gain)	(4,763,172)	(1,381,638)	
For the year ended March 31, 2021	171,701	278,050	

(f) Recognised in other comprehensive income

Particulars	Gratuity	(Amount in ₹)
Remeasurement - Actuarial loss/(gain)	2,091,581	
For the year ended March 31, 2020		
Remeasurement - Actuarial loss/(gain)	(3,205,700)	
For the year ended March 31, 2021		

(g) The principal actuarial assumptions used for estimating the Company's defined benefit obligations are set out below:

Particulars	As at March 31, 2021	As at March 31, 2020	(Amount in ₹)
Attrition rate	0% PA	0% PA	
Discount Rate	6.81% PA	6.74% PA	
Expected Rate of increase in salary	7.50% PA	7.50% PA	
Expected Rate of Return on Plan Assets	7.08 % PA	8 % PA	
Mortality rate	IALM	IALM	
	2012-14 Ultimate	2012-14 Ultimate	
Expected Average remaining working lives of employees (years)	16.71 years	16.65 years	

The assumption of future salary increase takes into account the inflation, seniority, promotion and other relevant factors such as supply and demand in employment market.



Notes to Standalone Financial Statements (Contd.)

for the year ended 31st March 2021

(h) Sensitivity analysis:

For the year ended March 31, 2020

Particulars	change in Assumption	Effect on Gratuity obligation	change in Assumption	(Amount in ₹)
				Effect on leave encashment obligation
Discount rate	+ 1%	40,253,845	+ 1%	6,805,754
	- 1%	48,599,772	- 1%	7,496,647
Salary Growth rate	+ 1%	48,344,258	+ 1%	7,484,143
	- 1%	40,333,288	- 1%	6,810,399
Attrition Rate	+ 1%	43,925,471	+ 1%	
	- 1%	44,098,349	- 1%	

For the year ended March 31, 2021

Particulars	change in Assumption	Effect on Gratuity obligation	change in Assumption	(Amount in ₹)
				Effect on leave encashment obligation
Discount rate	+ 1%	42,178,000	+ 1%	6,201,151
	- 1%	50,107,000	- 1%	6,841,823
Salary Growth rate	+ 1%	49,414,000	+ 1%	6,829,915
	- 1%	42,475,000	- 1%	6,205,679
Attrition Rate	+ 1%	45,735,000	+ 1%	
	- 1%	45,941,000	- 1%	

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet.

(i) Estimate of expected benefit payments (In absolute terms i.e. undiscounted)

Particulars		(Amount in ₹)	
		Gratuity	
01 Apr 2021 to 31 Mar 2022		7,155,065	
01 Apr 2022 to 31 Mar 2023		4,970,021	
01 Apr 2023 to 31 Mar 2024		1,805,957	
01 Apr 2024 to 31 Mar 2025		3,187,032	
01 Apr 2025 to 31 Mar 2026		1,889,340	
01 Apr 2026 Onwards		24,312,054	

(j) Statement of Employee benefit provision

Particulars	Year ended March 31, 2021	Year ended March 31, 2020	(Amount in ₹)	
			Gratuity	Leave encashment
Gratuity	45,838,886	44,098,349		
Leave encashment	6,505,150	7,133,816		
Total	52,344,036	51,232,165		

Notes to Standalone Financial Statements (Contd.)

for the year ended 31st March 2021

The following table sets out the funded status of the plan and the amounts recognised in the Company's balance sheet

(k) Current and non-current provision for Gratuity and leave encashment

For the year ended March 31, 2020

Particulars	Gratuity	Leave encashment	(Amount in ₹)
Current provision	2,600,840	1,616,698	
Non current provision	19,360,751	5,517,118	
Total Provision	21,961,591	7,133,816	

For the year ended March 31, 2021

Particulars	Gratuity	Leave encashment	(Amount in ₹)
Current provision	7,155,065	1,332,861	
Non current provision	4,978,227	5,172,289	
Total Provision	12,133,292	6,505,150	

(l) Employee benefit expenses

Particulars	Year ended March 31, 2021	Year ended March 31, 2020	(Amount in ₹)
Salaries and Wages	179,721,370	186,846,072	
Costs-defined contribution plan	11,450,014	18,472,751	
Welfare expenses	5,960,639	6,430,840	
Total	197,132,023	211,749,663	

Other Comprehensive Income presentation of defined benefit plan

- Gratuity is defined benefit plan, Re-measurement gains/(losses) on defined benefit plans is shown under Other Comprehensive Income as items that will not be reclassified to profit or loss and the income tax effect on the same.
- Leave encashment cost is in the nature of short term employee benefits.

Presentation in Statement of Profit & Loss and Balance Sheet

Expense for service cost, net interest on net defined benefit liability (asset) is charged to Statement of Profit & Loss.

IND AS 19 do not require segregation of provision in current and non-current, however net defined liability (Assets) is shown as current and non-current provision in balance sheet as per IND AS 1.

Actuarial liability for short term benefits (leave encashment cost) is shown as current and non-current provision in balance sheet.

The Company assesses these assumptions with its projected long-term plans of growth and prevalent industry standards. The mortality rates used are as published by one of the leading life insurance companies in India.



Notes to Standalone Financial Statements (Contd.)

for the year ended 31st March 2021

42. OTHER DISCLOSURES

(a) Auditors Remuneration (Excluding applicable taxes i.e. GST)

Particulars	(Amount in ₹)	
	Year ended March 31, 2021	Year ended March 31, 2020
Auditors Remuneration		
Audit Fee	1,550,000	1,550,000
Tax Audit Fee	150,000	150,000
Taxation Matters	71,000	50,000
Certification	50,000	50,000
Out of Pocket Expenses	22,743	32,004
Total	1,843,743	1,832,004

(b) Disclosure U/S 186(4) of the Companies Act 2013.

- Details of Investment made are given in Note No 8 of Financial statements.
- No loans and guarantees are given u/s 186 (4) of the Companies Act 2013

(c) Corporate Social Responsibility Expenses Provision

In view of earlier years accumulated losses, company was not required to spend any amount on Corporate social responsibility activities during the current and previous year.

43. CONTINGENT LIABILITIES

i) Guarantees

Particulars	(Amount in ₹)	
	As at March 31, 2021	As at March 31, 2020
Financial Bank Guarantees outstanding	101,042,269	35,638,392
Performance Bank Guarantees outstanding	200,539,352	223,813,748
Total	301,581,621	259,452,140

ii) Duties & Taxes

Particulars	(Amount in ₹)	
	As at March 31, 2021	As at March 31, 2020
i. Income Tax - Demands under appeal	10,753,256	10,753,256
ii. Custom duty demand due to denial of concessional custom duty, under appeal	1,312,721	1,312,721
Total	12,065,977	12,065,977

iii) Other contingent liabilities

Particulars	(Amount in ₹)	
	As at March 31, 2021	As at March 31, 2020
i. Outstanding Bill discounted	275,186,577	160,820,359

It is not possible to predict the outcome of the pending litigations with accuracy, the Company believes, based on legal opinions received, that it has meritorious defences to the claims. The management believe the pending actions will not require outflow of resources embodying economic benefits and will not have a material adverse effect upon the results of the operations, cash flows or financial condition of the Company.



Notes to Standalone Financial Statements (Contd.)

for the year ended 31st March 2021

44. ESTIMATED AMOUNT OF CONTRACT REMAINING TO BE EXECUTED ON CAPITAL ACCOUNT AND NOT PROVIDED FOR (NET OF ADVANCES)

(Amount in ₹)

Particulars	As at March 31, 2021	As at March 31, 2020
Property, Plant & Equipment	6,439,000	6,883,159

45. TAXATION

- (i) As a matter of prudence, Deferred tax Assets has not been recognized on brought forwarded losses and other timing differences. Further there is no reasonable certainty to set off the same within the period allowable under tax laws.
- (ii) Current tax: In view of brought forwarded losses, no provision for current tax is required to be made.

46. RELATED PARTY TRANSACTIONS

In accordance with the requirements of IND AS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods, are:

Related party name and relationship

a) Subsidiary Companies:

Paramount Holdings Limited, Cyprus

“06196375 Cables Limited” (formerly AEI Cables Limited), United Kingdom (in Administration/Liquidation)

AEI Power Cables Limited, United Kingdom

b) Other related parties in the Group where common control exists:

Paramount Telecables Limited

c) Key Management Personnel:

Shri Sanjay Aggarwal, Chairman and CEO

Shri Sandeep Aggrawal, Managing Director

Shri Shambhu Kumar Agarwal, Chief Financial Officer

Mrs. Tannu Sharma, Company Secretary -till 31st May,2019

Mrs. Rashi Goel, Company Secretary -from 01st June ,2019

d) Relatives of Key Managerial Personnel with whom transactions have taken place:

Mrs. Shashi Aggarwal

Mrs. Archana Aggarwal

Mrs. Kamala Aggarwal

Sanjay Aggarwal (HUF)

Dhruv Aggarwal

Tushar Aggarwal

Parth Aggarwal

e) Enterprises where Relatives of Key Managerial Personnel with whom transactions have taken place:

Valens Technologies Private Limited

Valens Resizones Projects LLP



Notes to Standalone Financial Statements (Contd)

for the year ended 31st March 2021

Related Party Transactions:

Description	Nature of transactions	Current Year 2020-21				Current Year 2019-20				
		Subsidiaries of the Company:	Other related parties in the Group where common control exists:	Key Management Personnel	Relatives of Key Managerial Personnel with whom transactions have taken place:	Enterprises where Key Managerial Personnel with whom transactions have taken place:	Subsidiaries of the Company:	Other related parties in the Group where common control exists:	Key Management Personnel	Relatives of Key Managerial Personnel with whom transactions have taken place:
I Lease Liabilities Repayments	Paramount Telecables Limited	-	26,066,064	-	-	-	-	26,666,664	-	-
II Lease Interest Cost	Paramount Telecables Limited	-	12,193,049	-	-	-	-	13,983,425	-	-
III Loan received from Directors	Mr. Sanjay Aggarwal	-	-	3,500,000	-	-	-	-	5,800,000	-
IV Loan Repaid to Directors	Mr. Sandeep Aggarwal	-	-	4,300,000	-	-	-	-	4,000,000	-
V Interest paid on Loans	Mr. Sanjay Aggarwal	-	-	3,500,000	-	-	-	-	10,550,000	-
VI Purchases	Mr. Sandeep Aggarwal	-	-	4,300,000	-	-	-	-	11,500,000	-
VII Sales & Job work Charges	Valens Technologies Private Limited	-	-	-	223,233	-	-	-	930,841	-
VIII Equity Shares Allotment including share premium	Valens Technologies Private Limited	-	-	-	274,258	-	-	-	1,111,325	-
	Mr. Sanjay Aggarwal	-	-	-	-	-	-	-	4,724,722	-
	Mr. Sandeep Aggarwal	-	-	-	-	-	-	-	100,000	-
	Mr. Parth Aggarwal	-	-	-	-	-	-	-	14,224,500	-
	Mr. Kamala Aggarwal	-	-	-	-	-	-	-	14,224,500	-
	Sanjay Aggarwal (HUF)	-	-	-	-	-	-	-	14,224,500	-
	Mr. Dhruv Aggarwal	-	-	-	-	-	-	-	14,224,500	-
	Mr. Tushar Aggarwal	-	-	-	-	-	-	-	14,224,500	-
	Mr. Parth Aggarwal	-	-	-	-	-	-	-	14,224,500	-

(Amount in ₹)



Notes to Standalone Financial Statements (Contd)

for the year ended 31st March 2021

Related Party Transactions:

Description	Current Year 2020-21						Current Year 2019-20					
	Subsidiaries of the Company:	Other related parties in the Group where common control exists:	Key Management Personnel	Relatives of Key Managerial Personnel with whom transactions have taken place:	Enterprises where Relatives of Key Managerial Personnel with whom transactions have taken place:	Subsidiaries of the Company:	Other related parties in the Group where common control exists:	Key Management Personnel	Relatives of Key Managerial Personnel with whom transactions have taken place:	Enterprises where Relatives of Key Managerial Personnel with whom transactions have taken place:	Enterprises where Relatives of Key Managerial Personnel with whom transactions have taken place:	
IX Share Application Money Received										10,578,000		
Mr. Sanjay Aggarwal	-	-	-	-	-	-	-	-	-	10,578,000		
Mr. Sandeep Aggarwal	-	-	-	-	-	-	-	-	-	10,578,000		
Mr. Parth Aggarwal	-	-	-	-	-	-	-	-	-	3,567,000		
X Short term Security Deposit Paid												
Paramount Telecables Limited	-	12,00,000	-	-	-	-	-	-	-	-	-	-
XI Short term Security Deposit Return												
Paramount Telecables Limited	-	12,00,000	-	-	-	-	-	-	-	-	-	-
XII Remuneration to Key Managerial Personnel (KMP)												
Mr. Sanjay Aggarwal, Chairman and CEO	-	15,314,574	-	-	-	-	-	-	-	17,819,134		
Mr. Sandeep Aggarwal, Managing Director	-	15,241,684	-	-	-	-	-	-	-	17,791,084		
Mr. Shambhu Kumar Agarwal, Chief Financial Officer	-	2,673,832	-	-	-	-	-	-	-	3,124,861		
Mrs. Tannu Sharma, Company Secretary	-	-	-	-	-	-	-	-	-	89,698		
Mrs. Rashi Goel, Company Secretary	-	838,069	-	-	-	-	-	-	-	832,546		

Notes to Standalone Financial Statements (Contd)

for the year ended 31st March 2021

Related Party Balances:

Note * -Advance given balance outstanding as at year end to a subsidiary company having net balance ₹ . Nil (Gross advance as at year end is ₹ 73,56,888/- and provisions for Advance as at year end is ₹ 73,56,888/-).



Notes to Standalone Financial Statements (Contd.)

for the year ended 31st March 2021

Remuneration to Key Managerial Personnel (KMP)

(Amount in ₹)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Short-Term employee benefits*	29,486,265	34,509,061
Post-Employment benefits		
- Defined contribution plan ^{\$}	3,060,000	3,642,233
- Defined benefit plan [#]	1,521,894	1,506,029
Total	34,068,159	39,657,323

* Including bonus and commission on accrual basis and value of perquisites

\$ including PF and any other benefit

including leave encashment, gratuity and any other benefit

47. EARNINGS PER SHARE

The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:

(Amount in ₹)

Particulars	Number of shares	
	Year ended March 31, 2021	Year ended March 31, 2020
Number of Equity Shares at the beginning of the year	184,133,965	171,783,965
Add: Weighted average number of equity shares issued during the year	936,164	947,397
Weighted average number of Equity shares for Basic EPS (A)	185,070,129	172,731,362
Add: Weighted average number of Potential equity share for outstanding convertible share warrants.	2,271,575	751,438
Weighted average number of equity shares for Diluted EPS (B)	187,341,704	173,482,800

Net profit available to equity holders of the Company used in the basic and diluted earnings per share was determined as follows:

(Amount in ₹)

Particulars	Year ended March 31, 2021	
	Year ended March 31, 2021	Year ended March 31, 2020
Net Profit after Taxation (₹)	31,002,692	263,466,813
Basic Earnings per Share (₹)	0.17	1.53
Diluted Earnings per Share (₹)	0.17	1.52
Par Value of each Equity Share (₹)	2	2

The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity.

48. LEASES

During the year ended March 31, 2020, on account of applicability of IND AS 116 with effect from 1st April, 2019 (i) reclassification of lease hold land of ₹ 27,97,81,867/- (net) from Property, Plant and Equipment to Right of Use Assets and (ii) accounting of Right of Use Assets Gross Block of ₹ 16,10,90,432/- and similar amount on initial recognition as Finance lease Liability.



Notes to Standalone Financial Statements (Contd.)

for the year ended 31st March 2021

49. IMPAIRMENT REVIEW

Assets are tested for impairment whenever there are any internal or external indicators of impairment.

Impairment test is performed at the level of each Cash Generating Unit ('CGU') or groups of CGUs within the Company at which the goodwill or other assets are monitored for internal management purposes, within an operating segment.

The impairment assessment is based on higher of value in use and value from sale calculations.

During the year, the testing did not result in any impairment in the carrying amount of goodwill and other assets.

The measurement of the cash generating units' value in use is determined based on financial plans that have been used by management for internal purposes. The planning horizon reflects the assumptions for short to- midterm market conditions.

Key assumptions used in value-in-use calculations:

- Operating margins (Earnings before interest and taxes)
- Discount rate
- Growth rates
- Capital expenditures

Operating margins: Operating margins have been estimated based on past experience after considering incremental revenue arising out of adoption of valued added and data services from the existing and new customers, though these benefits are partially offset by decline in tariffs in a hyper competitive scenario. Margins will be positively impacted from the efficiencies and initiatives driven by the Company; at the same time, factors like higher churn, increased cost of operations may impact the margins negatively.

Discount rate: Discount rate reflects the current market assessment of the risks specific to a CGU or group of CGUs. The discount rate is estimated based on the weighted average cost of capital for respective CGU or group of CGUs.

Growth rates: The growth rates used are in line with the long term average growth rates of the respective industry and country in which the Company operates and are consistent with the forecasts included in the industry reports.

Capital expenditures: The cash flow forecasts of capital expenditure are based on past experience coupled with additional capital expenditure required

50. Previous year figures have been regrouped/ rearranged, wherever considered necessary to conform to current year's classification.

As per our Report of even date attached

For **P. Bholusaria & Co.**
Chartered Accountants
Firm Registration No. : 000468N

Pawan Bholusaria
Partner (M.No.: 80691)
UDIN: 21080691AAAABE2936
Place : New Delhi
Date : 26.06.2021

For and on behalf of the Board

(Sanjay Aggarwal)
Chairman & CEO
DIN No.: 00001788

(S K Agarwal)
Chief Financial Officer
Mem No.: 053595

(Sandeep Aggarwal)
Managing Director
DIN No.: 00002646

(Rashi Goel)
Company Secretary
Mem No.: FCS 9577



Independent Auditors' Report

To
 The Members of
PARAMOUNT COMMUNICATIONS LIMITED

Opinion

We have audited the accompanying consolidated financial statements (the "Consolidated Financial Statements") of **PARAMOUNT COMMUNICATIONS LIMITED** ("the Company") and its subsidiaries hereinafter referred to as the "Group" to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at 31st March, 2021, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Cash Flow Statement, the consolidated Statement of Changes in Equity for the year ended, and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the act read with rules as amended and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2021, their consolidated profit (including Other Comprehensive Income),

their consolidated cash flows and consolidated statement of Changes in Equity for the year ended on that date

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the consolidated financial statements section of our report. We are independent of the Company in accordance with Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act, 2013 and the Rule thereunder, and we have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Description of Key Audit Matter	How our audit addressed the key audit matter
Provision of Doubtful Debts	<ol style="list-style-type: none"> 1. We Obtain a detailed age analysis of the year end of debtors and test the analysis for a selection of the balances; 2. Obtain an analysis of the provision for doubtful debts; 3. Scrutinize the analysis and identify those debts which appear doubtful; 4. Discuss with management their reasons, if any of these debts are not included in the provision for bad debts; 5. Perform further testing where any disputes exists; 6. Reach a final conclusion regarding the adequacy of the bad debts provision
Accuracy of Recognition, Measurement, Presentation and Disclosure of Revenue	We assessed the company's process to identify the impact of the new revenue accounting standard.
Impairment of Assets	We perform the analytical procedure to assess the impairment loss and review the market value for impairment loss as per IND AS 36.



Information Other than the consolidated financial statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this Auditors' Report. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the group in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, holding company's management is responsible for assessing the groups' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Holding Company is also responsible for overseeing the Company's financial reporting process of the group.

Auditors' Responsibility

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or



conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

- (a) The financial statements of two subsidiaries included in the consolidated financial statements, which constitute total assets of ₹ Nil and net assets of ₹ Nil as at 31st March, 2021, total revenue of ₹ Nil and net profit of ₹ Nil, and net cash inflows of ₹ Nil for the year then ended have not been audited by us. These financial statements/ financial information are unaudited and have been furnished to us by the Management, and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included

in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the afore said subsidiaries, is based solely on such unaudited financial statements/ financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements/ financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

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

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
- b. In our opinion, proper books of account as required by law maintained by the Company, including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and records of the Company.
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss(including Other Comprehensive Income), and the Consolidated Cash Flow Statement and Consolidated statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained by the group including relevant records maintained by the company for the purpose of preparation of the Consolidated Financial Statements.
- d. In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015 (as amended).
- e. On the basis of written representation received from the directors as on 31st March, 2021, taken on record by the Board of Directors, none of the directors of the Company is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".



- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note No. 43 of the Consolidated Financial Statements.
 - ii. The Group did not have any long-term contracts including derivative contracts as at 31st March, 2021.
 - iii. There were no amounts, which were required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended on 31st March, 2021.
- h. The managerial remuneration for the year ended 31st March, 2021 has been paid/ provided for by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act

For **P. BHOLUSARIA & CO.**
 CHARTERED ACCOUNTANTS
 Firm Registration No: 000468N

Place: New Delhi
 Date: 26.06.2021

Pawan Bholusaria
 Partner
 M.No.080691
 UDIN: 21080691AAAABF1204

ANNEXURE 'A' TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph (f) under "Report on Other Legal and Regulatory Requirements" section of our Independent Auditors' Report of even date to the Board of Directors of **PARAMOUNT COMMUNICATIONS LIMITED** on the Consolidated financial statements for the year ended 31st March, 2021

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of PARAMOUNT COMMUNICATIONS LIMITED ("the Company") as of 31st March, 2021 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date. Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act is not applicable to subsidiary companies which are companies not incorporated in India.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future



periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March,2021, based on the internal control over financial reporting criteria established by the Company considering the essential

components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **P. BHOLUSARIA & CO.**
CHARTERED ACCOUNTANTS
Firm Registration No: 000468N

Place: New Delhi
Date: 26.06.2021

Pawan Bholusaria
Partner
M.No.080691
UDIN: 21080691AAAABF1204

Consolidated Balance Sheet

 as at 31st March 2021

(Amount in ₹)

Particulars	Note No.	As at 31 st March 2021	For the year ended 31 st March 2020
I. ASSETS			
1 Non-current assets			
(a) Property, Plant and Equipment	5	1,000,409,695	1,022,866,193
(b) Right of use assets	6	404,746,344	418,984,084
(c) Intangible assets	7	16,187,261	8,943,947
(d) Financial Assets			
(i) Investments	8	1	1
(ii) Loans	9	441,250	343,125
(iii) Others	10	207,292,396	139,699,414
(e) Other non-current assets	11	4,399,278	4,637,849
		1,633,476,225	1,595,474,613
2 Current assets			
(a) Inventories	12	1,002,032,186	1,089,266,548
(b) Financial Assets			
(i) Trade Receivables	13	1,672,058,608	2,072,176,439
(ii) Cash and cash equivalents	14	72,660,122	15,252,769
(iii) Bank Balances other than (ii) above	15	133,838,779	141,612,624
(iv) Loans	16	2,090,771	7,591,071
(v) Other Current Financial Assets	17	37,020,194	44,504,695
(c) Current Tax Assets	18	40,938,311	21,804,108
(d) Other current assets	19	114,922,892	134,945,216
		3,075,561,863	3,527,153,470
Total Assets		4,709,038,088	5,122,628,083
II. EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share Capital	20	388,367,930	368,267,930
(b) Other Equity	21	1,541,149,068	1,453,173,176
		1,929,516,998	1,821,441,106
2 Liabilities			
(i) Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	22	1,740,975,000	1,852,558,369
(ii) Lease Liabilities	23	119,359,778	134,534,178
(b) Provisions	24	10,150,516	24,877,869
		1,870,485,294	2,011,970,416
(ii) Current liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities	25	15,174,400	13,873,015
(ii) Trade payables	26	16,837,800	10,233,318
Total outstanding dues of Micro and Small Enterprises		655,761,606	1,082,028,907
Total outstanding dues of creditors other than Micro and Small Enterprises		183,787,596	141,217,980
(iii) Other Current Financial Liabilities	27	28,986,468	37,645,803
(b) Other current liabilities	28	8,487,926	4,217,538
(c) Provisions	29		
		909,035,796	1,289,216,561
TOTAL Equity and Liabilities		4,709,038,088	5,122,628,083
III. Notes forming part of the Standalone Financial Statements		1 to 50	
As per our Report of even date attached		For and on behalf of the Board	
For P. Bholusaria & Co. Chartered Accountants Firm Registration No.: 000468N		(Sanjay Aggarwal) Chairman & CEO DIN No.: 00001788	
Pawan Bholusaria Partner (M.No.: 80691) UDIN: 21080691AAAABF1204 Place : New Delhi Date : 26.06.2021		(S K Agarwal) Chief Financial Officer Mem No.: 053595	
		(Rashi Goel) Company Secretary Mem No.: FCS 9577	



Consolidated Statement of Profit and Loss

for the year ended 31st March 2021

Particulars	Note No.	For the year ended 31 st March 2021	For the year ended 31 st March 2020
Revenue :			
I. Revenue from operations	30	5,190,832,872	6,062,029,908
II. Other income	31	26,850,501	26,890,831
III. Total Income (I + II)		5,217,683,373	6,088,920,739
IV. Expenses:			
Cost of material consumed	32	3,972,876,200	4,909,261,024
Change in Inventories of finished goods, work-in-progress and scrap	33	160,421,391	(389,567,590)
Employee benefits expenses	34	197,132,023	211,749,663
Finance costs	35	70,464,149	105,237,737
Depreciation and amortization Expenses	36	90,716,124	110,463,408
Other Expenses	37	695,070,794	878,309,684
Total Expenses (IV)		5,186,680,681	5,825,453,926
V. Profit Before exceptional items and Tax (III - IV)		31,002,692	263,466,813
VI. Exceptional items		-	-
VII. Profit before tax (V - VI)		31,002,692	263,466,813
VIII. Tax expense:			
Current tax		-	-
Deferred tax		-	-
Total Tax Expense (VIII)		-	-
IX. Profit for the year (VII - VIII)		31,002,692	263,466,813
X. Comprehensive Income			
Other Comprehensive Income			
Items that will not be reclassified to profit and loss			
Re-measurement gains/ (losses) on defined benefit plans		3,205,700	(2,091,581)
Income tax effect on above		-	-
XI. Total Comprehensive Income for the year (IX + X) (Comprehensive profit and other comprehensive income for the year)		34,208,392	261,375,232
XII. Earnings Per Equity Share:	47		
(1) Basic		0.17	1.53
(2) Diluted		0.17	1.52

Notes forming part of the Standalone Financial Statements

1 to 50

As per our Report of even date attached

For **P. Bholusaria & Co.**
Chartered Accountants
Firm Registration No. : 000468N

Pawan Bholusaria
Partner (M.No.: 80691)
UDIN: 21080691AAAABF1204
Place : New Delhi
Date : 26.06.2021

For and on behalf of the Board

(Sanjay Aggarwal)
Chairman & CEO
DIN No.: 00001788

(S K Agarwal)
Chief Financial Officer
Mem No.: 053595

(Sandeep Aggarwal)
Managing Director
DIN No.: 00002646

(Rashi Goel)
Company Secretary
Mem No.: FCS 9577



Consolidated Statement of Cash Flow

for the year ended 31st March 2021

(Amount in ₹)

Particulars	For the year ended 31 st March 2021	For the year ended 31 st March 2020
(A) CASH FLOWS FROM OPERATING ACTIVITIES		
Net Profit before taxation	31,002,692	263,466,813
Adjustment for :		
Depreciation and amortization expenses	90,716,124	110,463,408
Interest Expenses/ Finance Cost	59,101,584	91,254,312
Interest on lease liability & on fair valuation of Security Deposit	11,362,565	13,983,425
Reversal of rent lease liability	(26,066,064)	(26,666,664)
Unrealised Exchange Gain/(Loss)	(105,370)	1,188,048
Profit on sales of Mutual Funds	-	(145,497)
Loss / (Profit) on sale of assets(net)	(233,939)	31,415
Interest Income	(21,152,165)	(22,124,565)
	113,622,735	167,983,882
Operating Profit before working capital changes	144,625,427	431,450,695
Adjustment for :		
Decrease / (Increase) in Trade Receivables	400,199,975	60,630,255
Decrease / (Increase) in Loans & Advances	5,402,176	(3,539,519)
Decrease / (Increase) in Inventories	87,234,361	(311,476,147)
Decrease / (Increase) in Other financial and non financial Assets	(38,477,242)	(43,306,924)
(Decrease) / Increase in Trade Payables	(419,639,593)	59,640,303
(Decrease) / Increase in Other Liabilities & Provisions	(16,866,813)	(45,356,852)
	17,852,863	(283,408,884)
Cash generated from operation	162,478,290	148,041,811
Exceptional items		
Income Tax Paid	(19,134,203)	(10,070,733)
Net Cash From Operating Activities	143,344,087	137,971,078
(B) CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets including Capital WIP	(57,338,075)	(76,984,549)
Sale of Fixed Assets	5,079,209	395,313
Interest Received	19,613,756	18,408,522
Sale of Investments (Mutual Fund)	-	45,145,497
Purchase of Investments (Mutual Fund)	-	(45,000,000)
	(32,645,110)	(58,035,217)
Net Cash From Investing Activities	(32,645,110)	(58,035,217)



Consolidated Statement of Cash Flow (Contd...)

for the year ended 31st March 2021

(Amount in ₹)

Particulars	For the year ended 31 st March 2021	For the year ended 31 st March 2020
(C) CASH FLOWS FROM FINANCING ACTIVITIES		
Interest Expenses/ Finance Cost	(59,101,584)	(91,254,312)
Increase/(Decrease) in Borrowings from banks / ARC /NBFC	(68,057,539)	(126,420,051)
Loan From Directors	-	(12,250,000)
Proceeds from Issue of Equity Share upon conversion of Equity share warrant	73,867,500	145,876,500
	(53,291,623)	(84,047,863)
Net Cash from Financing Activities	(53,291,623)	(84,047,863)
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	57,407,354	(4,112,002)
Cash and Cash Equivalents at Beginning of the Year	15,252,769	19,364,771
Cash and Cash Equivalents at end of the Year	72,660,122	15,252,769
Net Increase/(Decrease)in Cash & Cash Equivalents	57,407,353	(4,112,002)

Reconciliation of Borrowings

(Amount in ₹)

Particulars	Borrowings (Current & Non-Current)		Borrowings (Current & Non-Current)	
	As at 31 st March 2021	As at 31 st March 2020	As at 31 st March 2021	As at 31 st March 2020
Opening balance		1,956,485,641		2,095,155,692
Proceeds		35,425,000		-
Repayments		103,482,539		138,670,051
Closing balance	1,888,428,102		1,956,485,641	

Note:

1. Cash Flow Statement has been prepared under indirect method as set out in IND AS-7 (Statement of Cash Flows)
2. Figures in brackets represent outflow of cash.

Notes forming part of the Standalone Financial Statements 1 to 50

As per our Report of even date attached

P. Bholusaria & Co.
Chartered Accountants
Firm Registration No. : 000468N

Pawan Bholusaria
Partner (M.No.: 80691)
UDIN: 21080691AAABF1204
Place : New Delhi
Date : 26.06.2021

For and on behalf of the Board

(Sanjay Aggarwal)
Chairman & CEO
DIN No.: 00001788

(S K Agarwal)
Chief Financial Officer
Mem No.: 053595

(Sandeep Aggarwal)
Managing Director
DIN No.: 00002646

(Rashi Goel)
Company Secretary
Mem No.: FCS 9577



Consolidated Statement of Changes In Equity

for the year ended 31st March 2021

A. EQUITY SHARE CAPITAL

Particulars	Balance as at April 1, 2019	Changes in equity share capital during the year 2019-20	Balance as at March 31, 2020	Changes in equity share capital during the year 2020-21	As at 31 st March 2021
No of Shares	171,783,965	12,350,000	184,133,965	10,050,000	194,183,965
Amount in (₹)	343,567,930	24,700,000	368,267,930	20,100,000	388,367,930

B. OTHER EQUITY

Particulars	Equity component of convertible instruments	Reserve and Surplus	Items of Other comprehensive Income	Total
Particulars	Capital Reserve	Securities Premium	General Reserve	Retained Earnings
Balance as at March 31, 2019	-	3,031,100	1,670,020,458	25,403,272
Total Comprehensive Income for the year 2019-20			(624,449,593)	(3,383,793) 1,070,621,444
Addition during the year	145,876,500		263,466,813	263,466,813
Re-measurement of net defined benefit Plans		96,453,500		242,330,000
Transfer to Equity and share premium	(121,153,500)			(2,091,581) (2,091,581)
Balance as at March 31, 2020	24,723,000	3,031,100	1,766,473,958	25,403,272
Total Comprehensive Income for the year 2020-21			(360,982,780)	(5,475,374) 1,453,173,176
Addition during the year	-		31,002,692	31,002,692
Re-measurement of net defined benefit Plans		78,490,500		78,490,500
Transfer to Equity and share premium	(24,723,000)			3,205,700 3,205,700
As at 31st March 2021	-	3,031,100	1,844,964,458	25,403,272
Notes forming part of the Consolidated Financial Statements			(329,980,088)	(2,269,674) 1,541,149,068

As per our Report of even date attached

For and on behalf of the Board

(Sanjay Aggarwal)
Chairman & CEO
DIN No.: 00001788

Pawan Bholusaria
Partner (M.No.: 80691)
UDIN: 21080691AAAABF1204
Place : New Delhi
Date : 26.06.2021

(Sandeep Aggarwal)
Managing Director
DIN No.: 00002646

(Rashi Goel)
Company Secretary
Mem No.: FCS 9577

Significant Accounting Policies and Notes to the Consolidated Financial Statements

for the year ended 31st March 2021

1. CORPORATE AND GENERAL INFORMATION

Paramount Communications Limited (“PCL”) or (“the Company”) is a public limited company domiciled in India and incorporated under the provisions of Companies Act, 1956. The registered office of the company is situated at C-125 Naraina Industrial Area Phase-1, New Delhi – 110028. The Company is engaged in manufacturing business of Wires and Cables comprising of power cables, telecom cables, railway cables and specialised cables. The manufacturing facilities of the company are situated at Khushkhera, Rajasthan and Dharuhera, Haryana.

The Equity shares of the company are listed at National Stock Exchange and Bombay stock Exchange.

Under Companies Act, 2013, Group is defined as parent, subsidiaries, joint ventures and associates. For these consolidated financial statements, the aforesaid definition under Companies Act, 2013 has been considered.

Information of principal shareholders of the Parent is provided in Note no 20.

The Consolidated financial statement for the year ended March 31, 2021 are adopted and authorised for issue by board of directors of the Parent on dated 26th June 2021

2. STATEMENT OF COMPLIANCE & BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rule 2015.

The significant accounting policies used in preparing the consolidated financial statements are set out in Note no.3 of the Notes to the consolidated financial statements.

The Consolidated Financial Statements include the results of the following entities:

Name of Company	Country of incorporation	Relationship	Ownership Interest
Paramount Holdings Limited (PHL)	Cyprus	Subsidiary	100.00%
AEI Power Cables Limited (APCL)	United Kingdom	Subsidiary	100.00%

The preparation of the consolidated financial statements requires management to make estimates and assumptions. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years (refer Note no.4 on critical accounting estimates, assumptions and judgements).

Basis of Consolidation

The consolidated financial statements have been prepared on the following principles:

The consolidated financial statements of the Company and its Subsidiary Companies have been combined on a line-by-line basis by adding together items of assets, liabilities, income and expenses, after eliminating the intra-group balances, intra-group transactions and unrealised profits or losses in accordance with Indian Accounting Standards (IND AS 110) on “Consolidated financial Statements” notified under Section 133 of the Companies Act 2013, read with Companies (Indian Accounting Standard) Rule 2015 as amended time to time.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements.

In case of foreign subsidiaries, being non-integral foreign operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at the rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognized in the Exchange Fluctuation Reserve.



Significant Accounting Policies and Notes to the Consolidated Financial Statements (Contd.)

for the year ended 31st March 2021

Financial statements of Paramount Holdings Limited, Cyprus are drawn in Euro and AEI Power Cables Limited, United Kingdom are drawn in Sterling Pound.

“06196375 Cables Limited” (formerly AEI Cables Limited), United Kingdom is “in Administration/Liquidation” (as per UK laws) w.e.f. 28th February 2014. The company has provided full impairment of investment in earlier years. Therefore, consolidated financial statements do not include financial position, financial performance, and cash flows of this company.

AEI Power Cables Limited, United Kingdom has ceased to trade. From 1st April, 2017 it is dormant company.

The board of directors of Paramount Holdings Limited, Cyprus are taking steps to liquidate Paramount holdings Limited.

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of Measurement

The financial statements have been prepared on accrual basis and under the historical cost convention except following which have been measured at fair value:

- Certain financial assets and liabilities carried at fair value or amortised cost,
- Defined benefit plans – plan assets measured at fair value,

The standalone financial statements are presented in Indian Rupees, which is the Company's functional and presentation currency and all amounts are rounded to the nearest rupees.

3.2 Property, Plant and Equipment

- a) Property, Plant and Equipment are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items.
- b) Assets are depreciated to the residual values on a straight-line basis over the estimated useful lives based on technical estimates. Assets' residual values and useful lives are reviewed at each financial year end considering the physical condition of the assets and benchmarking analysis or whenever there are indicators

for review of residual value and useful life. Freehold land is not depreciated. Estimated useful lives of the assets are as follows:

Category of Assets	Years
- Leasehold Land	Lease period
- Leasehold Building	Over the Lease period
Equipment & Machinery	
- Building	30-60
- Plant and Machinery	15-25
- Electric Installation	10
- Furniture and Fixtures	10
- Computer equipment	3
- Software	5
- Office furniture and equipment	5
- Vehicles	8

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss on the date of disposal or retirement.

3.3 Intangible Assets

Identifiable intangible assets are recognised:

- a) when the Company controls the asset,
- b) it is probable that future economic benefits attributed to the asset will flow to the Company and
- c) the cost of the asset can be reliably measured.

Computer software's are capitalised at the amounts paid to acquire the respective license for use and are amortised over the period of license, generally not exceeding five years on straight line basis. The assets' useful lives are reviewed at each financial year end.

3.4 Impairment of non-current assets

An asset is considered as impaired when at the date of Balance Sheet there are indications of impairment and the carrying amount of the asset, or where applicable the cash generating unit to which the asset belongs exceeds its recoverable amount (i.e. the higher of the net asset selling price and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognized



Significant Accounting Policies and Notes to the Consolidated Financial Statements (Contd.)

for the year ended 31st March 2021

as an impairment loss in the Statement of Profit and Loss. The impairment loss recognized in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the impaired asset over its remaining useful life.

3.5 Cash and cash equivalents

Cash and cash equivalents includes Cash on hand and at bank and other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

For the purpose of the Statement of Cash Flows, cash and cash equivalents consists of cash and short term deposits, as defined above, net of outstanding bank overdraft as they are considered an integral part of the Company's cash management.

3.6 Inventories

Inventories are valued at the lower of cost and net realizable value except scrap, which is valued at net realizable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their respective present location and condition. Cost is computed on the weighted average basis.

3.7 Employee benefits

- a) Short term employee benefits are recognized as an expense in the Statement of Profit and Loss of the year in which the related services are rendered.
- b) Leave encashment being a short term benefit is accounted for using the Projected Unit Credit Method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to profit and loss in the period in which they arise.

- c) Contribution to Provident Fund, a defined contribution plan, is made in accordance with the statute, and is recognised as an expense in the year in which employees have rendered services.
- d) The cost of providing gratuity, a defined benefit plans, is determined using the Projected Unit Credit Method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to Other Comprehensive Income in the period in which they arise. Other costs are accounted in statement of profit and loss.

3.8 Foreign currency reinstatement and translation

(a) Functional and presentation currency

The financial statements have been presented in Indian Rupees (₹), which is the Company's functional and presentation currency.

(b) Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at rates prevailing at the date of the transaction. Subsequently monetary items are translated at closing exchange rates of balance sheet date and the resulting exchange difference recognised in profit or loss. Differences arising on settlement of monetary items are also recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the transaction. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the exchange rates prevailing at the date when the fair value was determined. Exchange component of the gain or loss arising on fair valuation of non-monetary items is recognised in line with the gain or loss of the item that gave rise to such exchange difference.

3.9 Financial instruments – initial recognition, subsequent measurement and impairment

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.



Significant Accounting Policies and Notes to the Consolidated Financial Statements (Contd.)

for the year ended 31st March 2021

Financial Assets

Financial Assets are measured at amortised cost or fair value through Other Comprehensive Income or fair value through Profit or Loss, depending on its business model for managing those financial assets and liabilities and the assets and liabilities contractual cash flow characteristics.

Subsequent measurements of financial assets are dependent on initial categorisation. For impairment purposes significant financial assets are tested on an individual basis, other financial assets are assessed collectively in groups that share similar credit risk characteristics.

Trade receivables

A receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. For some trade receivables the Company may obtain security in the form of guarantee, security deposit or letter of credit which can be called upon if the counterparty is in default under the terms of the agreement.

Impairment is made on the expected credit losses, which are the present value of the cash shortfalls over the expected life of financial assets. The estimated impairment losses are recognised in a separate provision for impairment and the impairment losses are recognised in the Statement of Profit and Loss within other expenses.

Subsequent changes in assessment of impairment are recognised in provision for impairment and the change in impairment losses are recognised in the Statement of Profit and Loss within other expenses.

For foreign currency trade receivable, impairment is assessed after reinstatement at closing rates.

Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.

Subsequent recoveries of amounts previously written off are credited to other Income

Investment in equity shares

Investment in equity securities are initially measured at fair value. Any subsequent fair value gain or loss is recognized through Profit or Loss if such investments in equity securities are held for trading purposes. The fair value gains or losses of all other equity securities are recognized in Other Comprehensive Income.

Financial Liabilities

At initial recognition, all financial liabilities other than fair valued through profit and loss are recognised initially at fair value less transaction costs that are attributable to the issue of financial liability. Transaction costs of financial liability carried at fair value through profit or loss is expensed in profit or loss. However, borrowings, which is likely to be assigned or negotiated are initially measured at fair value through profit and loss account. Other borrowings are measured at amortised cost using the effective interest rate method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the Effective rate of interest (EIR). The EIR amortisation is included in finance costs in the Statement of Profit and Loss.

Trade and other payables

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

3.10 Borrowing costs

Borrowing costs specifically relating to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized (net of income on temporarily deployment of funds) as part of the cost of such assets. Borrowing costs



Significant Accounting Policies and Notes to the Consolidated Financial Statements (Contd.)

for the year ended 31st March 2021

consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the Company that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period.

All other borrowing costs are expensed in the period in which they occur.

3.11 Taxation

Income tax expense represents the sum of current and deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income, in such cases the tax is also recognised directly in equity or in other comprehensive income. Any subsequent change in direct tax on items initially recognised in equity or other comprehensive income is also recognised in equity or other comprehensive income, such change could be for change in tax rate.

Current tax provision is computed for Income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws. Current tax assets and current tax liabilities are off set, and presented as net.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised. Deferred tax assets and liabilities are measured at the applicable tax rates.

Deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred tax assets and deferred tax liabilities are off set, and presented as net.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

3.12 Revenue recognition and Other income

Sale of Goods

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer. Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped. Revenue is recognized at the fair value of consideration received or receivable and represents the net invoice value of goods supplied to third parties after deducting discounts, volume rebates and amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government) are recognized either on delivery or on transfer of significant risk and rewards of ownership of the goods as per IND AS 115.

Consideration is generally due upon satisfaction of performance obligations and a receivable is recognised when it becomes unconditional.

The Company is generally the principal as it typically controls the goods or services before transferring them to the customer. Revenue is inclusive of Material returned/ rejected is accounted for in the year of return/ rejection.

The Company does not adjust short-term advances received from the customer for the effects of significant financing component if it is expected at the contract inception that the promised good or service will be transferred to the customer within a period of one year.



Significant Accounting Policies and Notes to the Consolidated Financial Statements (Contd.)

for the year ended 31st March 2021

Revenue from rendering of services is recognised over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

Interest

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

3.13 Recent accounting development

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification from April 1, 2020, which has been applicable to the Company.

3.14 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares, if any.

3.15 Provisions and contingencies

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

Contingencies

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

3.16 Lease

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-measurement of the lease liability. The right-of-use assets is depreciated using the straight-line method the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications. The Company



Significant Accounting Policies and Notes to the Consolidated Financial Statements (Contd.)

for the year ended 31st March 2021

recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

3.17 Current /non-current classification

The Company presents assets and liabilities in statement of financial position based on current/non-current classification.

The Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by MCA.

An asset is classified as current when it is:

- a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
- b) Held primarily for the purpose of trading,
- c) Expected to be realised within twelve months after the reporting period, or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- a) It is expected to be settled in normal operating cycle,
- b) It is held primarily for the purpose of trading,
- c) It is due to be settled within twelve months after the reporting period, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

3.18 COVID Policy

The outbreak of Corona Virus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activities. The company's operations and revenue during the period / year were impacted due to COVID-19. The company has assessed the possible impacts of COVID-19 on its financial statements based on internal and external factors up to the date of approval of the Audited Financial Results. The Company will continue to closely monitor any material changes arising of future economic conditions and impact on its business.

4. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgements, which have significant effect on the amounts recognised in the financial statement:

(a) Property, plant and equipment

External adviser and internal technical team assess the remaining useful lives and residual value of property, plant and equipment. Management believes that the assigned useful lives and residual value are reasonable, the estimates and assumptions made to determine their carrying value and related depreciation are critical to the Company's financial position and performance.

(b) Income taxes

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.



Significant Accounting Policies and Notes to the Consolidated Financial Statements (Contd.)

for the year ended 31st March 2021

(c) Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

(d) Allowance for uncollected accounts receivable and advances

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible.

Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

(e) Fair valuation of Financial Assets and Liabilities

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets,

their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The input to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair value. Judgements include consideration of input such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(f) Defined Benefit Plan

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in future. These includes the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.



for the year ended 31st March 2021

Notes to Consolidated Financial Statements (Contd.)

5. PROPERTY, PLANT AND EQUIPMENT

Particulars	Freehold Land	Lease hold Land	Buildings	Lease hold Building improvement	Plant and Equipment	Furniture and Fixture	Vehicles	Office Equipment	Total	
									(Amount in ₹)	
Gross Block										
As at April 1, 2019	230,235,130	290,187,000	219,071,718	5,234,030	812,181,701	11,703,571	4,250,043	8,646,408	1,587,509,601	
Additions	-	-	-	-	66,773,249	559,881	1,043,918	3,054,501	71,431,549	
Disposals/Adjustments	-	-	-	-	(252,750)	-	(504,821)	-	(757,571)	
Transfer to Right of Use Assets*	290,187,000	-	-	-	-	-	-	-	290,187,000	
As at March 31, 2020	230,235,130	-	219,071,718	5,234,030	878,702,200	18,263,452	4,789,140	11,700,909	1,367,996,579	
Additions	-	-	-	-	45,388,950	95,474	199,990	1,412,572	47,096,986	
Disposals/Adjustments	-	-	-	-	(7,636,855)	(53,894)	(51,882)	-	(7,742,631)	
As at March 31, 2021	230,235,130	-	219,071,718	5,234,030	916,454,295	18,305,032	4,937,248	13,113,481	1,407,350,934	
Accumulated Depreciation										
As at April 1, 2019	10,405,133	25,757,195	4,585,735	211,391,208	11,721,413	2,354,685	3,781,431	269,996,800		
Depreciation charge for the year	-	8,655,379	50,723	71,647,760	3,224,658	449,715	1,841,327	-	85,869,562	
Impairment	-	-	-	-	(15,684)	-	(315,159)	-	(330,843)	
Disposals/Adjustments	-	-	-	-	-	-	-	-	10,405,133	
Transfer to Right of Use Assets*	10,405,133	-	-	-	-	-	-	-	-	
As at March 31, 2020	-	34,412,574	4,636,458	283,023,284	14,946,071	2,489,241	5,622,758	345,130,386		
Depreciation charge for the year	-	8,631,730	10,161	53,216,172	659,865	249,301	1,940,985	-	64,708,214	
Impairment	-	-	-	-	(2,851,223)	(46,138)	-	-	(2,897,361)	
Disposals/Adjustments	-	-	-	-	-	-	-	-	-	
As at March 31, 2021	-	43,044,304	4,646,619	333,388,233	15,559,798	2,738,542	7,563,743	406,941,239		
Net Carrying Amount										
As at March 31, 2020	230,235,130	-	184,659,144	597,572	595,678,916	3,317,380	2,299,899	6,078,151	1,022,866,193	
As at March 31, 2021	230,235,130	-	176,027,414	587,411	533,066,062	2,745,233	2,198,706	5,549,738	1,000,409,695	

Note:-
 1) Property, plant and equipment is hypothecated for long term borrowings from Assets Reconstruction Company and NBFC. (Refer note no. 22)
 2) Title deeds of factory land measuring 3,108.72 sq.mtr. at Prahladpur, Bawana Road, Delhi of ₹ 60,417,500 are yet to be registered/transferred in the name of company.
 3) * Lease hold land has been transferred to Right of Use Assets as per INDAS 116.



Notes to Consolidated Financial Statements (Contd.)

for the year ended 31st March 2021

6. RIGHT TO USE ASSETS

(Amount in ₹)

Particulars	Lease hold Land	Right of use assets (Lease Hold Building)	Total
Gross Block			
As at April 1, 2019	-	-	-
Additions	-	161,090,432	161,090,432
Disposals/Adjustments	-	-	-
Transfer from Property Plant & Equipment due to adoption of IND AS 116	279,781,867	-	279,781,867
As at March 31, 2020	279,781,867	161,090,432	440,872,299
Additions	-	8,772,395	8,772,395
Disposals/Adjustments	-	-	-
As at March 31, 2021	279,781,867	169,862,827	449,644,694
Accumulated Depreciation			
As at April 1, 2019	-	-	-
Depreciation charge for the year	3,477,880	18,410,335	21,888,215
Impairment	-	-	-
Disposals/Adjustments	-	-	-
As at March 31, 2020	3,477,880	18,410,335	21,888,215
Depreciation charge for the year	3,468,378	19,541,757	23,010,135
Impairment	-	-	-
Disposals/Adjustments	-	-	-
As at March 31, 2021	6,946,258	37,952,092	44,898,350
Net Carrying Amount			
As at March 31, 2020	276,303,987	142,680,097	418,984,084
As at March 31, 2021	272,835,609	131,910,735	404,746,344

Note:-

1) Lease hold land is hypothecated for long term borrowings from Assets Reconstruction Company and NBFC. (Refer note no. 22)

Notes to Consolidated Financial Statements (Contd.)

for the year ended 31st March 2021

7. INTANGIBLE ASSETS

Particulars	(Amount in ₹)	
	Other Intangibles (Software)	Total
Gross Block		
As at April 1, 2019	11,496,129	11,496,129
Addition during the year	5,553,000	5,553,000
Adjustment	-	-
As at March 31, 2020	17,049,129	17,049,129
Addition during the year	10,241,089	10,241,089
Adjustment	-	-
As at March 31, 2021	27,290,218	27,290,218
 Accumulated Amortization		
As at April 1, 2019	5,399,551	5,399,551
Charge for the year	2,705,631	2,705,631
Impairment	-	-
As at March 31, 2020	8,105,182	8,105,182
Charge for the year	2,997,775	2,997,775
Impairment	-	-
As at March 31, 2021	11,102,957	11,102,957
 Net Carrying Amount		
As at March 31, 2020	8,943,947	8,943,947
As at March 31, 2021	16,187,261	16,187,261

8. NON CURRENT INVESTMENTS

Particulars	As at 31 st March 2021			As at 31 st March 2020		
	No. of Shares	Face Value	Amount	No. of Shares	Face Value	Amount
Long Term (Unquoted)						
In Subsidiaries						
Equity Instruments						
06196375 Cables Limited" (formerly AEI Cables Limited), United Kingdom. In administration liquidation	20000	£1 each	1	20000	£1 each	1
Total			1			1
Aggregate amount of unquoted investment (Market value)			1			1
Grand Total			1			1
Aggregate value of quoted investments			-			-
Aggregate Market value of quoted investments			-			-
Aggregate value of unquoted investments			76			76
Aggregate amount of impairment in value of investments			75			75

Aggregate Provision for diminution in value of investments has been made keeping in view that subsidiary "06196375 Cables Limited" (formerly AEI Cables Limited), United Kingdom is under Administration/liquidation w.e.f. 28th February,2014. The company has provided full impairment of investment in earlier years. Therefore, consolidated financial statements do not include financial position, financial performance and cash flows of this company.



Notes to Consolidated Financial Statements (Contd.)

for the year ended 31st March 2021

9. NON CURRENT LOANS

Particulars	(Amount in ₹)	
	As at 31 st March 2021	As at 31 st March 2020
Staff Loans		
Secured, considered good	-	-
Unsecured, considered good	441,250	343,125
Loan Receivables which have significant increase in credit Risk	-	-
Loan Receivables- credit impaired	-	-
Total	441,250	343,125

10. NON CURRENT OTHER FINANCIAL ASSETS

Particulars	(Amount in ₹)	
	As at 31 st March 2021	As at 31 st March 2020
Security Deposits		
to related party **	9,227,605	-
to others	15,702,506	15,696,024
Interest Accrued but not due on fair valuation of Security Deposit to related party	830,484	-
Bank Deposits (with remaining maturity of more than 12 months)*	170,061,115	117,460,096
Interest Accrued but not due on fixed deposits	11,470,686	6,543,294
Advance to Related Parties - (Net of Provision)**	-	-
Total	207,292,396	139,699,414

*Under lien/custody with banks.

** Refer Note no 46

11. OTHER NON-CURRENT ASSETS

Particulars	(Amount in ₹)	
	As at 31 st March 2021	As at 31 st March 2020
Capital Advances (Unsecured, considered good)	4,399,278	4,637,849
Total	4,399,278	4,637,849

12. INVENTORIES

Particulars	(Amount in ₹)	
	As at 31 st March 2021	As at 31 st March 2020
Raw Material *	291,197,729	237,424,123
Work- in -progress	290,720,525	265,881,620
Finished goods	374,538,154	557,948,874
Stores and Spares*	36,887,610	17,376,750
Packing materials *	6,484,138	6,581,574
Scrap	2,204,030	4,053,607
Total inventories	1,002,032,186	1,089,266,548

* The above includes Goods in Transit in respect of raw material amounting to ₹ 50,35,845/-Previous year (2,97,94,382)/-, packing material ₹ Nil Previous year (₹ 1,96,180/-) & stores and spares ₹ Nil Previous year (₹ 7,22,897/-).

Inventories have been offered as security against the borrowings (Refer Note No 22)



Notes to Consolidated Financial Statements (Contd.)

for the year ended 31st March 2021

13. TRADE RECEIVABLES

Particulars	(Amount in ₹)	
	As at 31 st March 2021	As at 31 st March 2020
Secured, considered good	-	-
Unsecured, considered good	1,672,058,608	2,072,176,439
Trade Receivables which have significant increase in credit Risk	54,632,233	55,061,406
Trade Receivables- credit impaired	(54,632,233)	(55,061,406)
Total Trade Receivables	1,672,058,608	2,072,176,439

14. CASH AND CASH EQUIVALENTS

Particulars	(Amount in ₹)	
	As at 31 st March 2021	As at 31 st March 2020
Balances with banks	71,385,599	12,510,564
On current accounts	1,274,524	2,742,205
Cash on hand	72,660,122	15,252,769

15. OTHER BANK BALANCES

Particulars	(Amount in ₹)	
	As at 31 st March 2021	As at 31 st March 2020
Fixed Deposits with remaining maturity of less than twelve months and other than those considered in cash and cash equivalents *	133,838,779	141,612,624
	133,838,779	141,612,624

*Under lien/custody with banks.

16. CURRENT LOANS

Others Loans

Particulars	(Amount in ₹)	
	As at 31 st March 2021	As at 31 st March 2020
Secured, considered good	-	-
Unsecured, considered good	2,090,771	7,591,071
- Employees Loans & advances	-	-
Loan Receivables which have significant increase in credit Risk	-	-
Loan Receivables- credit impaired	-	-
	2,090,771	7,591,071



Notes to Consolidated Financial Statements (Contd.)

for the year ended 31st March 2021

17. OTHER CURRENT FINANCIAL ASSETS

Particulars	(Amount in ₹)	
	As at 31 st March 2021	As at 31 st March 2020
Earnest Money Deposits	25,426,640	11,407,158
Security Deposits		
to related party *	-	18,000,000
to others	722,284	837,284
Interest Accrued but not due on fixed deposits	10,871,270	14,260,253
	37,020,194	44,504,695

* Refer Note no 46

18. CURRENT TAX ASSETS

Particulars	(Amount in ₹)	
	As at 31 st March 2021	As at 31 st March 2020
TDS & Income Tax Paid	40,938,311	21,804,108
	40,938,311	21,804,108

*Under lien/custody with banks.

19. OTHER CURRENT ASSETS

Particulars	(Amount in ₹)	
	As at 31 st March 2021	As at 31 st March 2020
Advances to contractors and suppliers		
to related party	-	6,078,440
to others	67,215,198	41,570,468
Balance with GST Authorities	37,204,358	62,334,714
Amount Recoverable from Government*	2,582,457	9,832,055
Prepaid Expenses	7,920,879	15,129,539
Total	114,922,892	134,945,216

* represents sales tax, duty draw back and incentive schemes etc.

20. EQUITY SHARE CAPITAL

Particulars	(Amount in ₹)	
	As at 31 st March 2021	As at 31 st March 2020
Authorised share capital		
250,000,000 (March 31, 2020- 250,000,000) Equity Shares of ₹ 2/- each	500,000,000	500,000,000
1,000,000(March 31, 2020- 1,000,000) Redeemable Preference Shares of ₹ 100/- each	100,000,000	100,000,000
Issued, Subscribed and Paid up Capital	600,000,000	600,000,000
194,183,965 (March 31, 2020 -184,133,965) Equity Shares of ₹ 2/- each fully paid up	388,367,930	368,267,930
	388,367,930	368,267,930



Notes to Consolidated Financial Statements (Contd.)

for the year ended 31st March 2021

Reconciliation of the number of equity shares and share capital

Name of the shareholders	As at 31 st March 2021		As at 31 st March 2020	
	No of shares	(Amount in ₹)	No of shares	(Amount in ₹)
Shares outstanding as at the beginning of the year	184,133,965	368,267,930	171,783,965	343,567,930
Add: Shares issued during the year *	10,050,000	20,100,000	12,350,000	24,700,000
Shares outstanding as at the end of the year	194,183,965	388,367,930	184,133,965	368,267,930

* Upon conversion of Warrants

Aggregate number of bonus shares issued, shares issued for consideration other than cash and bought back shares during the period of five years immediately preceding the reporting date:

NIL

NIL

List of Shareholders holding more than 5% of the aggregate Shares:

Name of the shareholders	As at 31 st March 2021		As at 31 st March 2020	
	No of Shares Hold	% of Holding	No of Shares Hold	% of Holding
M/s Paramount Telecables Limited	38,743,500	19.95	38,743,500	21.04
M/s April Investment and Finance Pvt. Ltd.	13,040,172	6.72	13,040,172	7.08
Mrs. Shashi Aggarwal	9,762,800	5.03	9,762,800	5.30
Mr. Sanjay Aggarwal	14,061,013	7.24	9,761,013	5.30
Mr. Sandeep Aggarwal	14,000,733	7.21	9,700,733	5.27

Terms /Right of Equity shares

Company has only one class of issued equity shares having a par value of ₹ 2/- per equity share. Each equity share holder is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to approval of the share holders in the ensuing Annual General meeting except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholdings.

Equity Share Warrants (Pending Allotment)

Particulars	(Amount in ₹)	
	As at 31 st March 2021	As at 31 st March 2020
25% Upfront Payment	-	24,723,000
Total	-	24,723,000
Equity Share Warrants	No of Warrants	No of Warrants
Opening Balance	10,050,000	-
Add : Issued during the Year	-	22,400,000.00
Less : Converted into Equity Shares	(10,050,000)	(12,350,000)
	-	10,050,000

During the previous year, the Company had issued to its Promoter/Promoter Group Entities 2,24,00,000 Warrants at a price of ₹ 9.81 each entitling them for issue/allotment on preferential basis of equivalent number of Equity Shares of ₹ 2 each (including premium of ₹ 7.81 each share) in accordance with SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2018. Against these warrants, the Company had issued and allotted 1,23,50,000 equity shares of ₹ 2 each during the previous year and remaining 100,50,000/- shares have been issued during the year.



Notes to Consolidated Financial Statements (Contd.)

for the year ended 31st March 2021

21. OTHER EQUITY

Particulars	(Amount in ₹)	
	As at 31 st March 2021	As at 31 st March 2020
(A) Retained Earnings		
Opening Balance	(360,982,780)	(624,449,593)
Add: Net profit for the year	31,002,692	263,466,813
Total of A	(329,980,088)	(360,982,780)
(B) Other Reserves		
Items of Other comprehensive Income		
Re-measurement gains (losses) on defined benefit plans		
Opening Balance	(5,475,374)	(3,383,793)
Addition during the year	3,205,700	(2,091,581)
Total of B	(2,269,674)	(5,475,374)
General Reserve		
Opening Balance	25,403,272	25,403,272
Addition during the year	-	-
Total of B	25,403,272	25,403,272
Capital Reserve		
Opening Balance	3,031,100	3,031,100
Total of B	3,031,100	3,031,100
Security Premium		
Opening Balance	1,766,473,958	1,670,020,458
Addition during the year	78,490,500	96,453,500
Total of B	1,844,964,458	1,766,473,958
Equity component of financial instruments (advance against equity share warrant)		
Opening Balance	24,723,000	-
Addition during the year	-	145,876,500
Less : Transfer to Share Capital and Share Premium	(24,723,000)	(121,153,500)
Total of B	-	24,723,000
Total (A+B)	1,871,129,156	1,814,155,956
Total (A+B)	1,541,149,068	1,453,173,176

Retained Earnings represent the undistributed profits of the Company. Debit/negative balance represents remaining accumulated losses.

Other Comprehensive Income Reserve represent the balance in equity for items to be accounted in other comprehensive income. OCI is classified into (i). Items that will not be reclassified to profit and loss. (ii). Items that will be reclassified to profit and loss.

General reserve represents the statutory reserve, this is in accordance with Indian corporate law wherein a portion of profit is apportioned to General Reserve. Under Companies Act 1956 it was mandatory to transfer amount before a company can declare dividend. However under Companies Act 2013 transfer of any amount to General Reserve is at the discretion of the company.

Securities Premium represents the amount received in excess of per value of securities (equity share, preference shares and debentures). Premium on redemption of securities is accounted in security premium available. Where security premium is not available, premium on redemption of securities is accounted in statement of Profit and Loss. Section 52 of Companies Act 2013 specify restriction and utilisation of security premium.

Capital Reserve represents project subsidy from State Government.



Notes to Consolidated Financial Statements (Contd.)

for the year ended 31st March 2021

22. BORROWINGS (At amortised cost)

Particulars	As at 31 st March 2021		As at 31 st March 2020	
	Current	Non Current	Current	Non Current
Secured				
Term Loans				
From Securitisation and Assets Reconstruction Company (ARC)	87,000,000	1,627,800,000	31,200,000	1,714,800,000
From Financial Institution	-	113,175,000	-	77,750,000
From Non Banking Financial Company	60,453,102	-	72,727,272	60,008,369
Total	147,453,102	1,740,975,000	103,927,272	1,852,558,369

Nature of Security :-

Term Loan from Securitisation and Assets Reconstruction Company (ARC)

Term loans from Securitization and Assets Reconstruction Company (ARC) are secured by 1st pari-passu charge on present and future fixed assets of the company, 1st pari-passu charge on land and building situated at Plot No. 37, Industrial Estate, Dharuhera, District Rewari, Haryana, 1st pari-passu charge on land and building situated at Plot No M4, Bahubali Plot No 17, Block 59, Municipal No. 1353/153 New Rohtak road Delhi 110005, 1st pari-passu charge on land and building situated at SP-30A, SP-30B & E-31 RIICO Industrial Area, Village Karoli, PO Khushkhera District Alwar Rajasthan, 1st pari-passu charge on land and building situated at 45/14 & 45/17 Prahladpur, Bawana Road New Delhi and 2nd pari-passu charge on present and future current assets of the Company. Further they are secured through personal guarantees of Mr. Sanjay Aggarwal and Mr. Sandeep Aggarwal, Directors of the Company and pledge of 39,674,457 equity shares out of 12,06,18,303 equity shares of the company held by Promoters/ Promoters Group Companies. The rate of interest is NIL. The remaining outstanding amount payable as at the year end is repayable in unequal 18 quarterly installments with last installment being payable in September 2025.

Term Loan from Financial Institution

Loan from Financial Institution is secured against surrender value/ maturity value of keyman insurance policy of Mr. Sanjay Aggarwal and Mr. Sandeep Aggarwal, Directors of the Company. The rate of interest is 9.5%. This loan is repayable at time of surrender of policy in Financial Year 2025-26.

Term Loan from Non Banking Financial Company

Term loan from Non Banking Financial Company is secured by 1st pari-passu charge on present and future fixed assets of the company, 1st pari-passu charge on land and building situated at Plot No. 37, Industrial Estate, Dharuhera, District Rewari, Haryana, 1st pari-passu charge on land and building situated at Plot No M4, Bahubali Plot No 17, Block 59, Municipal No. 1353/153 New Rohtak road Delhi 110005, 1st pari-passu charge on land and building situated at SP-30A, SP-30B & E-31 RIICO Industrial Area, Village Karoli, PO Khushkhera District Alwar Rajasthan, 1st pari-passu charge on land and building situated at 45/14 & 45/17 Prahladpur, Bawana Road New Delhi and 2nd pari-passu charge on present and future current assets of the Company. Further they are secured through personal guarantees of Mr. Sanjay Aggarwal and Mr. Sandeep Aggarwal, Directors of the Company. The rate of interest is 16%. This loan is repayable in 33 equal monthly installments starting from 22.05.2019. Last installment due in January 2022.

Maturity Profile of Borrowings are as set out below :-

(Amount in ₹)

Particulars	Maturity Profile			
	1-2 Years	2-3 Years	3-4 Years	Beyond 4 Years
From Securitisation and Assets Reconstruction Company (ARC)	170,000,000	452,800,000	985,500,000	19,500,000
From Financial Institution	-	-	-	113,175,000
Total	170,000,000	452,800,000	985,500,000	132,675,000



Notes to Consolidated Financial Statements (Contd.)

for the year ended 31st March 2021

23. LEASE LIABILITIES

Particulars	(Amount in ₹)	
	As at 31 st March 2021	As at 31 st March 2020
Lease Liability towards right of use assets *	119,359,778	134,534,178
Total	119,359,778	134,534,178

* Refer note no 48 of Notes to Financial Statements

24. PROVISIONS

Particulars	(Amount in ₹)	
	As at 31 st March 2021	As at 31 st March 2020
Provisions for employee benefits		
Provision for Gratuity	4,978,227	19,360,751
Provision for Leave Encashment	5,172,289	5,517,118
Total	10,150,516	24,877,869

24.1 MOVEMENT IN PROVISIONS

Particulars	As at 31 st March 2021		As at 31 st March 2020	
	Gratuity (funded)	Leave Encashment (unfunded)	Gratuity (funded)	Leave Encashment (unfunded)
Opening balance	21,961,591	7,133,816	15,409,762	15,671,982
Add: Provision created during the year	171,701	278,050	6,551,829	2,126,173
Less: Paid during the year	(10,000,000)	(906,716)	-	(4,354,750)
Less: Unused amount written back	-	-	-	(6,309,589)
Closing Balance	12,133,292	6,505,150	21,961,591	7,133,816
of which, current Provision (Refer Note no 29)	7,155,065	1,332,861	2,600,840	1,616,698

25. LEASE LIABILITIES

Particulars	(Amount in ₹)	
	As at 31 st March 2021	As at 31 st March 2020
Lease Liability towards right of use lease assets	15,174,400	13,873,015
Total	15,174,400	13,873,015

26. TRADE PAYABLES

Particulars	(Amount in ₹)	
	As at 31 st March 2021	As at 31 st March 2020
Total outstanding dues of Micro and Small Enterprises	16,837,800	10,233,318
Total outstanding dues of creditors other than Micro and Small Enterprises	655,761,606	1,082,028,907
Total	672,599,406	1,092,262,225



Notes to Consolidated Financial Statements (Contd.)

for the year ended 31st March 2021

26.1 According to information available with the Management, on the basis of intimation received from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'), the Company has amounts due to Micro, Small and Medium Enterprises under the said Act as follows :

Particulars	(Amount in ₹)	
	As at 31 st March 2021	As at 31 st March 2020
Principal Amount remaining unpaid at the end of the year	16,837,800	10,233,318
Interest Amount remaining unpaid at the end of the year	-	-
Amount of Interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
Amount of Interest due and payable for the period of delay in making payment (in addition to the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
Amount of Interest accrued and remained unpaid at the end of the year	-	-
Amount of further Interest remaining due and paid in the succeeding year	-	-
Total	16,837,800	10,233,318

27. OTHER CURRENT FINANCIAL LIABILITIES

Particulars	(Amount in ₹)	
	As at 31 st March 2021	As at 31 st March 2020
Current maturities of long term debts (Refer Note No 22)		
From Securitisation and Assets Reconstruction Company (ARC)	87,000,000	31,200,000
From Non Banking Financial Company	60,453,102	72,727,272
Other Financial Liabilities	36,334,494	37,290,708
(Includes Expenses payable, salary & bonus payable and interest accrued but not due)		
Total	183,787,596	141,217,980

28. OTHER CURRENT LIABILITIES

Particulars	(Amount in ₹)	
	As at 31 st March 2021	As at 31 st March 2020
Advance from customers	22,263,314	27,736,841
Statutory Dues Payable	6,723,154	9,908,962
Total	28,986,468	37,645,803

29. PROVISIONS

Particulars	(Amount in ₹)	
	As at 31 st March 2021	As at 31 st March 2020
Provisions for employee benefits *		
Provision for Gratuity	7,155,065	2,600,840
Provision for Leave Encashment	1,332,861	1,616,698
Total	8,487,926	4,217,538

* Movement in provisions Refer Note No 24.1



Notes to Consolidated Financial Statements (Contd.)

for the year ended 31st March 2021

30. REVENUE FROM OPERATIONS

Particulars	(Amount in ₹)	
	For the year ended 31 st March 2021	For the year ended 31 st March 2020
a) Sale of Products /Services		
Revenue from contacts with customers		
Sales of Products: - Manufactured goods	4,862,970,458	5,760,015,909
Sales of Services :- Job Work & EPC Contracts	265,709,554	198,580,191
Other Revenue :- Sales of Scrap	54,660,340	93,616,324
b) Other Operating Revenue		
Export benefits	7,492,520	9,817,484
Total	5,190,832,872	6,062,029,908

30.1 GEOGRAPHICAL MARKET -ALL SALES ARE POINT IN TIME

Particulars	(Amount in ₹)	
	For the year ended 31 st March 2021	For the year ended 31 st March 2020
India	4,820,301,477	5,790,317,012
Outside India	363,038,875	261,895,412
Total Revenue Sale of Products /Services	5,183,340,352	6,052,212,424

30.2 RECONCILIATION OF REVENUE RECOGNIZED WITH CONTRACT PRICE

Particulars	(Amount in ₹)	
	For the year ended 31 st March 2021	For the year ended 31 st March 2020
Gross revenue recognized during the year	5,184,897,181	605,541,6562
Less: Discount paid/payable to Customers	(1,556,829)	(3,204,138)
Net revenue recognized during the year	5,183,340,352	6,052,212,424

31. OTHER INCOME

Particulars	(Amount in ₹)	
	For the year ended 31 st March 2021	For the year ended 31 st March 2020
Interest on Bank Deposit	16,751,102	16,816,883
Interest Income - Others	4,401,063	5,307,682
Profit on sale/disposal of Fixed Assets (Net)	233,939	-
Profit on sales of Investment -FVTPL	-	145,497
Exchange Rate Variation (Net)*	5,306,352	4,288,119
Miscellaneous Income	158,045	332,650
	26,850,501	26,890,831

* Refer Note No 38



Notes to Consolidated Financial Statements (Contd.)

for the year ended 31st March 2021

32. COST OF MATERIALS CONSUMED

Particulars	(Amount in ₹)	
	For the year ended 31 st March 2021	For the year ended 31 st March 2020
Raw Material consumed		
Opening stock	237,424,123	317,866,843
Add: Purchases	4,026,649,806	4,828,818,304
Less: Closing stock	291,197,729	237,424,123
Raw Material consumed	3,972,876,200	4,909,261,024

33. CHANGE IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND SCRAP

Particulars	(Amount in ₹)	
	For the year ended 31 st March 2021	For the year ended 31 st March 2020
Opening Stock		
- Finished Stock	557,948,874	270,132,731
- Work in Progress	265,881,620	161,205,544
- Scrap	4,053,607	6,978,236
	827,884,101	438,316,511
Less: Closing Stock		
- Finished Stock	374,538,154	557,948,874
- Work in Progress	290,720,525	265,881,620
- Scrap	2,204,030	4,053,607
	667,462,709	827,884,101
Net (Increase)/Decrease in Inventories of finished goods, work-in-progress and scrap	160,421,391	(389,567,590)

34. EMPLOYEE BENEFITS EXPENSES

Particulars	(Amount in ₹)	
	For the year ended 31 st March 2021	For the year ended 31 st March 2020
Salaries and wages	179,721,370	186,846,072
Contribution to provident and other funds	11,450,014	18,472,751
Staff Welfare	5,960,639	6,430,840
Total	197,132,023	211,749,663

35. FINANCE COST

Particulars	(Amount in ₹)	
	For the year ended 31 st March 2021	For the year ended 31 st March 2020
Interest on Loans	24,226,286	35,837,010
Interest on Bills Discounting & others	31,835,280	52,478,321
Interest on lease liability	11,362,565	13,983,425
Other Borrowing Cost	2,575,736	2,192,366
Loan Processing Fees amortized	464,283	746,615
Total	70,464,149	105,237,737

Notes to Consolidated Financial Statements (Contd.)

for the year ended 31st March 2021

36. DEPRECIATION AND AMORTIZATION EXPENSES

(Amount in ₹)

Particulars	For the year ended 31 st March 2021	For the year ended 31 st March 2020
Depreciation on Property Plant and Equipment	64,708,214	85,869,562
Amortization on Intangible Assets	2,997,775	2,705,631
Depreciation on Right of use assets	23,010,135	21,888,215
Total	90,716,124	110,463,408

37. OTHER EXPENSES

(Amount in ₹)

Particulars	For the year ended 31 st March 2021	For the year ended 31 st March 2020
Stores, Spares & Consumables	21,940,121	38,128,895
Packing Expenses	116,749,551	146,243,673
Power and Fuel	106,279,591	132,078,833
Rent	1,370,660	1,810,910
Repair and Maintenance		
- Plant and Machinery	22,953,779	37,458,614
- Building	11,293,831	3,556,253
- Others	2,035,867	2,844,555
Insurance	7,207,584	4,305,079
Rates and Taxes	883,254	741,131
Auditor's Remuneration	1,843,743	1,832,004
Conversion Charges	21,957,787	14,831,535
Labour Charges	110,628,709	129,378,301
Commission and Brokerage	12,334,822	16,192,392
Rebate and Discount	13,448,842	2,090,984
Freight & Cartage	99,758,379	141,038,814
Bad Debts written off	2,773,775	4,066,282
Less: Provision for doubtful debts written back	429,173	2,348,035
Travelling and Conveyance	21,548,260	33,063,652
Advertisement and Publicity	566,973	1,133,073
Communication Expenses	5,647,802	5,247,489
Loss on sale/disposal of Fixed Assets	-	31,415
Donations	2,364,810	1,669,310
Professional Charges	47,225,242	82,883,216
Business Promotion Expenses	21,466,203	36,941,537
Printing and Stationary	3,298,715	5,156,211
Security Charges	8,218,126	8,441,623
Testing Charges	8,263,421	8,279,828
Directors Meeting Fee	2,220,000	2,100,000
Miscellaneous Expenses	21,220,120	19,112,110
Total	695,070,794	878,309,684



Notes to Consolidated Financial Statements (Contd.)

for the year ended 31st March 2021

38. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Company's principal financial liabilities, comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company has short term trade receivable and bank deposits which are under lien with banks for availing credit facilities. The Company's activities expose it to a variety of financial risks:

i) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and investments. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. This is based on the financial assets and financial liabilities held as of March 31, 2020 and March 31, 2021.

ii) Credit risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

iii) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Market Risk

The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations provisions and on the non-financial assets and liabilities. The sensitivity of the relevant Statement of Profit and Loss item is the effect of the assumed changes in the respective market risks. The Company's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates. However, such effect is not material.

(a) Foreign exchange risk and sensitivity

The Company transacts business primarily in Indian Rupee. However, the Company has transactions in USD, Euro, and GBP. The Company has foreign currency trade payables and receivables and is therefore, exposed to foreign exchange risk, though not material.

The following table demonstrates the sensitivity in the USD, Euro & GBP to the Indian Rupee with all other variables held constant. The impact on the Company's profit before tax and other comprehensive income due to changes in the fair value of monetary assets and liabilities is given below:



Notes to Consolidated Financial Statements (Contd.)

for the year ended 31st March 2021

The assumed movement in exchange rate sensitivity analysis is based on the currently observable market environment.

(Amount in ₹)

Particulars	Net monetary items in respective currency outstanding on reporting date	Change in currency exchange rate	Effect on profit/(loss) before tax
For the year ended 31st March 2021			
USD-Receiveable	411,605	+5%	1,479,102
		-5%	(1,479,102)
USD-Payable	36,556	+5%	(136,336)
		-5%	136,336
GBP-Receiveable	680,906	+5%	3,367,420
		-5%	(3,367,420)
For the year ended 31st March 2020			
USD-Receiveable	474,064	+5%	1,769,683
		-5%	(1,769,683)
USD-Payable	87,509	+5%	(337,698)
		-5%	337,698
GBP-Receiveable	137,413	+5%	633,474
		-5%	(633,474)

Summary of exchange difference accounted in Statement of Profit and Loss:

(Amount in ₹)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Net Foreign Exchange gain shown as other income	5,306,352	4,288,119

(b) Interest rate risk and sensitivity

The Company's exposure to the risk of changes in market interest rates relates primarily to long term debt. All borrowings are at fixed rate and hence, there is no interest risk sensitivity. Weighted average cost of borrowing is 12.50 % for the year ended 31st March,2021 (13.79% for the year ended 31st March,2020) excluding borrowings which are assigned/negotiated with banks with no interest liability.

Credit risk

The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks which are under lien with banks for availing credit facilities

- Trade Receivables

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.



Notes to Consolidated Financial Statements (Contd.)

for the year ended 31st March 2021

The ageing of trade receivable is as below:

Particulars	Neither due nor impaired	Past due			(Amount in ₹)		
		upto 6 months	6 to 12 months	Above 12 months			
As at March 31, 2021							
Trade receivables							
Unsecured	998,885,113	546,870,012	61,747,264	64,556,219	1,672,058,608		
Significant increase in credit risk	-	-	-	54,632,233	54,632,233		
Gross Total	998,885,113	546,870,012	61,747,264	119,188,452	1,726,690,841		
Credit Impaired	-	-	-	54,632,233	54,632,233		
Net Total	998,885,113	546,870,012	61,747,264	64,556,219	1,672,058,608		
As at March 31, 2020							
Trade receivable							
Unsecured	1,225,496,045	722,770,147	43,935,260	79,974,987	2,072,176,439		
Significant increase in credit risk	-	-	-	55,061,406	55,061,406		
Gross Total	1,225,496,045	722,770,147	43,935,260	135,036,393	2,127,237,845		
Credit Impaired	-	-	-	55,061,406	55,061,406		
Net Total	1,225,496,045	722,770,147	43,935,260	79,974,987	2,072,176,439		

Liquidity risk

The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements. In case of temporary short fall in liquidity to repay the bank borrowing/operational short fall, promoters envisage to infuse capital and loans.

The table below provides undiscounted cash flows towards non-derivative financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

Particulars	Carrying Amount	On demand	Ageing as on 31 st March 2021			(Amount in ₹)
			< 6 months	6-12 months	> 1 years	
Borrowings	1,888,428,102	-	72,363,636	75,089,466	1,740,975,000	1,888,428,102
Trade payable	672,599,406	-	672,599,406	-	-	672,599,406
Other liabilities	65,320,962	-	65,320,962	-	-	65,320,962
Total	2,626,348,470	-	810,284,004	75,089,466	1,740,975,000	2,626,348,470
Ageing as on 31st March 2020						
Borrowings	1,956,485,641	-	41,563,636	62,363,636	1,852,558,369	1,956,485,641
Trade payable	1,092,262,225	-	1,092,262,225	-	-	1,092,262,225
Other liabilities	74,936,511	-	74,936,511	-	-	74,936,511
Total	3,123,684,377	-	1,208,762,372	62,363,636	1,852,558,369	3,123,684,377

Capital risk management

The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The Company's primary objective when managing capital is to ensure the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.



Notes to Consolidated Financial Statements (Contd.)

for the year ended 31st March 2021

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary, adjust, its capital structure.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital. Net debt is calculated as loans and borrowings less cash and cash equivalents.

The Gearing ratio for FY 2020-21 and 2019-20 is as under.

Particulars	(Amount in ₹)	
	As of March 31, 2021	As of March 31, 2020
Loans and borrowings	1,888,428,102	1,956,485,641
Less: cash and cash equivalents	72,660,122	15,252,769
Net debt	1,815,767,980	1,941,232,872
Equity	1,929,516,998	1,821,441,106
Total capital	3,745,284,978	3,762,673,978
Gearing ratio	48.48%	51.59%

The Company envisage healthy gearing ratio in forthcoming year/s.

39. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognised in the financial statements.

Fair Value hierarchy

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: Quoted prices/NAV for identical instruments in an active market;
- Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and
- Level 3: Inputs which are not based on observable market data.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.



Notes to Consolidated Financial Statements (Contd.)

for the year ended 31st March 2021

The following table provides the fair value measurement hierarchy of Company's asset and liabilities, grouped into Level 1 to Level 2 as described below:

Particulars	As at March 31, 2021		As at March 31, 2020	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Financial assets designated at amortised cost				
Fixed deposits with banks	303,899,894	303,899,894	259,072,720	259,072,720
Cash and bank balances	72,660,122	72,660,122	15,252,769	15,252,769
Investment	1	1	1	1
Trade and other receivables	1,674,590,628	1,674,590,628	2,080,110,635	2,080,110,635
Other financial assets	74,251,474	74,251,474	66,744,013	66,744,013
	2,125,402,120	2,125,402,120	2,421,180,138	2,421,180,138
Financial liabilities designated at amortised cost				
Borrowings- fixed rate	1,888,428,102	1,888,428,102	1,956,485,641	1,956,485,641
Trade & other payables	672,599,406	672,599,406	1,092,262,225	1,092,262,225
Other financial liabilities	36,334,494	36,334,494	37,290,708	37,290,708
	2,597,362,002	2,597,362,002	3,086,038,574	3,086,038,574

Assets / Liabilities for which fair value is disclosed at amortised cost.

Particulars	As at March 31, 2021		
	Level 1	Level 2	Level 3
Financial liabilities			
Borrowings- fixed rate		1,888,428,102	
Other financial liabilities		36,334,494	
As at March 31, 2020			
	Level 1	Level 2	Level 3
Financial liabilities			
Borrowings- fixed rate		1,956,485,641	
Other financial liabilities		37,290,708	

During the year ended March 31, 2020 and March 31, 2021 there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements.

Following table describes the valuation techniques used and key inputs to valuation for level 2

March 31, 2020 and March 31, 2021, respectively:

a) **Assets / Liabilities for which fair value is disclosed at amortised cost.**

Particulars	Fair value hierarchy	Valuation technique	Inputs used
Financial liabilities			
Other borrowings- fixed rate	Level 2	Discounted Cash Flow	Prevailing interest rates in market, Future payouts
Other financial liabilities	Level 2	Discounted Cash Flow	Prevailing interest rates to discount future cash flows



Notes to Consolidated Financial Statements (Contd.)

for the year ended 31st March 2021

40. SEGMENT INFORMATION

Information about primary segment

The Company operates in a Single Primary Segment (Business Segment) i.e. Wire and Cables comprising of comprising of power cables, telecom cables, railway cables and specialised cables.

Information about Geographical Segment – Secondary

The Company's operations are located in India.

The Management has not identified any geographical segment.

41. DEFINED CONTRIBUTION PLAN

(a) Expense recognised for Defined Contribution plan

Particulars	(Amount in ₹)	
	Year ended March 31, 2021	Year ended March 31, 2020
Company's contribution to provident fund	11,278,313	11,920,922
	11,278,313	11,920,922

(b) Defined Benefit Plan

It consists of Gratuity and leave encashment.

Below tables sets forth the changes in the projected benefit obligation and plan assets and amounts recognized in the Balance Sheet as of March 31, 2020, and March 31, 2021, being the respective measurement dates:

(c) Movement in obligation

Particulars	(Amount in ₹)	
	Gratuity (funded)	leave encashment (unfunded)
Present value of obligation - April 1, 2019	35,989,725	15,671,982
Current service cost	3,378,217	982,118
Interest cost	2,728,021	1,144,055
Benefits paid	-	(6,309,589)
Remeasurements - actuarial loss/ (gain)	2,002,386	(4,354,750)
Present value of obligation - March 31, 2020	44,098,349	7,133,816
Present value of obligation - April 1, 2020	44,098,349	7,133,816
Current service cost	3,654,617	1,203,124
Interest cost	2,848,415	456,564
Benefits paid	-	(1,381,638)
Remeasurements - actuarial loss/ (gain)	(4,762,495)	(906,716)
Present value of obligation - March 31, 2021	45,838,886	6,505,150



Notes to Consolidated Financial Statements (Contd.)

for the year ended 31st March 2021

(d) Movement in Plan Assets – Gratuity

Particulars	(Amount in ₹)	
	Year ended March 31, 2021	Year ended March 31, 2020
Fair value of plan assets at beginning of year	22,136,758	20,579,963
Expected return on plan assets	1,568,159	1,646,397
Employer contributions	10,000,000	-
Benefits paid	-	-
Actuarial gain / (loss)	677	(89,602)
Fair value of plan assets at end of year	33,705,594	22,136,758
Present value of obligation	(45,838,886)	(44,098,349)
Net funded status of plan	33,705,594	22,136,758
Actual return on plan assets	(12,133,292)	(21,961,591)

The components of the gratuity & leave encashment cost are as follows:

(e) Recognised in profit and loss

Particulars	(Amount in ₹)	
	Gratuity	leave encashment
Current Service cost	3,378,217	982,118
Interest cost	1,081,624	1,144,055
Remeasurement - Actuarial loss/(gain)	407	(6,309,589)
For the year ended March 31, 2020	4,460,248	(4,183,416)
Current Service cost	3,654,617	1,203,124
Interest cost	1,280,256	456,564
Remeasurement - Actuarial loss/(gain)	(4,763,172)	(1,381,638)
For the year ended March 31, 2021	171,701	278,050

(f) Recognised in other comprehensive income

Particulars	Gratuity
Remeasurement - Actuarial loss/(gain)	2,091,581
For the year ended March 31, 2020	
Remeasurement - Actuarial loss/(gain)	(3,205,700)
For the year ended March 31, 2021	

(g) The principal actuarial assumptions used for estimating the Company's defined benefit obligations are set out below:

Particulars	(Amount in ₹)	
	As at March 31, 2021	As at March 31, 2020
Attrition rate	0% PA	0% PA
Discount Rate	6.81% PA	6.74% PA
Expected Rate of increase in salary	7.50% PA	7.50% PA
Expected Rate of Return on Plan Assets	7.08 % PA	8 % PA
Mortality rate	IALM	IALM
	2012-14 Ultimate	2012-14 Ultimate
Expected Average remaining working lives of employees (years)	16.71 years	16.65 years

The assumption of future salary increase takes into account the inflation, seniority, promotion and other relevant factors such as supply and demand in employment market.



Notes to Consolidated Financial Statements (Contd.)

for the year ended 31st March 2021

(h) Sensitivity analysis:

For the year ended March 31, 2020

Particulars	change in Assumption	Effect on Gratuity obligation	change in Assumption	Effect on leave encashment obligation	(Amount in ₹)
Discount rate	+ 1%	40,253,845	+ 1%	6,805,754	
	- 1%	48,599,772	- 1%	7,496,647	
Salary Growth rate	+ 1%	48,344,258	+ 1%	7,484,143	
	- 1%	40,333,288	- 1%	6,810,399	
Attrition Rate	+ 1%	43,925,471	+ 1%		
	- 1%	44,098,349	- 1%		

For the year ended March 31, 2021

Particulars	change in Assumption	Effect on Gratuity obligation	change in Assumption	Effect on leave encashment obligation	(Amount in ₹)
Discount rate	+ 1%	42,178,000	+ 1%	6,201,151	
	- 1%	50,107,000	- 1%	6,841,823	
Salary Growth rate	+ 1%	49,414,000	+ 1%	6,829,915	
	- 1%	42,475,000	- 1%	6,205,679	
Attrition Rate	+ 1%	45,735,000	+ 1%		
	- 1%	45,941,000	- 1%		

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet.

(i) Estimate of expected benefit payments (In absolute terms i.e. undiscounted)

Particulars	Gratuity	(Amount in ₹)
01 Apr 2021 to 31 Mar 2022	7,155,065	
01 Apr 2022 to 31 Mar 2023	4,970,021	
01 Apr 2023 to 31 Mar 2024	1,805,957	
01 Apr 2024 to 31 Mar 2025	3,187,032	
01 Apr 2025 to 31 Mar 2026	1,889,340	
01 Apr 2026 Onwards	24,312,054	

(j) Statement of Employee benefit provision

Particulars	Year ended March 31, 2021	Year ended March 31, 2020	(Amount in ₹)
Gratuity	45,838,886	44,098,349	
Leave encashment	6,505,150	7,133,816	
Total	52,344,036	51,232,165	



Notes to Consolidated Financial Statements (Contd.)

for the year ended 31st March 2021

The following table sets out the funded status of the plan and the amounts recognised in the Company's balance sheet.

(k) Current and non-current provision for Gratuity and leave encashment.

For the year ended March 31, 2020

	(Amount in ₹)	
Particulars	Gratuity	leave encashment
Current provision	2,600,840	1,616,698
Non current provision	19,360,751	5,517,118
Total Provision	21,961,591	7,133,816

For the year ended March 31, 2021

	(Amount in ₹)	
Particulars	Gratuity	leave encashment
Current provision	7,155,065	1,332,861
Non current provision	4,978,227	5,172,289
Total Provision	12,133,292	6,505,150

(l) Employee benefit expenses

	(Amount in ₹)	
Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Salaries and Wages	179,721,370	186,846,072
Costs-defined contribution plan	11,450,014	18,472,751
Welfare expenses	5,960,639	6,430,840
Total	197,132,023	211,749,663

Other Comprehensive Income presentation of defined benefit plan

- Gratuity is defined benefit plan, Re-measurement gains/(losses) on defined benefit plans is shown under Other Comprehensive Income as items that will not be reclassified to profit or loss and the income tax effect on the same.
- Leave encashment cost is in the nature of short term employee benefits.

Presentation in Statement of Profit & Loss and Balance Sheet

Expense for service cost, net interest on net defined benefit liability (asset) is charged to Statement of Profit & Loss.

IND AS 19 do not require segregation of provision in current and non-current, however net defined liability (Assets) is shown as current and non-current provision in balance sheet as per IND AS 1.

Actuarial liability for short term benefits (leave encashment cost) is shown as current and non-current provision in balance sheet.

The Company assesses these assumptions with its projected long-term plans of growth and prevalent industry standards. The mortality rates used are as published by one of the leading life insurance companies in India.



Notes to Consolidated Financial Statements (Contd.)

for the year ended 31st March 2021

42. OTHER DISCLOSURES

(a) Auditors Remuneration (Excluding applicable taxes i.e. GST)

Particulars	Year ended March 31, 2021	(Amount in ₹) Year ended March 31, 2020
Auditors Remuneration		
Audit Fee	1,550,000	1,550,000
Tax Audit Fee	150,000	150,000
Taxation Matters	71,000	50,000
Certification	50,000	50,000
Out of Pocket Expenses	22,743	32,004
Total	1,843,743	1,832,004

(b) Disclosure U/S 186(4) of the Companies Act 2013.

- Details of Investment made are given in Note No 8 of Financial statements.
- No loans and guarantees are given u/s 186 (4) of the Companies Act 2013

(c) Corporate Social Responsibility Expenses Provision

In view of earlier years accumulated losses, company was not required to spend any amount on Corporate social responsibility activities during the current and previous year.

43. CONTINGENT LIABILITIES

i) Guarantees

Particulars	As at March 31, 2021	(Amount in ₹) As at March 31, 2020
Financial Bank Guarantees outstanding	101,042,269	35,638,392
Performance Bank Guarantees outstanding	200,539,352	223,813,748
Total	301,581,621	259,452,140

ii) Duties & Taxes

Particulars	As at March 31, 2021	(Amount in ₹) As at March 31, 2020
i. Income Tax - Demands under appeal	10,753,256	10,753,256
ii. Custom duty demand due to denial of concessional custom duty, under appeal	1,312,721	1,312,721
Total	12,065,977	12,065,977

iii) Other contingent liabilities

Particulars	As at March 31, 2021	(Amount in ₹) As at March 31, 2020
Outstanding Bills discounted	275,186,577	160,820,359

It is not possible to predict the outcome of the pending litigations with accuracy, the Company believes, based on legal opinions received, that it has meritorious defences to the claims. The management believe the pending actions will not require outflow of resources embodying economic benefits and will not have a material adverse effect upon the results of the operations, cash flows or financial condition of the Company.



Notes to Consolidated Financial Statements (Contd.)

for the year ended 31st March 2021

44. ESTIMATED AMOUNT OF CONTRACT REMAINING TO BE EXECUTED ON CAPITAL ACCOUNT AND NOT PROVIDED FOR (NET OF ADVANCES)

Particulars	(Amount in ₹)	
	As at March 31, 2021	As at March 31, 2020
Property, Plant & Equipment	6,439,000	6,883,159

45. TAXATION

- (i) As a matter of prudence, Deferred tax Assets has not been recognized on brought forwarded losses and other timing differences. Further there is no reasonable certainty to set off the same within the period allowable under tax laws.
- (ii) Current tax: In view of brought forwarded losses, no provision for current tax is required to be made.

46. RELATED PARTY TRANSACTIONS

In accordance with the requirements of IND AS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods, are:

Related party name and relationship

a) Other related parties in the Group where common control exists:

Paramount Telecables Limited

b) Key Management Personnel:

Shri Sanjay Aggarwal, Chairman and CEO

Shri Sandeep Aggrawal, Managing Director

Shri Shambhu Kumar Agarwal, Chief Financial Officer

Mrs. Tannu Sharma, Company Secretary -till 31st May,2019

Mrs. Rashi Goel, Company Secretary -from 01st June, 2019

c) Relatives of Key Managerial Personnel with whom transactions have taken place:

Mrs. Shashi Aggarwal

Mrs. Archana Aggarwal

Mrs. Kamala Aggarwal

Sanjay Aggarwal (HUF)

Dhruv Aggarwal

Tushar Aggarwal

Parth Aggarwal

d) Enterprises where Relatives of Key Managerial Personnel with whom transactions have taken place:

Valens Technologies Private Limited

Valens Resizones Projects LLP



Notes to Standalone Financial Statements

for the year ended 31st March 2021

Related Party Transactions:

Description	Current Year 2020-21				Current Year 2019-20			
	Other related parties in the Group where common control exists:	Key Management Personnel	Relatives of Key Managerial Personnel with whom transactions have taken place:	Enterprises where Relatives of Key Managerial Personnel with whom transactions have taken place:	Other related parties in the Group where common control exists:	Key Management Personnel	Relatives of Key Managerial Personnel with whom transactions have taken place:	Enterprises where Relatives of Key Managerial Personnel with whom transactions have taken place:
I Lease Liabilities Repayments Paramount Telecables Limited	26,066,064	-	-	-	26,666,664	-	-	-
II Lease Interest Cost Paramount Telecables Limited	12,193,049	-	-	-	13,983,425	-	-	-
III Loan received from Directors Mr. Sanjay Aggarwal Mr. Sandeep Aggarwal	-	3,500,000 4,300,000	-	-	-	5,800,000 4,000,000	-	-
IV Loan Repaid to Directors Mr. Sanjay Aggarwal Mr. Sandeep Aggarwal	3,500,000 4,300,000	-	-	-	-	10,550,000 11,500,000	-	-
V Interest paid on Loans Mr. Sanjay Aggarwal Mr. Sandeep Aggarwal	-	223,233 274,258	-	-	-	930,841 1,111,325	-	-
VI Purchases Valesn Technologies Private Limited	-	-	-	-	-	-	4,724,722	-
VII Sales & Job work Charges Valens Technologies Private Limited	-	-	-	-	-	-	100,000	-
VIII Equity Shares Allotment including share premium Mr. Sanjay Aggarwal Mr. Sandeep Aggarwal Paramount Telecables Limited Mrs. Kamala Aggarwal Sanjay Aggarwal (HUF) Mr. Dhruv Aggarwal Mr. Tushar Aggarwal Mr. Parth Aggarwal	42,183,000 42,183,000	-	-	-	73,575,000	-	4,905,000 14,224,500 14,224,500 14,224,500 14,224,500	-

Notes to Standalone Financial Statements

for the year ended 31st March 2021

Related Party Transactions:

Description	Current Year 2020-21			Current Year 2019-20		
	Other related parties in the Group where common control exists:	Key Management Personnel	Relatives of Key Managerial Personnel with whom transactions have taken place:	Enterprises where Relatives of Key Managerial Personnel with whom transactions have taken place:	Other related parties in the Group where common control exists:	Key Management Personnel
Nature of transactions						
IX Share Application Money Received						
Mr. Sanjay Aggarwal	-	-	-	-	-	10,578,000
Mr. Sandeep Aggarwal	-	-	-	-	-	10,578,000
Mr. Parth Aggarwal	-	-	-	-	-	3,567,000
X Short term Security Deposit Paid						
Paramount Telecables Limited	12,000,000	-	-	-	-	-
XI Short term Security Deposit Return						
Paramount Telecables Limited	12,000,000	-	-	-	-	-
XII Remuneration to Key Managerial Personnel (KMP)						
Mr. Sanjay Aggarwal, Chairman and CEO	-	15,314,574	-	-	-	17,819,134
Mr. Sandeep Aggrawal, Managing Director	-	15,241,684	-	-	-	17,791,084
Mr. Shambhu Kumar Agarwal, Chief Financial Officer	-	2,673,832	-	-	-	3,124,861
Mrs. Tannu Sharma, Company Secretary	-	-	-	-	-	89,698
Mrs. Rashi Goel, Company Secretary	-	838,069	-	-	-	832,546

(Amount in ₹)



Notes to Standalone Financial Statements

for the year ended 31st March 2021

Related Party Balances:

Description	Other related parties in the Group where common control exists:	Current Year 2020-21		Current Year 2019-20		Key Management Personnel	Other related parties in the Group where common control exists:	Relatives of Key Managerial Personnel with whom transactions have taken place :	Relatives of Key Managerial Personnel with whom transactions have taken place :	Key Managerial Personnel with whom transactions have taken place :	Relatives of Key Managerial Personnel with whom transactions have taken place :	Enterprises where Relatives of Key Managerial Personnel with whom transactions have taken place :
		Key Management Personnel	Relatives of Key Managerial Personnel with whom transactions have taken place :	Management Personnel	Relatives of Key Managerial Personnel with whom transactions have taken place :							
I Lease Liabilities/Finance Lease Obligations		134,534,178		-	-	-	-	-	-	-	-	148,407,193
Paramount Telecables Limited												
II Payable outstanding at the year end		1,036,271		-	-	-	-	-	-	-	-	
Paramount Telecables Limited												
Valens Technologies Private Limited												
III Advance given balance outstanding as at year end		-	-	-	-	-	-	-	-	-	-	4,218,653
Paramount Telecables Limited												
Valens Resizone Projects LLP												
												3,850,440



Notes to Consolidated Financial Statements (Contd.)

for the year ended 31st March 2021

Remuneration to Key Managerial Personnel (KMP)

Particulars	(Amount in ₹)	
	Year ended March 31, 2021	Year ended March 31, 2020
Short-Term employee benefits*	29,486,265	34,509,061
Post-Employment benefits		
- Defined contribution plan\$	3,060,000	3,642,233
- Defined benefit plan#	1,521,894	1,506,029
Total	34,068,159	39,657,323

* Including bonus and commission on accrual basis and value of perquisites

\$ including PF and any other benefit

including leave encashment, gratuity and any other benefit

47. EARNINGS PER SHARE

The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:

Particulars	(Amount in ₹)		
	Number of shares	Year ended March 31, 2021	Year ended March 31, 2020
Number of Equity Shares at the beginning of the year		184,133,965	171,783,965
Add: Weighted average number of equity shares issued during the year		936,164	947,397
Weighted average number of Equity shares for Basic EPS (A)		185,070,129	172,731,362
Add: Weighted average number of Potential equity share for outstanding convertible share warrants.		2,271,575	751,438
Weighted average number of equity shares for Diluted EPS (B)		187,341,704	173,482,800

Net profit available to equity holders of the Company used in the basic and diluted earnings per share was determined as follows:

Particulars	(Amount in ₹)	
	Year ended March 31, 2021	Year ended March 31, 2020
Net Profit after Taxation (₹)	31,002,692	263,466,813
Basic Earnings per Share (₹)	0.17	1.53
Diluted Earnings per Share (₹)	0.17	1.52
Par Value of each Equity Share (₹)	2	2

The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity.

48. LEASES

During the year ended March 31, 2020, on account of applicability of IND AS 116 with effect from 1st April, 2019 (i) reclassification of lease hold land of ₹ 27,97,81,867/- (net) from Property, Plant and Equipment to Right of Use Assets and (ii) accounting of Right of Use Assets Gross Block of ₹ 16,10,90,432/- and similar amount on initial recognition as Finance lease Liability.



Notes to Consolidated Financial Statements (Contd.)

for the year ended 31st March 2021

49. IMPAIRMENT REVIEW

Assets are tested for impairment whenever there are any internal or external indicators of impairment.

Impairment test is performed at the level of each Cash Generating Unit ('CGU') or groups of CGUs within the Company at which the goodwill or other assets are monitored for internal management purposes, within an operating segment.

The impairment assessment is based on higher of value in use and value from sale calculations.

During the year, the testing did not result in any impairment in the carrying amount of goodwill and other assets.

The measurement of the cash generating units' value in use is determined based on financial plans that have been used by management for internal purposes. The planning horizon reflects the assumptions for short to- midterm market conditions.

Key assumptions used in value-in-use calculations:

- Operating margins (Earnings before interest and taxes)
- Discount rate
- Growth rates
- Capital expenditures

Operating margins: Operating margins have been estimated based on past experience after considering incremental revenue arising out of adoption of valued added and data services from the existing and new customers, though these benefits are partially offset by decline in tariffs in a hyper competitive scenario. Margins will be positively impacted from the efficiencies and initiatives driven by the Company; at the same time, factors like higher churn, increased cost of operations may impact the margins negatively.

Discount rate: Discount rate reflects the current market assessment of the risks specific to a CGU or group of CGUs. The discount rate is estimated based on the weighted average cost of capital for respective CGU or group of CGUs.

Growth rates: The growth rates used are in line with the long term average growth rates of the respective industry and country in which the Company operates and are consistent with the forecasts included in the industry reports.

Capital expenditures: The cash flow forecasts of capital expenditure are based on past experience coupled with additional capital expenditure required

50. Previous year figures have been regrouped/ rearranged, wherever considered necessary to conform to current year's classification.

As per our Report of even date attached

For **P. Bholusaria & Co.**
 Chartered Accountants
 Firm Registration No. : 000468N

Pawan Bholusaria
 Partner (M.No.: 80691)
 UDIN: 21080691AAAABF1204
 Place : New Delhi
 Date : 26.06.2021

For and on behalf of the Board

(Sanjay Aggarwal)
 Chairman & CEO
 DIN No.: 00001788

(Sandeep Aggarwal)
 Managing Director
 DIN No.: 00002646

(S K Agarwal)
 Chief Financial Officer
 Mem No.: 053595

(Rashi Goel)
 Company Secretary
 Mem No.: FCS 9577



Notice

NOTICE IS HEREBY GIVEN THAT THE TWENTY SEVENTH ANNUAL GENERAL MEETING ("AGM") OF PARAMOUNT COMMUNICATIONS LIMITED will be held on TUESDAY, 28th SEPTEMBER 2021 at 4.30 p.m., Indian Standard Time ("IST"), through Video Conferencing/ Other Audio-Visual Means ("VC/OAVM") facility to transact following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2021 and the reports of the Board of Directors and Auditors thereon, and the audited consolidated financial statement of the Company for the financial year ended March 31, 2021 and the report of Auditors thereon and, in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolutions as **Ordinary Resolutions**:
 - a) "**RESOLVED THAT** the audited financial statement of the Company for the financial year ended March 31, 2021, and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."
 - b) "**RESOLVED THAT** the audited consolidated financial statement of the Company for the financial year ended March 31, 2021, and the report of Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."
2. To appoint Sh. Sanjay Aggarwal (**DIN: 00001788**), who retires by rotation as a director and, in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:
"RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of the Companies

Act, 2013, Sh. Sanjay Aggarwal (DIN: 00001788), who retires by rotation at this meeting, be and is hereby appointed as a Director of the Company."

SPECIAL BUSINESS:

3. To ratify the remuneration of Jain Sharma & Associates, Cost Auditors for the financial year ending March 31, 2022, and, in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT in accordance with the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration of ₹ 50,000/- (Rupees Fifty Thousand only), as approved by the Board of Directors and set out in the Statement annexed to the Notice, to be paid to the Cost Auditors appointed by the Board of Directors, to conduct the audit of cost records of the Company for the financial year ending March 31, 2022, be and is hereby ratified."

By Order of the Board
Paramount Communications Limited

Sd/-

(Rashi Goel)

Place: New Delhi

Company Secretary

M. No.: FCS9577

Dated: 10.08.2021

CIN: L74899DL1994PLC061295

Regd. Office: C-125, Naraina Industrial Area, Phase-1,
New Delhi-110028

NOTES:

- (1) In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has, vide its circular dated January 13, 2021 read together with circulars dated April 8, 2020, April 13, 2020 and May 05, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
- (2) Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence, the Proxy Form and Attendance Slip are not annexed to this Notice.
- (3) Corporate Members intending to send their authorized representatives to attend the meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the



- Company a certified copy of the Board Resolution authorizing their representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer at its email abhishekcs21@gmail.com with a copy marked to the Company at investors@paramountcables.com and to its RTA at enotices@linkintime.co.in
- (4) In case of joint holders attending the Meeting, only such joint holder who is higher in order of names will be entitled to vote at the meeting.
 - (5) The Register of Members and Share Transfer Books will remain closed from September 22, 2021 to September 28, 2021 (both days inclusive).
 - (6) Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of Listing Regulations, the Company is pleased to provide the facility to Members to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on September 21, 2021, i.e., the date prior to the commencement of book closure, being the cut-off date, are entitled to vote on the resolutions set forth in this Notice.
 - (7) The Board of Directors of the Company has appointed Mr. Abhishek Mittal, a Practising Company Secretary, Proprietor, M/s Abhishek Mittal & Associates, as Scrutiniser to scrutinise the remote e-voting and voting at AGM in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for the said purpose.
 - (8) Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at enotices@linkintime.co.in. However, if he/she is already registered with e-Voting system of LIIPL: <https://instavote.linkintime.co.in> for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.
 - (9) In compliance with the MCA Circulars and SEBI Circular, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depository Participants. Members who have not registered their e-mail address are requested to register the same by clicking on the link: https://web.linkintime.co.in>EmailReg/Email_Register.html. In case of any assistance, the members are requested to write an email to link Intime at rnt.helpdesk@linkintime.co.in.
 - (10) Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website www.paramountcables.com under Investor Relations Section, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of Company's Registrar and Share Transfer Agent, Link Intime India Private Limited <https://instavote.linkintime.co.in>
 - (11) An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the special business specified under Item No. 3 is annexed hereto.
 - (12) All documents referred to in the Notice and accompanying Explanatory Statement, as well as the Annual Report, are open for inspection at the Registered Office of the Company on all working days during normal business hours up to the date of the Meeting.
 - (13) Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
 - (14) The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 ("the Act"), Register of Contracts or Arrangements in which Directors are interested under Section 189 of the Act and the any other documents required by the Act and any other law, will be made available electronically for inspection by Members of the Company at the meeting.
 - (15) Members holding shares in physical form are requested to notify change of address, if any, to the Registrar and Transfer Agent M/s. Link Intime India Private Limited, Noble Heights, 1st Floor, Plot No. NH-2, C-1 Block, LSC, Janakpuri, New Delhi-110058, Ph:- +91-11-41410592/93/94, Fax:- +91-11-41410591, E-mail:- enotices@linkintime.co.in, website: www.linkintime.co.in and / or the Company Secretary or to their respective depository participants if the shares are held in electronic form.
 - (16) As mandated by the Securities and Exchange Board of India ("SEBI"), securities of the Company can be transferred / traded only in dematerialized form. Members holding shares in physical form are advised to avail the facility of dematerialization.
 - (17) Members holding shares in physical mode are required to submit their Permanent Account Number (PAN) and bank account details to the Company/Link Intime, if not registered/ updated with the Company /Link Intime, as mandated by SEBI. Alternatively, such Members may write to the Company at investors@paramountcables.com or to link Intime at



rnt.helpdesk@linkintime.co.in along with the details of folio no., self-attested copy of PAN card, bank details (Bank account number, Bank and Branch Name and address, IFSC, MICR details) and cancelled cheque leaf.

- (18) Members holding shares in electronic form are requested to submit their PAN and bank account details to their respective Depository Participants ("DPs") with which they are maintaining their demat accounts.
- (19) Any Member desirous of receiving any information on the Financial Statements of the Company are requested to write to the Company at least 7 working days prior to the AGM through e-mail on investors@paramountcables.com, The same shall be replied by the Company suitably.
- (20) The remote e-voting period will commence at 9.00 a.m. on Saturday, September 25, 2021 and will end at 5.00 p.m. on Monday, September 27, 2021. The remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting module shall be forthwith disabled by Link Intime upon expiry of the aforesaid period.
- (21) Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
- (22) In terms of the provisions of Section 152 of the Act, Sh. Sanjay Aggarwal, Director, retire by rotation at the Meeting. The Board of Directors of the Company recommend his re-appointment. Shri Sanjay Aggarwal is interested in the Ordinary Resolution set out at Item No. 2, of the Notice with regard to his reappointment. Sh. Sandeep Aggarwal, Managing Director, being related to Sh. Sanjay Aggarwal, may be deemed to be interested in the resolution set out at Item No. 2 of the Notice. The other relatives of Sh. Sanjay Aggarwal may be deemed to be interested in the resolution set out at Item No. 2 of the Notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Business set out under Item No. 2 of the Notice.
- (23) Details as required in Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 ('Listing Regulations') in respect of the Director seeking re-appointment at the AGM is attached as Annexure forming part of this Notice.
- (24) Adhering to the various requirements set out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has, during financial year 2020-21, transferred to

the IEPF Authority all shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more and the ownership of the relevant equity shares was not claimed on or before the cut off date i.e. September 25, 2020. Details of shares so far transferred to the IEPF Authority are available on the website of the Company. The said details have also been uploaded on the website of the IEPF Authority and can be accessed through the link: www.iepf.gov.in Members may note that shares transferred to IEPF Authority can be claimed back from the IEPF Authority.

- (25) The Scrutiniser will, after the conclusion of e-voting at the Meeting, scrutinise the votes cast at the Meeting (Insta Poll) and votes cast through remote e-voting, make a consolidated Scrutiniser's Report and submit the same to the Chairman. The result of e-voting will be declared within two working days of the conclusion of the Meeting and the same, along with the consolidated Scrutiniser's Report, will be placed on the website of the Company: www.paramountcables.com and on the website of link Intime at: <https://instavote.linkintime.co.in/> The result will simultaneously be communicated to the Stock Exchanges.
- (26) Subject to receipt of requisite number of votes, the Resolutions proposed in the Notice shall be deemed to be passed on the date of the Meeting, that is, Tuesday, September 28, 2021.
 - (A) Instructions for Members to attend the Annual General Meeting through InstaMeet (VC/OAVM) are as under:**
 - (a) Members are entitled to attend the Annual General Meeting through VC/OAVM platform "InstaMeet" provided by the Registrar and Transfer Agent, Link Intime India Private Limited by following the below mentioned process. Facility for joining the Annual General Meeting through VC/OAVM shall open 15 minutes before the time scheduled for the Annual General Meeting and will be available to the Members on first come first serve basis.

Members are requested to participate on first come first serve basis as participation through VC/OAVM will be closed on expiry of 15 (Fifteen) minutes from the scheduled time of the Annual General Meeting. Members holding more than 2% equity shares, Promoters, Institutional Investors, Directors, KMPs, Chair Persons of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Auditors etc. may be allowed to the meeting without restrictions of first-come-first serve basis. Members can log in and join at 4:15 P.M. IST i.e. 15 (fifteen) minutes prior to the schedule time of the meeting and window for joining shall be kept open till the expiry of 15 (Fifteen) minutes after the schedule time.



The details of the process to register and attend the AGM are as under:

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>

Select the “**Company**” and ‘**Event Date**’ and register with your following details:-

A. **Demat Account No. or Folio No.:** Enter your 16 digit Demat Account No. or Folio No.

- Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID
- Members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID
- Members holding shares in physical form shall provide Folio Number registered with the Company.

B. **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided to you, if applicable

C. **Mobile No.:** Enter your mobile number.

D. **Email ID:** Enter your email id, as recorded with your DP/Company.

- Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting).

Please refer the instructions (annexure) for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/ InstaMEET website.

(B) Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request 3 days in advance with the company on email id:investors@paramountcables.com created for the general meeting.

2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panelist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panelist by switching on video mode and audio of your device.
6. Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

(C) Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on ‘Submit’.
3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
4. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’.
5. After selecting the appropriate option i.e. Favour/ Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.



- (D) Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.
- (E) Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.
- (F) Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.
- (G) Please note that Shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/ Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
- (H) In case shareholders/members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

Remote e-Voting Instructions for shareholders post change in the Login mechanism for Individual shareholders holding securities in demat mode, pursuant to SEBI circular dated December 9, 2020:

Pursuant to SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants only post 9th June, 2021.

Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode/ physical mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ul style="list-style-type: none"> If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.



Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ul style="list-style-type: none"> Existing user of who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL, KARVY, LINK NTIME, CDSL. Click on e-Voting service provider name to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the E Voting is in progress.
Individual Shareholders (holding securities in demat mode) & login through their depository participants	<ul style="list-style-type: none"> You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME.	<ol style="list-style-type: none"> Open the internet browser and launch the URL: https://instavote.linkintime.co.in Click on “Sign Up” under ‘SHARE HOLDER’ tab and register with your following details: - <ol style="list-style-type: none"> User ID: Shareholders/ members holding shares in physical form shall provide Event No + Folio Number registered with the Company. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable). DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format) Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company. <ul style="list-style-type: none"> Shareholders/ members holding shares in physical form but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$&*), at least one numeral, at least one alphabet and at least one capital letter). Click “confirm” (Your password is now generated). Click on ‘Login’ under ‘SHARE HOLDER’ tab. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘Submit’. After successful login, you will be able to see the notification for e-voting. Select ‘View’ icon. E-voting page will appear. Refer the Resolution description and cast your vote by selecting your desired option ‘Favour / Against’ (If you wish to view the entire Resolution details, click on the ‘View Resolution’ file link). After selecting the desired option i.e. Favour / Against, click on ‘Submit’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘Yes’, else to change your vote, click on ‘No’ and accordingly modify your vote.



Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as '**Custodian / Mutual Fund / Corporate Body**'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the '**Custodian / Mutual Fund / Corporate Body**' login for the Scrutinizer to verify the same.

Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME, have forgotten the password:

- o Click on '**Login**' under '**SHARE HOLDER**' tab and further Click '**forgot password?**'
- o Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on '**Submit**'.
 - In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.
 - Shareholders/ members can set the password of his/ her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOL, Bank Account Number (last four digits) etc. as mentioned above.
 - The password should contain minimum 8 characters, at least one special character (@!#\$&*), at least one numeral, at least one alphabet and at least one capital letter.

Individual Shareholders holding securities in demat mode with NSDL/ CDSL have forgotten the password:

- Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned depository/ depository participants website.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

Helpdesk for Individual Shareholders holding securities in demat mode:

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cDSLindia.com or contact at 022- 23058738 or 22-23058542-43.

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & evoting service Provider is LINKINTIME.

In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e-voting, they may refer the **Frequently Asked Questions ('FAQs')** and **InstaVote e-Voting manual** available at <https://instavote.linkintime.co.in>, under **Help** section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No 3.

The Board of Directors has on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s Jain Sharma & Associates, Cost Auditors to conduct the audit of the cost records of the Company, for the financial year ending March 31, 2022.

In accordance with the provisions of Section 148 of the Companies Act, 2013 ("the Act") read with the Companies (Audit and Auditors) Rules, 2014, the remuneration of Rs. 50,000/- (Rupees Fifty Thousand) payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board, has to be ratified by the Members of the Company.

Accordingly, ratification by the Members is sought for the remuneration payable to the Cost Auditors for the financial year ending March 31, 2022 by passing an Ordinary Resolution as set out at Item No. 3 of the Notice.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board commends the Ordinary Resolution set out at Item No. 3 of the Notice for ratification by the Members.

By Order of the Board
Paramount Communications Limited

Sd/-

(Rashi Goel)

Company Secretary

M. No.: FCS9577

Place: New Delhi

Dated: 10.08.2021

CIN: L74899DL1994PLC061295

Regd. Office: C-125, Naraina Industrial Area, Phase-1,
New Delhi-110028



ANNEXURE TO THE NOTICE DATED AUGUST 10, 2021:

The Statement of disclosures pursuant to Secretarial Standard-2 on General Meetings and Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, is as under:

Name of the Director	Mr. Sanjay Aggarwal (DIN:00001788)
Date of Birth	21-10-1962
Qualification	B. Com (Hons.) from Shri Ram College of Commerce, Delhi University
Nature of Expertise	Vast experience in Cable Industry. Please refer Company's website: www.paramountcables.com for detailed profile.
Terms and conditions of Re-appointment	In terms of Section 152(6) of the Companies Act, 2013, Sh. Sanjay Aggarwal who was re-appointed as a Whole-time Director at the Annual General Meeting held on September 30, 2020, is liable to retire by rotation.
Remuneration Proposed to be paid	As per existing approved terms of appointment.
Date of first appointment in the current designation	01.11.1994
Shareholding in the Company	14,061,013 equity shares of ₹ 2/- each.
Directorships	NIL
Memberships/ Chairmanship of Committees of other companies	NIL
Inter-se relationship between Directors and other Key Managerial Personnel	Brother of Mr. Sandeep Aggarwal, Managing Director and not related to any other Director/Key managerial Personnel
Number of Meetings of the Board attended during the financial year (2020-2021)	4
Past Remuneration Drawn (FY 2020-2021)	Basic Pay of Rs. 12.50 Lakhs per month and perquisites incurred on actual basis i.e. Car with Driver, Electricity, club membership upto 3 clubs and other perquisites, but not exceeding ₹ 1,500,000/- per month apart from Company's contribution for him to Provident Fund, Superannuation Fund or Annuity Fund or leave encashment (if any) in accordance with the Rules & Regulations of the Company and Gratuity at a rate not exceeding 15 day's salary for each completed year of service.

Note:

1. Directorships and Committee memberships in Paramount Communications Limited and its Committees are not included in the aforesaid disclosure.
2. Alternate directorship, directorships in Private Limited Companies, Foreign Companies and Section 8 companies and their Committee memberships are excluded.
3. Membership and Chairmanship of Audit Committees and Investor Grievance/Stakeholder Relationship Committees of only public Companies have been included in the aforesaid table.

By Order of the Board
Paramount Communications Limited

Sd/-
(Rashi Goel)
 Company Secretary
 M. No.: FCS9577

Place: New Delhi
 Dated: 10.08.2021

CIN: L74899DL1994PLC061295
 Regd. Office: C-125, Naraina Industrial Area, Phase-1, New Delhi-110028



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