



**Expanding  
Horizons.  
Delivering  
Growth.**

ANNUAL  
REPORT / **2021-22**

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to view this report online



What a great man  
does, is followed by  
others. People go by  
the example he sets.

- Bhagavad Gita, 3.21

**Late Shri Shyam Sunder Aggarwal**

Founder – Paramount Communications Limited  
(06.10.1936 – 06.12.1999)



# Expanding Horizons. Delivering Growth.

**After a prolonged slowdown, the Indian economy saw strong revival in FY 2021-22 and the infrastructure creation has gathered pace yet again. The year saw the Indian wires and cables industry post its most vigorous revival.**

As India's leading wires and cables player with world-class manufacturing excellence, strong R&D competencies and an ever-expanding portfolio, we seized the momentum to deliver a resounding performance: a 12% growth in sales and 165% growth in PAT. At the same time, we pushed harder to expand our approval and product range in the global market. This resulted in over 250% growth in export revenues, alongside strengthening our case in the international markets.

Our performance reinforces our confidence in the business model and the strategic growth path taken. And more importantly, it inspires us to consolidate and elevate to the next level.

We are leveraging our strong domestic position to capture the unprecedented institutional business opportunities expected to come as India progresses on its ambitious infrastructure creation journey. We are expanding our network to penetrate deeper and grow the retail business. And, we are strengthening focus to emerge as one of India's top exporters in the segment and drive exponential exports growth.

At Paramount Cables, we are playing to our core strengths and widening our horizons to deliver long-term growth and better value to our stakeholders.

Paramount Cables:

## Striding Ahead with Undeterred Focus

We are one of India's leading cables and wires manufacturers. We are a globally recognised brand, having strong credibility among prestigious public sector and private companies for our wide range of portfolio that come with top-notch safety and quality standards.

Led by our expertise and innovation capabilities, we have been at the forefront of launching several differentiated and industry-first products for the evolving requirements of the industry.



### 1 A BRAND WITH RICH EXPERIENCE AND LEGACY

We have been serving the evolving and complex needs of customers over the past 66 years. We have a track record of compliance to global best standards and launching several industry-first products.

#### OUR RICH LEGACY OF EXCELLENCE

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

### 2 EXTENSIVE PORTFOLIO AND SERVICES CAPABILITIES

We are a one-stop shop for all wiring and cabling solutions. We manufacture a wide range of high-quality power cables, railways cables, telecom cables and domestic wires and cables that meet the diverse and dynamic needs of our customers. We also provide Specialized turnkey services to telecom, power, railway and submarine cable projects.

### 3 MULTI-SECTORAL COMPETENCIES

We cater to the need of all major infrastructure segments, including Power, Railways, Telecom, IT & Communications, Construction, Defense, Space Research, Electronics, Oil & Gas, Renewables, Export and Specialized turnkey services. We have consistently demonstrated capabilities to deliver futuristic solutions for their evolving needs. This provides scalability potential to our business and reduces dependence on a single sector.

## 4 ROBUST MANUFACTURING CAPABILITIES

We have two state-of-the-art manufacturing plants that are certified ISO 9001:2015 for quality management system and ISO 14001:2015 for environmental standards by URS. Equipped with modern facilities and following best practices, we provide the advantage of high productivity, economies of scale and quality. We have adequate capacities to meet the growing industry demand.

## 5 INNOVATION AND TECHNOLOGY EXPERTISE

We have strong in-house R&D capabilities led by an expert team. This provides us a competitive edge in terms of conceptualizing superior products and consistently launching new products.

## 6 PREQUALIFICATION CREDENTIALS

We are an approved and reliable cable supplier to the Government, Public Sector Units and most of the large private players.

## 7 PRESENCE

Our products are exported across 15+ countries, including Australia, Bangladesh, Chile, Ghana, Iraq, Libya, Myanmar, Nepal, Nigeria, Qatar, Sri Lanka, Singapore, Spain, Tanzania, UAE, UK, USA and Zambia among others.

## 8 RELATIONSHIPS

We have more than 500 institutional clients. Some of our key clients include:

### PUBLIC SECTOR



### PRIVATE SECTOR



# The Big Numbers at Paramount Cables



Manufacturing facilities



Employees



Product SKUs



Countries where products are shipped







**500+**

Institutional clients



**10,000+**

Retail counters in India



**5,000+**

Associated electricians in India



**100+**

Channel Partners in India

# Powering Ahead with Differentiated, Innovation-led Portfolio

Our six decades of expertise in wires and cables and R&D capabilities are key to our success. It enables us to remain ahead of competition by consistently introducing innovative products and solutions in line with the evolving technology.

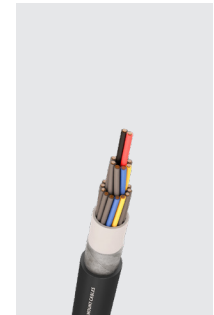
## OUR EXTENSIVE PORTFOLIO

### POWER CABLES

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

### DOMESTIC WIRES & CABLES

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

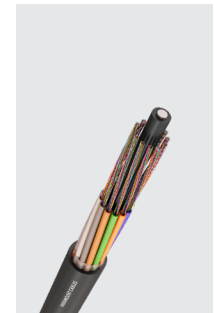


### RAILWAY CABLES

- Signalling Cables
- Railway Power Cables
- Axle Counter Cables

### SPECIAL PRODUCTS

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

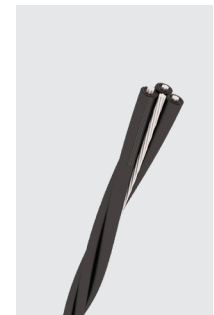
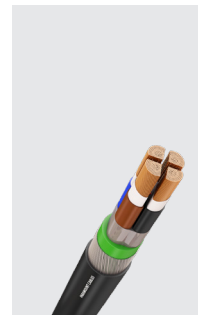


### TELECOM CABLES

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

### SPECIALIZED TURNKEY SERVICES

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



## DOWNSTREAM SECTORS WE CATER TO





## INNOVATION THAT SET US APART

### F120 Fire Survival Cables

- 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

### Eco-friendly electrical housing wires

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



# Manufacturing and Quality Excellence

We hold a strong reputation in domestic and global markets on the strength of our superior products. Manufactured at our contemporary plants that follow world-class practices and testing standards, our products are benchmarked to global standards and proven to deliver certified performance.

## INDIAN ACCREDITATION / APPROVALS

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

## INTERNATIONAL ACCREDITATION / APPROVALS

- Loss Prevention Certification Board (LPCB) - Fire Survival Cables
- UL - Service Entrance Cables and Thermoset Insulated Wires & 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)

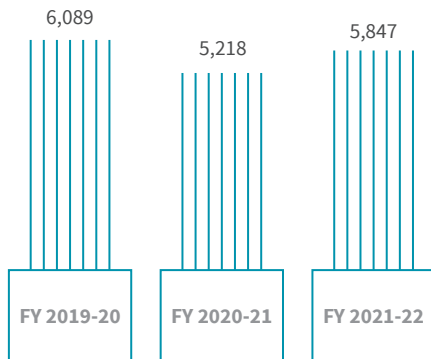
## PRODUCT LICENSES

- Licensed by BIS to mark products with:
  - IS 7098 Part 1 XLPE Insulated PVC Sheathed Cable (for  $\leq 1100$  Volts), IS 7098 Part 2 XLPE Insulated PVC Sheathed Cable (from 3.3 KV up to and including 33 KV) and IS 7098 Part 3 for XLPE Insulated PE sheathed Cable (for  $\leq 66$  KV)
- 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 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

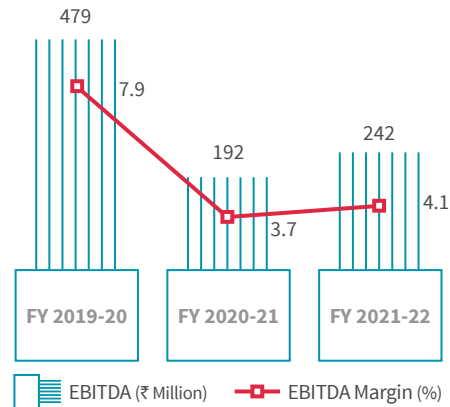


# Performance Highlights

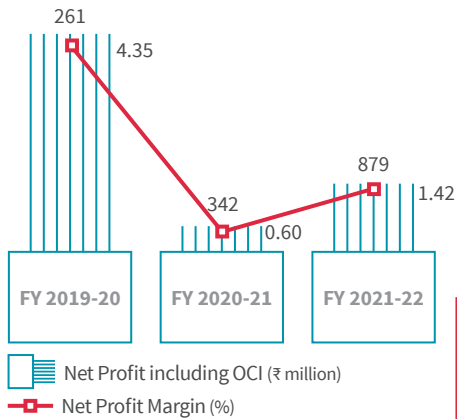
## TOTAL REVENUE (₹ Million)



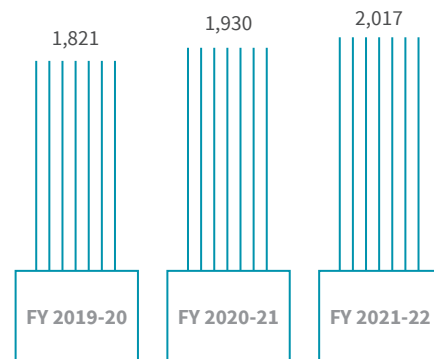
## EBITDA (₹ Million) & EBITDA MARGIN (%)



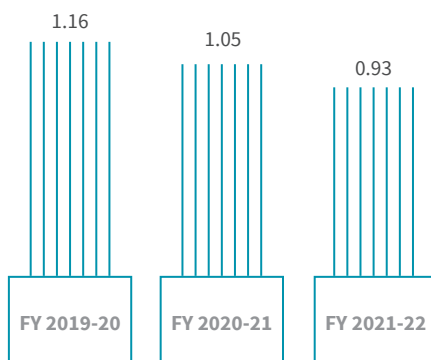
## NET PROFIT INCLUDING OCI (₹ Million) & NET PROFIT MARGIN (%)



## NET WORTH (₹ Million)



## DEBT EQUITY RATIO





# Letter from the Chairman & CEO



Interestingly, we have delivered a 12% volume growth, including over 250% growth in the export markets, which manifests the strong demand that our products command owing to their superior performance and quality. As a manufacturer of world-class and differentiated wires and cables, we are inspired more than ever to build on our legacy.

## INDIAN ECONOMY STANDS OUT

FY 2021-22 began with the second and a more severe wave of COVID-19 pandemic. The country faced significant casualties. However, the monumental efforts by the Government to vaccinate majority of eligible populations kept the caseloads under check in the later part of the year. The various fiscal and policy initiatives undertaken greatly supported the economy and improved market sentiments. The Indian economy has been on a rise since then, barring some minor jolt in the last quarter due to the third wave and onset of Russia-Ukraine war.

Overall, the country clocked a GDP growth of 8.7% in FY 2021-22. Buoyancy was evident across all sectors. Perhaps the most important development and that relevant to us has been the revival in the infrastructure (especially the power sector), construction and real estate segments which were long muted. This bodes well for the long-term growth of the nation and will revive investment cycle.

## Dear Shareholders,

I am pleased to present the FY 2021-22 annual report of your Company. The year saw us focusing on core strengths to deliver yet another resilient performance and better value to stakeholders, in spite of a challenging macroeconomic situation, unprecedented increase in input costs and supply chain constraints. Alongside, we made progress on various strategic imperatives including strengthening market reach, establishing good export base and innovating.

Given the developments, the outlook for the Indian economy for FY 2022-23 is strong. This is despite setbacks seen across major global economies which are facing recessions and high inflation.

## MANAGING THE ADVERSITIES

While the demand for wires and cables witnessed a strong recovery, meeting them was a challenge due to supply side constraints amidst the disruptive operating context. This necessitated a sharp focus on operations.

Adhering to the COVID-19 directives, we maintained the highest level of health and safety protocols at both plants and offices. Further, we adopted a structured approach with advanced planning, undertook proactive actions and leveraged our strong relations with global vendors. These measures ensured uninterrupted supplies and operations, and helped shorten the lead time to meet commitments on schedule.

Commodity fluctuation was a major challenge, especially during the last quarter due to the geopolitical situation. However, our strict policy of booking all commodities at the time of order booking helped in mitigation.

The Company also contributed strongly to the nationwide efforts in combating the COVID epidemic. We have organized vaccination drive, undertook regular health check-ups of employees, implemented sanitization procedures, work from home facility for employees and distribution of essential items were distributed to people in need.

### DELIVERING RESILIENT PERFORMANCE

Our performance reflects the economic momentum and the agility with which we moved to overcome the challenges and capture opportunities. We took advantage of the revival in power sector which saw commencement of key projects as well as expanded our export base, to build a robust order book through the year.

As a result, your Company registered a 12% growth in revenue to ₹ 5,809 Million in FY 2021-22 to near the pre-pandemic levels. Power cables continued to be the major contributor at 42.5% with revenues stood at ₹ 2,466 Million. Exports revenue at ₹ 1,302 Million was also the highest ever, growing by a significant 250% over the previous year.

EBITDA grew by 26% from ₹ 1,922 Million in the previous year to ₹ 2,416 Million in FY 2021-22. Our PAT grew by 165%, standing at ₹ 82 Million as against ₹31 Million in the previous year. The robust growth profitability was driven by a combination of top line growth and costs optimization, primarily the finance costs which declined by 9.1%. Our debt:equity ratio stands at a comfortable 0.93 as on March 31, 2022 and provides adequate headroom to pursue growth opportunities.

### CAPITALIZING THE DOMESTIC INFRASTRUCTURE BOOM

I think the coming years are going to be exciting for India's wires and cables industry. A revival in the economy and huge pipeline of infrastructure projects announced by Indian government, especially in the power transmission and distribution areas are driving strong recovery in the domestic demand.

As a result, your Company registered a 12% growth in revenue to ₹ 5,809 Million in FY 2021-22 to near the pre-pandemic levels. Power cables continued to be the major contributor at 42.5% with revenues stood at ₹ 2,466 Million.

We are also optimistic of the government's ambitious push to take quality broadband services to rural areas. The recently concluded 5G spectrum auction and its expected rollout in the coming months with mega optical fibre network deployment, will create opportunities. Railway cables is another segment that which we are positive on. The increased budgetary allocation by the Indian Railways towards developing high-speed rail and new metro rail projects are likely to push demand. Lastly, the revival in real estate is also set to unleash opportunities in the household segment.

### FOCUSING ON EXPORTS DOMINANCE

Our products are certified from multiple global agencies and find strong acceptance in various markets. However, building on this, in FY 2021-22, we have put in great efforts to expand our export base with special focus on developed countries. A dedicated team has been engaged to continually work towards increasing cost and design efficiency of export products and maintaining strong quality control to enhance global approval and product range. This helped in strengthening brand recall in the new and existing markets.

We see exports as an important pillar of our growth strategy and look forward to building on the groundwork undertaken till now. This also comes at a time when India is fast emerging as an exporting hub for the world. We expect a combination of these to translate into exponential export growth in the coming years.

### IN CONCLUSION

I thank our shareholders, customers, channel partners and employees for the continued support and belief in us. Your Company has come a long way since restructuring. We are now focused on breaking free from existing constraints and delivering high growth in coming years by leveraging our strong domestic position and becoming one of the top exporters in the Indian wire and cable industry. We will be on the lookout for strengthening our retail and expanding our capacities to achieve this.

Warm regards,

**Sanjay Aggarwal**  
Chairman and CEO

EXPANDING HORIZONS

# Reinforcing Global Ambitions

We develop products benchmarked to global standards and aligned to demand needs of international customers. The superior performance of our high-quality products and their value proposition, makes us a preferred player globally. We are sharpening our focus on international business, to capture the ever growing opportunity.

**ENTERING NEW GEOGRAPHIES**

In FY 2021-22, we made concerted efforts towards developing new markets. We have entered several new developed economies where demand for wires and cables are high due to significant investments in infrastructural development.

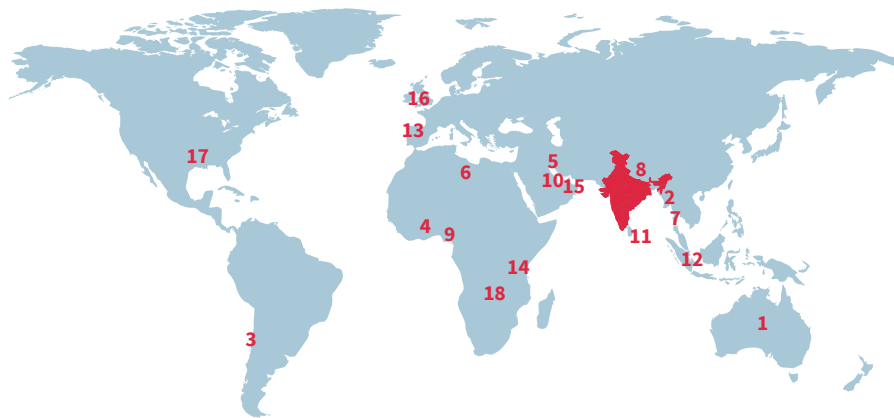
**STRATEGIC EXPORT-ORIENTED MANUFACTURING**

We are continually exploring and studying international markets and their demand requirements. A dedicated team accordingly work towards new product development with higher cost and design efficiency, and thus widen global approval base.

**OUR ACTION PLAN**

- Expansion of product range
- Working on approvals and certifications for new countries
- Targeted high potential export markets

**OUR WIDENED GLOBAL PRESENCE**



1. Australia, 2. Bangladesh, 3. Chile,
4. Ghana, 5. Iraq, 6. Libya, 7. Myanmar,
8. Nepal, 9. Nigeria, 10. Qatar, 11. Sri Lanka,
12. Singapore, 13. Spain, 14. Tanzania,
15. UAE, 16. UK, 17. USA, 18. Zambia

↑ **250%**

Growth in export revenue to ₹ 1,302 Million in FY 2021-22

**22%**

Share of export business revenue in FY 2021-22



## EXPANDING HORIZONS

# Positioning to Capture Growing Domestic Opportunities

Demand for wires and cables is resurging in India. Ambitious infrastructure projects and revival in real estate are unlocking mega opportunities. At Paramount, with our capacities, extensive portfolio and institutional relations, we look to aggressively scale our domestic market share.

## INSTITUTIONAL BUSINESS OPPORTUNITIES

- The Government's mega ₹ 111 lakh crore National Infrastructure Pipeline targeted at creating power / renewable energy, highways, railways, metro railways, and oil & gas infrastructure are driving significant demand for wires and cables
- Government's focus on making available broadband connectivity in the rural region and the upcoming roll-out of 5G are driving demand for optical fiber cables

- Indian Railways are making significant investments in 100% electrification, and new high speed rail and metro rail projects

## RETAIL BUSINESS OPPORTUNITIES

- Government's urban and rural electrification schemes like 'Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY)' and '24x7 Power for All' are driving significant demand for housing wires
- Resurgence in the real estate and rising nuclearization further drive demand for housing

## OUR ACTION PLAN

- Leverage our domestic market position with pre-qualification credentials
- Invest in capacity addition
- Innovate to provide niche solutions
- Expanding dealer/distribution network and retail presence
- Enhance engagements with channel partners

# The Team Spearheading the Company



## MR. SANJAY AGGARWAL

Chairman and CEO

Mr. Sanjay Aggarwal is Chairman & CEO of the Company. He has been an integral part of the growth story of the Company, from a small-scale industrial unit to one of the largest cable manufacturers in India. Mr. Aggarwal has been the recipient of numerous prestigious awards over the past 34 years which include the National Entrepreneurship Award 1984 given away by the President of India, Entrepreneur of the Year Award 1994 by All India Manufacturers Organization, Niryat Shree Award 2008-09 by FIEO and Major Donor Award 2017 by Rotary Foundation of Rotary International. He was the President of PHD Chamber of Commerce and Industry (PHDCCI), one of the Premier Chambers in India for 2020-21.



## 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 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, Reni', Telecom Equipment Manufacturers Association of India and PHD Chamber of Commerce and Industry. He is currently the chairman of the Telecom Export Promotion Council. He is also an Independent Director on the Board of Pragati Power Corporation Limited and Delhi Transco Limited. 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 2001-02 and was also the Chairman of the Federation of Indian Stock Exchanges representing 20 Stock Exchanges from 2002-04. He is a Past President of the Association of National Exchanges Members of India (ANMI) representing 900 brokers of NSE & BSE.



## MRS. MALINI GUPTA

Independent Director

Mrs. Malini Gupta is a dynamic personality with over two decades of experience in 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 45 years of experience in syndication of finance, project finance, financial restructuring and audit & assurance. He is acclaimed for his vision and dynamism. He is actively involved in the promotion of trade and commerce being the Chairman - CII-ER Banking Core Committee. He has actively traveled within India and abroad and been speaker on related subject.



## 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. She 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. She retired as the Chief General Manager of State Bank of India, Bhubaneswar Circle.

# Sharpened Focus on Community Development

At Paramount, in our strive to emerge as a responsible corporate citizen, we undertake community upliftment measures under the purview of education, health and hygiene, biodiversity enrichment and COVID-19 support.



## EDUCATION

Education and skill development can empower communities to become self-sustained, earn better livelihood and foster self-respect. Focused on this, we extended support in the form of books and stationery distribution to students of Karauli school in Rajasthan.

# 470

Number of student benefitted



## BIODIVERSITY ENRICHMENT

To save environment and to preserve flora and fauna, we organized tree plantation drives inside and outside our plant's premises, planting over 200 trees.

# 200

Number of trees planted



## EMPLOYEE FELICITATION

PCL organized a felicitation ceremony to honor the employees completing 25 glorious years in the Paramount Family and highlight their contribution to the Company's growth.

# 14

Employees felicitated



## COVID-19 SUPPORT

We initiated multi location vaccination drives whereby a total of 1,500+ people including employees and their eligible family members were vaccinated for free to safeguard their health and well-being. The initiative was fully compliant with government rules and regulations.

# 1,500

Number of people provided vaccines



## HEALTH AND HYGIENE

We started a vision care programme for the employees. Under this initiative, eye check camps were organized in association with Rotary Club of Delhi Central at Head office and plant locations of the Company. Spectacles and medicines were issued at free of cost to the people identified with low vision.

# 326

Number of beneficiaries

# 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.  
Phone(s): +91-11-45618800/900  
Fax: +91-11-25893719/20  
E-mail: [pcl@paramountcables.com](mailto:pcl@paramountcables.com)  
Website: [www.paramountcables.com](http://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 & Analysis (MDA)

## ECONOMIC OVERVIEW

### Global Economy

The global economy was seen recovering in 2021 after the high market volatility and deep recession in 2020. However, the Russia-Ukraine crisis led to extensive loss of lives, triggered the biggest refugee crisis in Europe, and severely set back the global recovery. Global growth is projected to decline from 6.1% in 2021 to 3.2% in 2022 and 2.9% in 2023. At the end of 2021, inflation in several regions surged to multi-decadal highs. A key driver of inflation across the world has been the steady increase in energy, food, and commodity prices. Central banks across the world have started tightening monetary policies and others are expected to follow in response to domestic macroeconomic conditions, including rising inflationary pressures.

Growth across Advanced Economies (AEs) is expected to moderate to 2.5% in 2022 from 5.2% clocked in 2021. The US economic expansion has been facing headwinds from surging inflation and gradual withdrawal of fiscal and monetary policy support. The rebound that was underway in Europe has suffered a setback due to the Russia-Ukraine conflict with inflation at unpredictable levels. Emerging Markets and Developing Economies (EMDEs) are expected to grow at 3.6% as against 6.8% growth recorded in 2021. Developments in China continue to dominate the outlook for Asia, especially for emerging Asia. The risk of new COVID-19 variants in China has led to mobility restrictions and localized lockdowns, which has slowed private consumption. Emerging and Developing Europe, including Russia and Ukraine will see GDP contract significantly owing to higher energy prices and the disruption of trade.

### Global Economic Growth: Actual and Projections (%)

Particulars	Figure in %		
	2021	2022 (P)	2023 (E)
World Output	6.1	3.2	2.9
Advanced Economies	5.2	2.5	1.4
Emerging Markets and Developing Economies (EMDEs)	6.8	3.6	3.9

P-Projections, E-Estimates

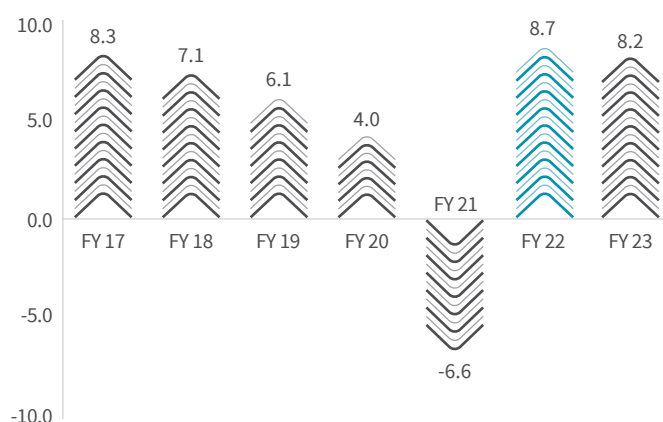
(Source: IMF World Economic Outlook, July 2022)

### Indian Economy

India's underlying economic fundamentals remain strong and despite the short-term turbulences caused by the emergence of newer COVID variants, supply-chain disruptions, and rising inflation, the impact on the long-term outlook will be marginal. The results of growth-enhancing policies and schemes such as production-linked incentives and increased infrastructure spending will start kicking in from 2023, leading to a stronger multiplier effect on jobs and income, higher productivity, and efficiency – all leading to accelerated economic growth.

India's Gross Domestic Product (GDP) has grown by 8.7% in FY 2021-22 as against a contraction of 6.6% in the previous fiscal, and growth is expected at 8.2% in FY 2022-23. Growth has surpassed the pre-pandemic levels on the back of improved performance in the manufacturing and construction sectors. With this, India continues to remain the fastest-growing economy in the world in FY 2021-22 despite the marginal slowdown in the fourth quarter of the year due to the omicron variant of COVID-19.

### India Economic Growth (%)



(Source: National Statistics Office)



The government expanded infrastructure spending to restore medium-term demand thereby assisting in overall economic growth. On the strength of several efforts on the fronts like promoting technology-enabled development, energy transition, and climate action taken by the government in the Union Budget 2022-23, the Indian economy is poised to grow at the fastest rate among the league of large nations. The availability of budgetary space to ramp up capital spending, advantages from supply-side reforms, and continued export growth will stimulate development. However, continued geopolitical conflicts, high inflationary pressures, and renewed coronavirus variants pose significant risks to future growth prospects. Experts believe that though taming inflationary pressures will be the primary target, growth trajectory will continue to be the topmost priority of policymakers, especially with post-pandemic recovery being gradual and uneven.

**INDUSTRY OVERVIEW**

**Infrastructure sector**

The infrastructure sector is a key driver of the Indian economy. Growing urbanization, demand for energy and financing needs for sustainable living pose a challenge for the infrastructural setup in the country. The sector is crucial for propelling India’s overall development and garners intense focus from the government for introducing policies that will ensure formation of world-class infrastructure in the country.

In Union Budget 2022-23, the government has given a massive push to the infrastructure sector by allocating ₹ 10 lakh crore to the sector. The government expanded the National Infrastructure Pipeline (NIP) to 9,335 projects. The focus was on the PM Gati Shakti - National Master Plan for multimodal connectivity to economic zones. Everything, from roads to trains, from aviation to agriculture, as well as many ministries and departments, will be integrated under the PM Gati Shakti National Master Plan. ₹ 100 lakh crore was also envisaged for multi-modal connectivity in October 2021 with the goal of developing infrastructure to lower logistic costs and boost economic growth.

The Gati Shakti Mission will be driven by the seven engines of growth, namely roads, railways, airports, ports, mass transport, waterways, and logistics infrastructure. These would be supported by energy transmission, IT communication, bulk water and sewerage, and social infrastructure. The projects pertaining to the seven engines in the National Infrastructure Pipeline will be aligned with PM Gati Shakti Framework. With these initiatives, the government hopes to increase employment and entrepreneurial opportunities in India, especially for the youth.

In Union Budget 2022-23, an outlay of ₹ 1,40,367 crore was announced for Indian Railways, an increase of 27.5% over the previous year. The government announced its ambition to build a robust railway network with world-class technology and

improved connectivity. As part of rail connectivity, 100 PM Gati Shakti Cargo terminals are proposed to be developed over the next three years. Similarly, the National Highways network is proposed to be expanded by 25,000 km during the year, which is nearly double that of the maximum achieved in the previous 5 years. The proposed spend on urban infrastructure, housing, and ports has been maintained at FY 2021-22 levels, with the outlay on Jal Jeevan Mission increasing by 20%. With higher spending on the infrastructure sector, the government intends to create more employment opportunities and strengthen the country’s economy.

(Source: Union Budget 2022-23, IBEF)

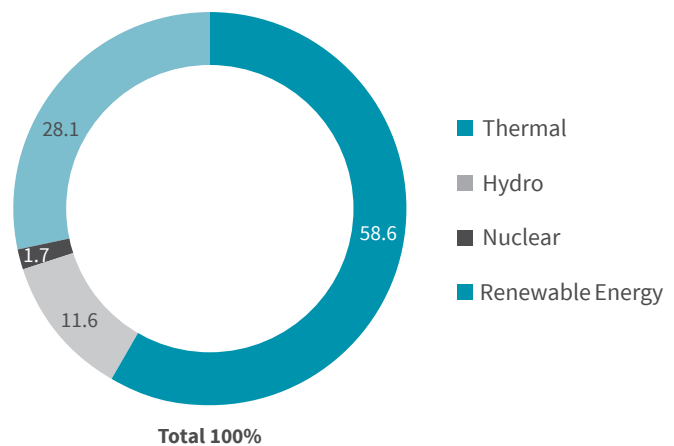
**Power sector**

Power is among the most critical components of infrastructure, crucial for the economic growth and welfare of nations. The existence and development of adequate power infrastructure is essential for the sustained growth of the Indian economy.

India’s power sector is one of the most diversified sector in the world. Sources of power generation range from conventional sources such as coal, lignite, natural gas, oil, hydro, and nuclear power to viable non-conventional sources such as wind, solar, and agricultural and domestic waste. India is the third-largest producer and second-largest consumer of electricity worldwide with an installed power capacity of 402.82 GW as of May 2022. Electricity demand in the country has increased rapidly, driven by growing population along with rising electrification and per-capita usage of electricity.

(Source: Ministry of Power)

**Total Installed Power Generation Capacity (% of Total Capacity)**



(Source: Ministry of Power)

The Central Electricity Authority (CEA) estimates India’s power requirement to reach 817 GW by 2030. The electricity generation target for FY 2022-23 has been fixed at 1,459.34 BU i.e. a growth of 7.62% over the actual generation of 1,356 BU for FY 2021-22.



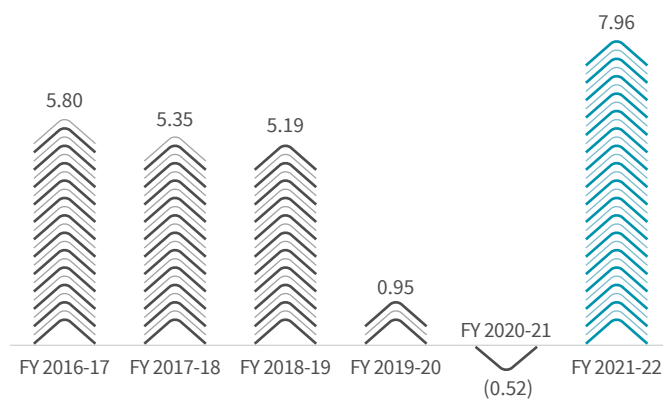
Universal access to affordable power in a sustainable manner has been the guiding principle for the power sector. India has twin goals, to ensure 24x7 adequate and reliable energy access and, simultaneously, accelerate clean energy transition by reducing the country's reliance on fossil-based energy and shifting to renewable energy sources. India added 13.5 GW of renewable energy capacity in FY 2021-22, which is 128% higher than that in FY 2020-21.

The Government of India has released a roadmap to achieve 227 GW capacity in renewable energy (including 114 GW of solar power and 67 GW of wind power) by 2022. It is preparing a 'rent a roof' policy for supporting its target of generating 40 GW of power through solar rooftop projects by 2022. Further, the government plans to establish renewable energy capacity of 500 GW by 2030.

(Source: IBEF)

### Transmission and Distribution sector

Even as India's power demand is steadily rising, its inadequate Transmission and Distribution (T&D) infrastructure continues to be a key factor inhibiting the Government's 'power for all' agenda. Inefficient and poor last-mile connectivity has also resulted in much lower per capita energy consumption than the global average. It is imperative to improve T&D infrastructure to enhance the power sector and accelerate renewable energy generation.



(Source: Ministry of Power)

The Government is working to strengthen the T&D network by adopting several measures which include:

- Budgetary support to state government DISCOMs under the Deendayal Upadhyaya Gram Jyoti Yojana.
- Implementation of 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 and National Smart Grid Mission to improve distribution system.

### Wires and Cables

The domestic wires and cables market, estimated at about ₹ 550 billion, constitutes approximately 40-45% of the Indian electrical industry. Upbeat construction activity in the housing sector and government initiatives in the power and infrastructure sectors have been the key factors driving growth in wires and cables.

Generally, wires consist of a single conductor while cables involve one or more conductors that are used for the transmission of electricity, data, or signals. Power cables are used for the transmission and distribution of electricity from power generating plants to sub stations and end user segments such as residential, commercial, and industrial units. Control and instrumentation cables are used in electrical power systems or any associated process control systems; telecom cables are used for the transmission of voice and data; optical fiber cables are used for high speed data connection, and a host of other types of cables are used in automotive, railways, mining, and consumer appliances, among others.

Government's strong focus on infrastructure, 100% electrification of Indian Railways by December 2023, revival of the real estate sector and end-user industries will result in robust growth of wires and cables. However, sharp inflation and volatility in key raw materials are the major headwinds for the sector. Organized players continued to gain disproportionately due to increased consumer awareness and pandemic-led disruptions faced by smaller players.

(Source: India Consumer Electricals Report 2022)

### Growth Drivers

#### Favorable government reforms

Numerous government initiatives including the National Infrastructure Pipeline, Production-Linked Incentive schemes, focus on indigenous manufacturing, higher budgetary allocations for capital expenditure, renewable energy, digital infrastructure push and Housing for All – have benefited the electrical industry and are likely to augment the demand for electrical cables and wires.

#### Improving electrification and infrastructure

While a large number of houses in rural India are electrified, there exists immense scope till all rural areas get access to reliable electricity. Initiatives such as Saubhagya and Deendayal Upadhyay Gram Jyoti Yojana (DDUGJY) will spur development of rural infrastructure as well as growth in household electrical products. The revival of discoms through Ujjwal Discom Assurance Yojana (UDAY) could also support the government's electrification initiatives.

### National Infrastructure Pipeline (NIP)

In 2019, the Centre announced the National Infrastructure Pipeline (NIP) to build infrastructure projects and drive economic growth. The total capital expenditure in infrastructure sector over a five-year period is estimated at ₹ 111 lakh crore under the NIP. This significant push from the government will increase India's overall potential manifold and present a humongous opportunity to direct and indirect players in the infrastructure value chain. As growth in infrastructure drives demand for wires, cables, and other electrical products, the electrical industry is bound to be a key beneficiary of the potential demand.

### Thrust on renewable energy

Increasing demand for renewable power generation as well as government's ambitious target to reach 175 GW and 500 GW of renewable energy by 2022 and 2030, respectively, are expected to create considerable demand for electrical and solar cables going forward. The Government also launched the National Subsidy Scheme, wherein a subsidy will be available on residential rooftop solar system installations.

### COMPANY OVERVIEW

Established in 1955 as a small scale cable manufacturing unit, Paramount Communications Limited (hereinafter referred to as "Paramount" or "the Company") is a part of the Paramount Cables Group and amongst India's leading cables and wires manufacturing company. In six decades of its operations, the Company has built a robust product portfolio ranging from housing wires to HT cables, Optical Fiber cables to Signalling cables, serving diverse sectors including power, telecom, real estate, railways, and other infrastructure sectors. It also offers various specialized services independently or in collaboration with other established equipment manufacturers and construction companies, in India and overseas.

Strong innovation and technical capabilities, vast portfolio, manufacturing excellence, customer-centricity, and quality consciousness underpin the operations of the Company.

In six decades of its operations, the Company has built a robust product portfolio ranging from housing wires to HT cables serving diverse sectors including power, telecom, real estate, railways, and other infrastructure sectors.

### Manufacturing Facilities

The Company has established two state-of-the-art facilities located at Khushkhera (Rajasthan) and Dharuhera (Haryana) for the manufacturing of cables and wires. PCL's has footprint across the world led by its ability to provide quality products to its reputed customer base. PCL's geographic footprints spans 153 dealers and 102 distributors and 415 retailers across India enabling it to serve diverse customers.

### Product categories:

#### Cables

- Power Cables:** HT and LT Power Cables, HT and LT Aerial Bunch Cables, Control and Instrumentation Cables
- Telecom Cables:** Optical Fiber Cables (OFC) & FTTH, Jelly Filled Cables, CATV Cables
- Railway Cables:** Signalling Cables, Axle Counter Cables, Railway Power Cables
- Special Products:** PTFE Cables, Fire Survival Cables, Solar Cables, OPGW

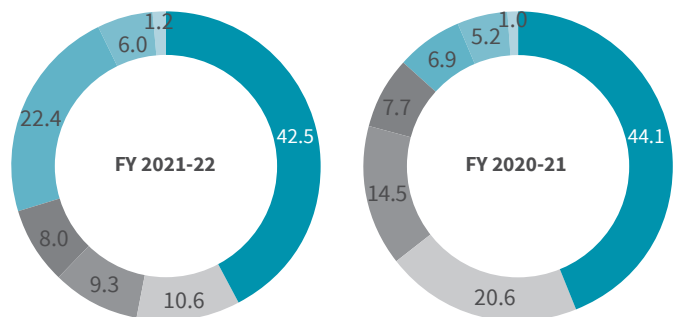
#### Housing and Domestic Wires

- Domestic Wires & Cables:** Building Wires, Submersible Multicore Cables, Coaxial and LAN Cables

#### Specialized Turnkey Services

- Telecom Consultancy & Turnkey, Power & Railway Turnkey Projects, Specialized Projects: OPGW, Submarine Cables Installation & Repair

### REVENUE BREAK-UP BY PRODUCT SEGMENT (%)



- Power Cables
- Railway Cables
- Telecom Cables
- House Wires
- Exports
- Turnkey Services
- Others (Export Benefit and Scrap)

### POWER CABLES

The power cables segment is the largest revenue and profit generator for the Company. This Segment leverages the Government schemes in the transmission and distribution sector. In FY 2021-22, this segment contributed 42.5% to the total revenue. The total sales of the segment is ₹ 247 crore as compared to ₹ 229 crore in FY 2020-21.

### RAILWAY CABLES

The Company continues to be among the largest supplier of specialized cables for the Indian Railways. Railway cables contributed 10.6% to the revenue mix of FY 2021-22. During the year, the total sales of the segment is ₹ 62 crore from ₹ 107 crore in FY 2020-21. The segment is well-poised to deliver further growth mainly on account of the government's focus on electrifying the Indian Railways.

### TELECOM CABLES

The Company is a leader in wiring and cabling solutions in the telecommunication sector, with an established reputation for high quality and lasting performance. The segment contributed 9.3% to the total revenue. The total sale of telecom cables stood at ₹ 54 crore in FY 2021-22 from ₹ 75 crore in the previous year.

### HOUSE WIRES

The Company manufactures a full range of long-lasting building wires for the Indian consumer market. In FY 2021-22, the segment of House Wires contributed 8.0% to the total revenue. The sale of House Wires stood at ₹ 46 crore in FY 2021-22 as compared to ₹ 40 crore in FY 2020-21.

### EXPORTS

The Company exports high-quality and high-performance wires and cables and has created a distinctive identity for itself in the international market. During the year under review, our export segment sale has increased significantly and contributed 22.4% to the total revenue. The total export sale stood at ₹ 130 crore in FY 2021-22 from ₹ 36 crore in the previous year.

### SPECIALIZED TURNKEY SERVICES

Specialized Turnkey services currently contributes 6.0% to the total revenue of the Company. The Turnkey projects revenue stood at ₹ 35 crore in FY 2021-22 as compared to ₹ 27 crore in the previous year.

### OTHERS

The Export benefit and Scrap revenue stood at ₹ 7 crore in FY 2021-22, as compared to ₹ 5 crore in the previous year.

## Financial Performance

The financial statements of Paramount Communications Limited are prepared in accordance with the Indian Accounting standards prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, as amended from time to time. Significant accounting policies used in the preparation of the financial statements are disclosed in the notes to the financial statements. The following table gives an overview of the financial results of the Company:

Particulars	FY 2021-22			FY 2020-21	
	Revenue (₹ in lakhs)	% of Revenue	% of Growth	Revenue (₹ in lakhs)	% of Revenue
Revenue from Operations including other income	58,468	100	12.06	52,177	100
Earnings before interest, tax, depreciation, and amortization (EBITDA)	2,416	4.13	25.70	1,922	3.68
Profit Before Tax (PBT)	821	1.40	165	310	0.59
Profit after tax including other comprehensive income	879	1.50	157	342	0.65
Earnings per share (in ₹)	0.42	-	-	0.17	-

## KEY STANDALONE RATIOS

Particulars	FY 2021-22	FY 2020-21	% Variance	Reason for variance more than 25%
Current Ratio	2.99	3.38	(11.64)	-
Debt Equity Ratio	0.93	1.05	(11.74)	-
Debtor Turnover Ratio	3.40	2.77	22.69	-
Inventory Turnover Ratio	4.22	3.95	6.83	-
Interest Coverage Ratio	3.72	2.69	38.29	Due to debt repayment
Operating Profit Margin (%)	14.50	13.11	10.60	-
Net Profit Margin (%)	1.42	0.60	136.98	Due to increase in profitability
Return on Equity (%)	4.16	1.65	151.52	Due to increase in profitability
Return on Net Worth (%)	4.07	1.68	142.26	Due to increase in profitability

## Competitive Business Strategy

The Company's focus on R&D and innovation enables it to produce pioneering and high-quality products as per customer requirements. This has led Paramount to achieve sustainable growth and maintain its product competitiveness in the market. Its performance is well supported by a vast dealer and distribution network, long-standing customer relationships, sound financial position, and attractive business opportunities. The key business strengths of the Company are enumerated below:

### I. Diverse Portfolio

Paramount has a wide range of wires and cables catering to core infrastructure sectors. The Company's presence across multiple sectors and a diversified business model insulates it from concentration risk and gives strength to its business.

### II. Institutional business

Majority of the Company's revenue comes from government and institutional sales. Paramount is an approved and reliable cable supplier to the government, public sector units, and major private players in India. This segment is expected to witness further growth due to strong impetus on infrastructure development in the country.

### III. Increasing share of retail business

Paramount is increasingly focusing on growing its retail business due to higher margins and lower capital expenditure in the B2C segment. The Company is fast minimizing its dependence on institutional sales and expanding its distribution reach of the fire-retardant and lead-free home wiring solutions across India.

### IV. Financial acumen

The Company is backed by a sound balance sheet and comfortable debt-to-equity ratio. While its financial strength and strong net worth enable it to participate in new tenders, a prudent capital allocation approach strengthens its financial position and enhances margins and profitability.

### V. Growing export business

By leveraging its best-in-class technical capabilities, international certifications, and customer testimonials across domestic and international markets, the Company is augmenting its export business and sees high growth potential and strong demand, as its contribution increased to 22.4% in FY2021-22 as compared to 6.9% during FY2020-21. The Company has established its products in the developed countries. It is further supported by its consistent R&D spends and product upgradation to meet the stringent international standards.

## VI. Lucrative specialised turnkey services opportunities

The turnkey services enables the Company to bolster its product portfolio. Paramount aims to secure profitable projects in the telecom and power segments for generating revenue in the long term. This is also driven by the government's increasing thrust on executing large projects on turnkey and PPP models to provide greater opportunities to large and organized players.

### Risk Management

Paramount has a well-structured risk management framework in place for the identification and mitigation of key business risks. The risk management process ensures timely and effective manner of identifying, addressing, and dealing with the risks. The Company conducts a periodic review of the risks and prepares a mitigation framework. Key risks associated with the business and its mitigation strategies are as under:

#### Competition Risk

The cables and wires industry is prone to stiff competition from the entry of both organized and unorganized players. Inability to minimize competition risk by offering high-quality products at better pricing may impact the Company's revenue and profitability.

#### Mitigation Strategy

The Company's vast product portfolio benchmarked to international certifications and value pricing has already created a niche and superior value proposition for customers.

The Company is strongly focused on brand building by offering high quality products.

#### Supply Risk

Inability of the Company to source key raw materials from the suppliers on time may cause production disruptions and default in project deliverables.

#### Mitigation Strategy

To mitigate the risk of supply shortage and ensure business continuity, the Company engages into long-term contracts with manufacturers and suppliers of key components.

#### Technology Risk

Failure to deliver products as per client requirements and technical specifications and/or product failure may lead to loss of business and revenue.

#### Mitigation Strategy

The Company gives primary importance to technology and makes consistent investments in product innovation and upgradation in line with the latest technological developments.

### Raw Material Risk

Fluctuations in the availability and prices of raw materials like copper, aluminum, steel, nickel etc., may impact the prices of cables and house wires manufactured by the Company. Paramount has adequate internal control systems for effective management of financial risks and price volatility.

#### Mitigation Strategy

The Company maintains optimal inventory at all times to avoid production delays or interruptions and takes necessary price hikes or cuts to counter commodity price fluctuations.

### Foreign Exchange Fluctuation Risk

The Company imports raw materials and exports final products to several international markets; therefore, it is exposed to foreign exchange fluctuation risk.

#### Mitigation Strategy

Paramount monitors currency fluctuations and practices adequate hedging to minimize the impact of adverse exchange rate fluctuations. The Company also does proper sensitivity analysis for its borrowings.

### Policy Change Risk

The Company's business is much exposed to adverse movements or changes in government legislations, policies, and regulations. Moreover, frequent monetary policy changes may also affect its borrowing terms and margin profile.

#### Mitigation Strategy

To counter these challenges, the Company has been focusing on three things: strengthening its retail business to insulate the business from adverse policy regulations; diversification into multiple sectors; and increasing the proportion of its export business in the total sale mix.

### INFORMATION TECHNOLOGY

Technology is a key differentiator and the driving force behind all process and product innovations. The Company has employed a highly skilled and dedicated IT team to oversee the technological operations and ensure that the technological, operational, and cyber processes are aligned with the latest industry standards.

Further, the Company leverages advanced and best-in-class software and servers to ensure smooth operations and maintain new products, services, frameworks, processes, and methodologies. Leveraging the robust IT infrastructure enabled the Company to provide remote working facilities to its employees and ensure uninterrupted operations amid the pandemic-related disruptions. The management of the Company makes regular investments in R&D and technology processes to increase operational efficiencies, offer quality and innovative solutions, and enhance customer satisfaction. The Company's SAP software, the world's foremost ERP software, further augments the IT capabilities of the Company.

### HUMAN RESOURCES

Employees are the most important asset of the Company. The Company has a well-documented HR policy that fosters a conducive and productive work culture and aligns employees' goals with the organization's growth vision. The Company periodically conducts learning and development workshops and programs to enhance the skills and capabilities of employees and boost their morale. The Company has imparted behavioral training to the employees to enhance their leadership skills, team building, personal development, problem-solving & decision-making skills. The Company has a well designed policy to felicitate the employees for their years of services. Further, it incentivizes the employees to contribute to their fullest potential by offering performance-based rewards and growth opportunities based on meritocracy. As on March 31, 2022, the Company had a total of 254 employees on permanent roll.

### INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has a well-framed internal control system in place commensurate with the size and nature of its business. These internal controls are responsible for adherence to the applicable laws and regulations, safeguarding of assets from fraud/misuse and reliability and timely reporting of financial and operational information. The internal auditors of the Company conducts periodic audits to ensure the adequacy and effectiveness of the internal controls. All audit reports are submitted to the Audit Committee of the Board which reviews and approves the performance of internal audit function on a quarterly basis and takes corrective action.

# Board's Report

To,  
 The Members of  
**Paramount Communications Limited**

The Directors present the 28<sup>th</sup> Annual Report of Paramount Communications Limited (“the Company” or “Paramount”) along with the audited financial statements for the financial year ended March 31, 2022.

## 1. FINANCIAL HIGHLIGHTS

The Company's financial performance for the year ended March 31, 2022 is summarised below:

Figure in ₹ / Lakhs

Particulars	Year ended 31.03.2022 (Standalone & Consolidated)	Year ended 31.03.2021 (Standalone & Consolidated)
<b>Total Revenue including Other Income</b>	<b>58,468</b>	<b>52,177</b>
<b>Profit/ (Loss) before Interest, Depreciation, Tax and Exceptional items</b>	<b>2,416</b>	<b>1,922</b>
Interest	641	705
Depreciation & Amortisation expenses	954	907
Profit/ (Loss) before Tax and Exceptional items	821	310
Tax Expenses	-	-
<b>Profit/ (Loss) after Tax and Exceptional Items</b>	<b>821</b>	<b>310</b>
Other Comprehensive Income	58	32
<b>Total Net Profit/ (Loss) for the year including other Comprehensive Income</b>	<b>879</b>	<b>342</b>

On a consolidated and standalone basis, the revenue for FY 2022 was ₹ 58,468 lakhs, higher by 12% over the previous year's revenue of ₹ 52,177 lakhs. The Profit after tax and before comprehensive income in FY 2022 was ₹ 821 Lakhs registering a growth of 165% over the PAT of ₹ 310 lakhs in FY 2021.

### 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. 28<sup>th</sup> 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. 1<sup>st</sup> April, 2017.

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 31<sup>st</sup> March, 2022.

The Company has no Joint venture or Associate Companies within the meaning of section 2 (76) of the Companies Act, 2013.

There are no companies which have become or ceased to be subsidiary, joint venture and / or associate of the company during the financial year 2021-22.

### 3. TRANSFER TO RESERVES

During the year, the Board of Directors of your Company has decided not to transfer any amount to the reserves.

### 4. DIVIDEND

Your directors do not recommend declaration of any dividend for the financial year 2021-2022.

### 5. FUTURE OUTLOOK

The global market for wires and cables is estimated to grow from \$335.0 billion in 2021 to reach \$426.8 billion by 2026, at a compound annual growth rate (CAGR) of 5% during the forecast period of 2021-2026\*. In Union Budget 2022-23, the government has given a massive push to the infrastructure sector which will led to improved demand for the whole cable industry and the growth of your Company. Due to these factors, the outlook for Paramount's products looking very positive. By leveraging its fundamental strength of possessing a majority of prominent customer approvals, international approvals and pre-qualifications in the country along with strong brand recall, the Company aims to propel growth in exports and its major business segments of Optical Fibre cables, Railway Signalling cables, Power cables etc. Further, depending on present demand position, your Company expects a substantial growth in its export base.

(Source: BCC Research Report)

### 6. COMPANY'S RESPONSE TO COVID

The COVID 19 crisis continued to impact during the year 2021 as well. As the pandemic prolonged another year, the Paramount team become more resilient and issues guidelines to ensure employee safety and business continuity. As part of our response to the pandemic, we undertook regular screening of staff across plants and offices, sanitisation of workplaces, social distancing norms, vaccination of our employees, awareness programmes were followed in compliance with the regulations of the local authorities.

### 7. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THIS REPORT.

The Board has approved the issue of equity warrants upto 2,90,00,000 convertible into equal number of equity shares to the entity belonging to the Promoter Group on Preferential basis subject to the approvals, consents, permissions and sanctions of the Securities and Exchange Board of India ("SEBI"), Stock Exchanges and any other concerned authorities and the approval of the members of the Company at the forthcoming Annual general Meeting. The details of the proposed issue is mentioned in the Explanatory statement annexed to the Notice of AGM forming part of this report.

### 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, 2022, have been disclosed by all the Directors of the Company.

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

Mr. Sandeep Aggarwal (DIN 00002646) retires by rotation and being eligible, offers himself for re-appointment. A resolution seeking shareholders' approval for his re-appointment along with other required details forms part of the Notice.

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. There has been no change in the circumstances affecting their status as independent directors of the Company; and
- ii) They have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.
- iii) Further, 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.
- iv) They have also confirmed that they have complied with the Company's Code of Business Conduct & Ethics.

During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses, if any.

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, 5 (Five) 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 were also held on 12<sup>th</sup> February, 2022, 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. BOARD EVALUATION

In accordance with the provisions of the Companies Act, 2013 and SEBI Listing Regulations, the Board adopted a formal mechanism for evaluating its performance and as well as that of its committees and individual Directors on annual basis

The Board of Directors of the Company at its meeting held on February 12, 2022 undertook an annual evaluation of the performance of the Board, its Committees and all the individual Directors.

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

Pursuant to Section 134 (5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirm that:

- i) In the preparation of the annual accounts, 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) They 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, 2022 and of the profit of the Company for the year ended on that date;

- iii) They 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) They have prepared the annual accounts on a going concern basis;
- v) They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively; and
- vi) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### 13. COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND ANNUAL GENERAL MEETINGS

The Company has complied with the Secretarial Standards issued by the Institute of Company secretaries of India on Board Meetings and Annual General Meetings.

### 14. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

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.

#### Remuneration Policy

The Nomination and Remuneration Policy of the Company is designed to attract, motivate and retain talent by offering an appropriate remuneration package and also by way of providing a congenial & healthy work environment. The Policy shall guide the remuneration of Directors, Senior Management including Key Managerial Personnel and other employees of the Company.

The Company pays remuneration by way of salary, benefits, perquisites and allowances to its Managing Director and the Executive Directors.

The Company pays sitting fees of ₹ 60,000 per meeting to its Non-Executive Directors for attending meetings of the Board or meetings of committees of the Board and reimburses the out-of-pocket expenses incurred by the Directors for attending the meetings.

The detailed Nomination & Remuneration Policy is also available on the website of the Company at [www.paramountcables.com](http://www.paramountcables.com) under Investor Relations Section.

### 15. ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2022 is available on the website of the Company at [www.paramountcables.com](http://www.paramountcables.com) under Investor Relations Section.

### 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. The Company uses IT-supported platforms to keep the IFC framework robust. 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.

M/s P. Bholusaria & Co., Chartered Accountant, the statutory auditors of Paramount have audited the financial statements included in this annual report and have issued an report on the Company's Internal Control over financial reporting (as defined in section 143 of the Companies Act, 2013)

### 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.

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

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 2021-2022, 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](http://www.paramountcables.com).

Members may refer Note 47 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 Policy is available on the Company's website at [www.paramountcables.com](http://www.paramountcables.com).

## 21. AUDITORS AND AUDITORS REPORT

### a) Statutory Auditors

M/s P. Bholusaria & Co., Chartered Accountants (Firm Registration No. 000468N) of the statutory auditors of the Company, will hold office till the conclusion of the twenty eighth Annual General Meeting of the Company. The Board has recommended the re-appointment of M/s P. Bholusaria & Co., Chartered Accountants as the statutory auditors of the Company, for a second term of five consecutive years, from the conclusion of the twenty eighth Annual General Meeting scheduled to be held in the year 2022 till the conclusion of the thirty-third Annual General Meeting to be held in the year 2027, for approval of shareholders of the Company, based on the recommendation of the Audit Committee.

M/s P. Bholusaria & Co., Chartered Accountants have consented to the said re-appointment, and confirmed that their re-appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be reappointed as Statutory Auditors in terms of the provisions of the Act, and the provisions of the Companies (Audit and Auditors) Rules, 2014, as amended from time to time.

### Statutory Auditors' Report

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

Your Board of Directors has re-appointed M/s. Jain Sharma & Associates, Cost Accountants (firm registration no.: 000270) as Cost Auditor of the Company for conducting the audit of cost records maintained by the Company for the financial year 2022-23 in accordance with section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014. The Company has received a letter from the Cost Auditor 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.

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.

### Cost Audit Report

There are no qualifications, reservations or adverse remarks made by Cost Auditors in their Report for

FY 2021-22. Further, the Cost Audit Report for the FY 2020-21 was filed on September 07, 2021, and for the FY 2021-22 the Cost Audit Report to be filed within due date.

### c) **Secretarial Auditor**

The Board of Directors has appointed Ms. Rekha Mittal (Membership No. FCS – 8800 & CP No. – 10180), Practicing Company Secretary, as Secretarial Auditor of the Company pursuant to the provisions of Section 204 of the Companies Act, 2013 read with corresponding rules made thereunder for conducting Secretarial Audit of the Company for the Financial Year 2022-23.

The Secretarial Audit Report for the financial year ended March 31, 2022, is annexed herewith in Form MR-3, and marked as **Annexure A** to this Report. The Board of Directors reviewed the remark made by the Secretarial Auditor that the Company has filed one Form No. MGT-14 relating to a vehicle loan later on.

#### **Comment of Board of Directors**

The Comment of the Auditor is Self Explanatory.

### d) **Annual Secretarial Compliance Report**

The Annual Secretarial Compliance Report for the financial year ended 31<sup>st</sup> March, 2022 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 exchanges(s).

## 22. **REPORTING OF FRAUD**

The Auditors of the Company have not reported any fraud as specified under section 143(12) of the Companies Act, 2013.

## 23. **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Over the years, the Company has focused on several corporate social responsibility programmes like Empowering Children and Women, Promoting Health & Sanitation, Nurturing Communities and COVID vaccination drive. 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 have been disclosed in the financial statements.

## 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 Complaint 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.

## 27. **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.



#### 28. DETAILS OF MONEY ACCEPTED FROM DIRECTORS

The Company has received the unsecured loan from Mr. Sanjay Aggarwal and Mr. Sandeep Aggarwal, executive directors of the Company. The Company has received the declaration and necessary disclosures have been made in this regard.

#### 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. INDUSTRIAL RELATIONS

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.

#### 32. 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 has UL and LPCB approvals for supply of its products in the European Market.

#### 33. INSURANCE

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

#### 34. 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 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.

#### 35. 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 Board of Directors of  
**Paramount Communications Limited**

**Place:** New Delhi  
**Date:** 09<sup>th</sup> August, 2022

**(Sanjay Aggarwal)**  
Chairman & CEO  
DIN: 00001788



## FORM NO. MR-3

## SECRETARIAL AUDIT REPORT

## FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

[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 **31<sup>st</sup> March, 2022** ("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 31<sup>st</sup> March, 2022, 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, 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 Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited

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 observation that the Company has filed one Form No. MGT-14 relating to a vehicle loan later on.

### 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 31<sup>st</sup> March, 2022. 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 trading approval in respect of 1,00,50,000 (One Crore and Fifty Thousand) equity shares allotted to Promoter and Promoter Group consequent to conversion of warrants was received from BSE Ltd. and National Stock Exchange of India Limited vide their letter dated 31<sup>st</sup> May, 2021.

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.

**(Rekha Mittal)**

Practising Company Secretary  
M. No. : F8800 C. P. No. : 10180  
**UDIN:** F008800D000764544

**Place:** New Delhi

**Date:** 09<sup>th</sup> August, 2022

## 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.
6. 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.
7. 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. Rekha Mittal, its 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.

**(Rekha Mittal)**

Practising Company Secretary  
M. No. : F8800 C. P. No. : 10180  
**UDIN:** F008800D000764544

**Place:** New Delhi  
**Date:** 09<sup>th</sup> August, 2022

**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 2021-22, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-22.

Sl. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for financial year 2021-22 (₹ in Lac)	% increase in Remuneration in the financial year 2021-22	Ratio of remuneration of each Director/to median remuneration of employees
1.	Mr. Sanjay Aggarwal (Whole Time Director)	179.05	17%	43
2.	Mr. Sandeep Aggarwal (Managing Director)	178.84	17%	43
3.	Mr. Shambhu Kumar Aggarwal (Chief Financial Officer)	32.83	23%	8
4.	Ms. Rashi Goel (Company Secretary and Compliance Officer)	10.49	25%	3

- B. There were 254 permanent employees on the rolls of Company as on 31<sup>st</sup> March, 2022.
- 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. Average increase in the salaries of employees and the managerial personnel in the financial year 2021-2022 was 9%.
- 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 31<sup>st</sup> March, 2022 is as per the Remuneration Policy of the Company.

## ANNEXURE C

**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 as follows:**

**A. CONSERVATION OF ENERGY:**

**1. Steps taken or impact on Conservation of Energy**

- i) Use PNG for Boilers to save Diesel.
- ii) Replaced conventional GLS lamps and FTLs with LED lighting.
- iii) Replaced HPSV/Halogen/FTL fixtures streetlight with LED light fixtures.
- iv) Initiation of conversion of diesel generator set into hybrid fuel system.
- v) Replaced transparent sheet with poly carbonate sheet to increase light in daytime.
- vi) Merge Two Pumphouse used for Sheathing line into one pump house & Synchronised Pump with overhead tank.
- vii) Synchronised Cooling tower with Temperature.
- viii) 1000 KVA D.G Converted from diesel to dual fuel (Diesel + PNG)
- ix) 90% D.C Motor replaced with IE-3 AC Motor.
- x) Use air blower for air wiping at all Sheathing lines to save compressed air and energy.
- xi) Use 11KV HSEB incoming line with independent feeder and covered conductor to minimize HSEB line breakdown.
- xii) Steam line insulated with glass wool to save energy.

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

Switch over from Diesel fuel to Piped Natural Gas (PNG) for DG Sets and Boiler.

**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.

**Product Improvement**

New Approval for Cable manufacturing up to 66KV as per IS:7098 Part 3

**Product Development**

Worked towards new products catering to different export markets.

**Process Improvement**

- Clean Room Installation for Cable Manufactured up to 66KV.
- Proper Resource Utilization.
- Lesser scrap/wastage generation.
- lesser break down & enhancement of productivity.
- Upliftment of facilities.

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 : ₹ 13021.31 lakh

Outgo : ₹ 1474.01 lakh

For and on behalf of Board of Directors of  
**Paramount Communications Limited**

**(Sanjay Aggarwal)**

Chairman & CEO

**DIN: 00001788**

**Place:** New Delhi

**Date:** 09<sup>th</sup> August, 2022

# 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](http://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 and serves as Director or as independent directors in more than seven listed entities. None of the executive directors serves as independent directors in more than three 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 section 149 (6) of the Companies Act, 2013 and that they are independent of the management. In terms of Regulation 25 (8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.
  - (iv) Five 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: June 26, 2021; August 10, 2021; November 13, 2021; February 12, 2022; March 10, 2022. 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, 2022 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 2021-22	Whether attended last AGM held on September 28, 2021	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	5	Yes	0	0	0	0
Sandeep Aggarwal (Managing Director) DIN 00002646	Executive Director	5	Yes	2	1	2	0
Vijay Bhushan DIN 00002421	Independent, Non-Executive	4	Yes	4	2	3	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	5	No	1	0	0	1. Sumedha Fiscal Services Limited
Malini Gupta DIN 03464410	Independent, Non-Executive	5	Yes	0	0	0	0
Praveena kala DIN 08765830	Independent, Non-Executive	5	Yes	3	2	3	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 2021-22, 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 2021-22, one meeting of the Independent Directors was held on February 12, 2022.
- (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, four 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, 2022 are given below:

Name	Category	Number of Equity Shares
Sanjay Aggarwal	Non-Independent, Executive	1,40,61,013
Sandeep Aggarwal	Non-Independent, Executive	1,40,03,533

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

In the context of Company's business and activities, the Company requires Industry knowledge of wire and cable sector, skills/expertise/competencies in the areas of Finance, Internal Audit, Capital Market, Economics, Risk and Governance, Strategy & Planning, Business Leadership, General Corporate Management, Entrepreneurship & allied fields and behavioral Competencies. 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.

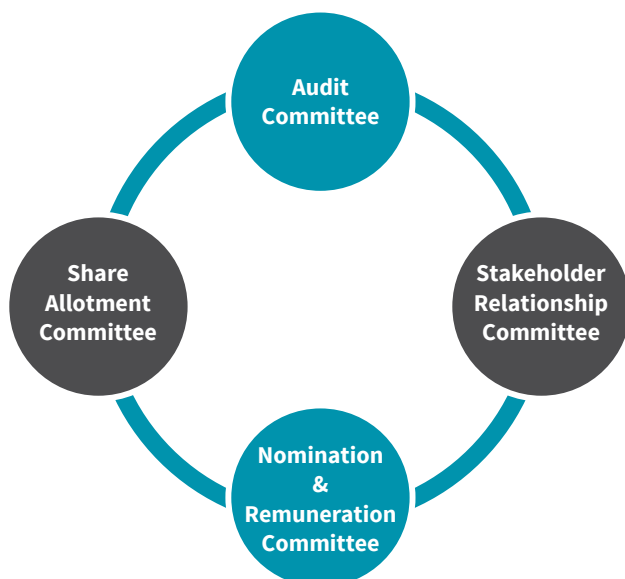
- **Directors' Profile**

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

The role and composition of the above committees, including the number of meetings held during the financial year ended on 31<sup>st</sup> March, 2022, and attendance of Directors thereat, are given hereunder.

### 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.



#### (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. Due to some unavoidable reasons, Mr. Vijay Maheshwari, Independent Director and Chairman of the Audit Committee, was not able to attend the last Annual General Meeting of the Company held on 28<sup>th</sup> September, 2021. However, on his behalf, the other members of the Committee were available to answer the queries of shareholders. Ms. Rashi Goel, Company Secretary of the Company acts as the Secretary of the Committee.

### Meetings of Audit Committee held during the financial year 2021-22.

During the financial year ended on 31<sup>st</sup> March, 2022, 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			
		26 <sup>th</sup> June, 2021	10 <sup>th</sup> August, 2021	13 <sup>th</sup> November, 2021	12 <sup>th</sup> February, 2022
Mr. Vijay Maheshwari	Chairman	√	√	√	√
Mr. Vijay Bhushan	Member	√	√	√	√
Ms. Malini Gupta	Member	√	√	√	√
Ms. Praveena Kala	Member	√	√	√	√

#### Notes:

- 1) Committee invites such of the executives as it considers appropriate, representatives of the statutory auditors and internal auditors, to be present at its meetings.
- 2) 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. Management letters / letters of internal control weaknesses issued by the statutory auditors.
5. Internal audit reports relating to internal control weaknesses
6. The appointment, removal, and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
7. 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 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 31<sup>st</sup> March, 2022, 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
		12 <sup>th</sup> February, 2022
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 28, 2021.

The details of Investor complaints/grievances received and redressed during FY 22 are as follows:

Opening Balance	Received during the year	Resolved during the year	Closing balance
-	39	37	2

The Investor complaints/Investor grievances received during the year under review were change of address, exchange of share certificate, updation of bank details, registration of PAN, procedure of IEPF-5 claim form and claiming shares from IEPF account. We are pleased to report that the grievance related exchange of share certificate which was pending as on 31.03.2022 is resolved as on date.

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 28, 2021.

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
		12 <sup>th</sup> February, 2022
Mr. Vijay Bhushan	Chairman	√
Mr. Vijay Maheshwari	Member	√
Mrs. Malini Gupta	Member	√

\*Due to some medical condition, Mr. Vijay Bhushan, chairman of the Committee was not able to take up the agenda items for discussion. With the consent of all members of the Committee, Mr. Vijay Maheshwari was acted as the chairman of the Nomination and Remuneration Committee meeting held on 12.02.2022.

### 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—

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- 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 and independence of behavior and judgement, integrity, timely decisions and knowledge and expertise. 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

#### (f) DETAILS OF THE REMUNERATION FOR THE YEAR ENDED MARCH 31, 2022

- Details of remuneration paid to Executive Directors (Key Managerial Personnel) during the year 2021-2022:**

Aggregate value of salary, perquisites and commission paid during the financial year 2021-22 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.	Commission	Total
Mr. Sanjay Aggarwal	161.04	18.00	-	179.04
Mr. Sandeep Aggarwal	160.84	18.00	-	178.84

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.

No meeting of the Share Allotment Committee was held during the period under review.

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
	12 <sup>th</sup> February, 2022
Mr. Vijay Maheshwari	√
Mr. Vijay Bhushan	√
Mrs. Malini Gupta	√
Mrs. Praveena Kala	√

- **The Company does not have any Employee Stock Option scheme.**
- **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.

- **Compensation and Disclosures of Non-Executive Directors**

The Non-executive Directors are paid a sitting fee at the rate of Rs. 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 Rs. 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 31<sup>st</sup> March, 2022 are as follows:

Name of the Director	Sitting Fee paid (In ₹)
Mr. Vijay Maheshwari	6,60,000
Mr. Vijay Bhushan	6,60,000
Mrs. Malini Gupta	7,20,000
Mrs. Praveena Kala	6,00,000

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.

#### **Criteria of making payments to Non-Executive Directors:**

The terms of appointment / re-appointment, remuneration / fees, removal of Non-Executive Directors are governed by the resolutions passed by the Board / the Nomination and Remuneration Committee, which cover the terms and conditions of such appointment/re-appointment as per the Nomination and Remuneration Policy and Article of Association of the Company, as amended from time to time. No separate Service Contract is entered into by the Company with any Non-Executive Directors.

The detailed Nomination & Remuneration Policy is available on the website of the Company at [www.paramountcables.com](http://www.paramountcables.com) under Investor Relations Section.

- **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	28 <sup>th</sup> September, 2021 at 04.30. P.M	30 <sup>th</sup> September, 2020 at 04.30. P.M	24 <sup>th</sup> September, 2019 at 3.00. P.M
Financial year	2020-2021	2019-2020	2018-2019
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
Special Resolution(s) Passed	No Special Resolution was passed in the meeting.	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 Mr. Sanjay Aggarwal, CEO & Chairman of the Company.  Revision in Remuneration of Mr. Sandeep Aggarwal, Managing Director of the Company.

**5. EXTRAORDINARY GENERAL MEETING:**

No extraordinary general meeting of the members was held during FY 2021-22.

**6. POSTAL BALLOT**

- a) During the financial year ended 31<sup>st</sup> March, 2022, No resolutions were passed by way of postal ballot for seeking approval of members.
- b) Currently, there is no proposal to pass any Special resolution through Postal Ballot.

**7. OTHER DISCLOSURES**

Particulars	Regulations	Details	Website link for details/policy
Related party transactions	Regulation 23 of SEBI Listing Regulations and as defined under the Act	There are no material related party transactions during the year under review. Transactions entered with related parties during FY 21-22 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 uploaded on the website of the Company.	<a href="https://paramountcables.com/wp-content/uploads/2022/07/Policy-for-Dealing-with-Related-Party-Trasnactions.pdf">https://paramountcables.com/wp-content/uploads/2022/07/Policy-for-Dealing-with-Related-Party-Trasnactions.pdf</a>
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	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.	
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.	<a href="https://paramountcables.com/wp-content/uploads/2021/11/Whistle-Blower-Vigil-Mechanism-Policy.pdf">https://paramountcables.com/wp-content/uploads/2021/11/Whistle-Blower-Vigil-Mechanism-Policy.pdf</a>
Discretionary requirements	Schedule II Part E of the SEBI Listing Regulations	<ol style="list-style-type: none"> <li>1) The Company does not have Non-Executive Chairman and no expenses are being incurred &amp; reimbursed in this regard.</li> <li>2) The auditors' report on financial statements of the Company are unmodified</li> <li>3) The Internal Auditor of the Company directly reports to the Audit Committee.</li> <li>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 <b>www.paramountcables.com</b>. Also, financial results and shareholding pattern of the Company are available at <b>www.bseindia.com &amp; www.nseindia.com</b>.</li> </ol>	



Particulars	Regulations	Details	Website link for details/policy
Subsidiary companies	Regulation 24 of the SEBI Listing Regulations	<p>The Company does not have any material Indian subsidiary company. However, the Company has the following direct wholly owned subsidiaries located outside India:</p> <ol style="list-style-type: none"> <li>1) *Paramount Holdings Limited, incorporated under the laws of Cyprus;</li> <li>2) **AEI Power Cables Limited, incorporated under the laws of England and Wales;</li> <li>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 28<sup>th</sup> February, 2014.</li> </ol> <p><b>Note:</b></p> <ol style="list-style-type: none"> <li>1) The management of Paramount Holdings Limited are taking steps to liquidate the Company in accordance with the applicable laws of the country.</li> <li>2) **AEI Power Cables Limited, United Kingdom has ceased to trade and became dormant w.e.f. 1<sup>st</sup> April, 2017. The management of the Company intends to keep the company in existence, for use in foreseeable future, as and when required.</li> </ol> <p>The Company has a policy for determining ‘material subsidiaries’ which is disclosed on its website.</p>	<a href="https://paramountcables.com/wp-content/uploads/2021/05/Policy-on-Material-Subsidiary.pdf">https://paramountcables.com/wp-content/uploads/2021/05/Policy-on-Material-Subsidiary.pdf</a>
Policy on Determination of Materiality for Disclosures	Regulation 30 of SEBI Listing Regulations	The Company has adopted this policy.	<a href="https://paramountcables.com/wp-content/uploads/2021/05/Policy-on-Criteria-for-determining-Materiality-of-events.pdf">https://paramountcables.com/wp-content/uploads/2021/05/Policy-on-Criteria-for-determining-Materiality-of-events.pdf</a>
Policy on Archival and Preservation of Documents	Regulation 9 of SEBI Listing Regulations	The Company has adopted this policy	<a href="https://paramountcables.com/wp-content/uploads/2021/05/PRESERVATION-OF-DOCUMENTS-AND-ARCHIVAL-POLICY.pdf">https://paramountcables.com/wp-content/uploads/2021/05/PRESERVATION-OF-DOCUMENTS-AND-ARCHIVAL-POLICY.pdf</a>
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 Regulations	<p>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, 2022. The Annual Report of the Company contains a certificate by the Chairman &amp; Chief Executive Officer on the compliance declarations received from the members of the Board and Senior Management.</p> <p><b>(Annexure A)</b></p>	<a href="https://paramountcables.com/wp-content/uploads/2021/11/Code-of-conduct.pdf">https://paramountcables.com/wp-content/uploads/2021/11/Code-of-conduct.pdf</a>

Particulars	Regulations	Details	Website link 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.	<a href="https://paramountcables.com/wp-content/uploads/2021/11/Terms-and-conditions-for-appointment-of-ID.pdf">https://paramountcables.com/wp-content/uploads/2021/11/Terms-and-conditions-for-appointment-of-ID.pdf</a>
Familiarization 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. Details of familiarization imparted to Independent Directors are available on the Company's website.	<a href="https://paramountcables.com/wp-content/uploads/2022/08/Familiarization-Programme.pdf">https://paramountcables.com/wp-content/uploads/2022/08/Familiarization-Programme.pdf</a>
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 <b>Annexure B</b> .	
Total fees Paid to Statutory Auditors		The Company has paid a total fee of ₹ 18.04 lakhs to statutory Auditors i.e. M/s P. Bholusaria & Co., during the FY 2021-22	
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.	<a href="https://paramountcables.com/wp-content/uploads/2021/05/Policy-on-Prevention-of-Insider-Trading.pdf">https://paramountcables.com/wp-content/uploads/2021/05/Policy-on-Prevention-of-Insider-Trading.pdf</a>
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 read with schedule V and Clause (b) to (i) and (t) of Sub regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with regard to Corporate Governance.	
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	
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	

Particulars	Regulations	Details	Website link for details/policy
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.	
List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit program or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad		Not Applicable, as the Company did not issue any debt instrument or any fixed deposit program or any scheme or proposal involving mobilization of funds, in India or abroad.	
Disclosure by listed entity and its subsidiaries of Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount		Not Applicable, as the Company has not given any loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount, during the year under review.	

## 8. 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](http://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](http://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.

## 9. GENERAL SHAREHOLDER INFORMATION

<b>CIN</b>	L74899DL1994PLC061295
<b>Registered Office</b>	C-125, Naraina Industrial Area, Phase-1, New Delhi-110028.
<b>Compliance officer</b>	Ms. Rashi Goel, Compliance Officer and Company Secretary
<b>Twenty Eighth Annual General Meeting</b>	<b>Thursday, the 29<sup>th</sup> September, 2022 at 4.30 PM</b>
<ul style="list-style-type: none"> <li><b>Day, Date &amp; Time:</b></li> <li><b>Venue:</b></li> </ul>	The Company is conducting meeting through VC / OAVM pursuant to the MCA Circular No. 02/2021 dated January 13, 2021 and clarification circular dated December 14, 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.
<b>Financial Year</b>	1 <sup>st</sup> April of each year to 31 <sup>st</sup> March of the next year
<b>Face Value per Equity share</b>	₹ 2/-
<b>Dividend Payment date</b>	Not Applicable
<b>Book Closure</b>	Wednesday, the 23 <sup>rd</sup> September, 2022 to Thursday, the 29 <sup>th</sup> September, 2022 (both days inclusive).
<b>ISIN Number</b>	Demat ISIN Number in NSDL and CDSL for Equity Shares is <b>INE074B01023</b>

### Financial Calendar (Tentative)

Results for quarter ending 30 <sup>th</sup> June, 2022	Mid August, 2022
Results for quarter/ half-year ending 30 <sup>th</sup> September, 2022	Mid November, 2022
Results for quarter ending 31 <sup>st</sup> December, 2022	Mid February, 2023
Results for quarter and year ending 31 <sup>st</sup> March, 2023	End May, 2023
Annual General Meeting (i.e., next year)	By September, 2023

### 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 2022-23 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 2022-2023 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.

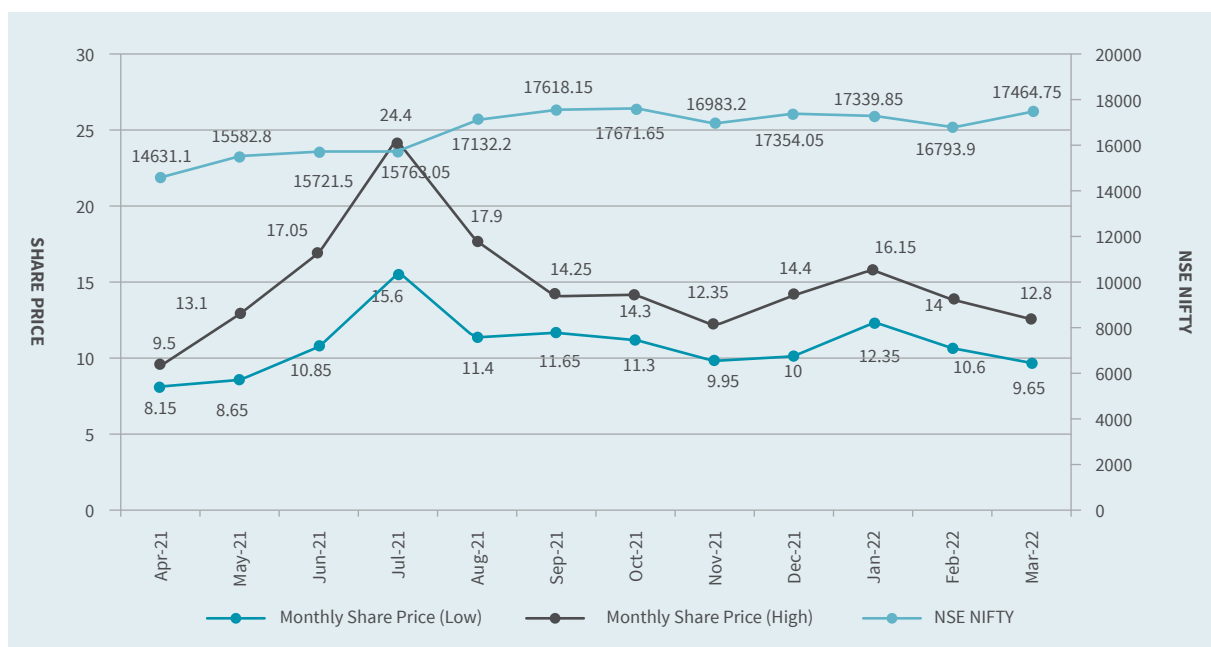
- **Certificate from Company Secretary in Practice:**

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, 2021 to March, 2022)**

Month	High Price (H)	Low Price (L)	NSE NIFTY (closing prices)
Apr-21	9.5	8.15	14631.1
May-21	13.1	8.65	15582.8
Jun-21	17.05	10.85	15721.5
Jul-21	24.4	15.6	15763.05
Aug-21	17.9	11.4	17132.2
Sep-21	14.25	11.65	17618.15
Oct-21	14.3	11.3	17671.65
Nov-21	12.35	9.95	16983.2
Dec-21	14.4	10	17354.05
Jan-22	16.15	12.35	17339.85
Feb-22	14	10.6	16793.9
Mar-22	12.8	9.65	17464.75



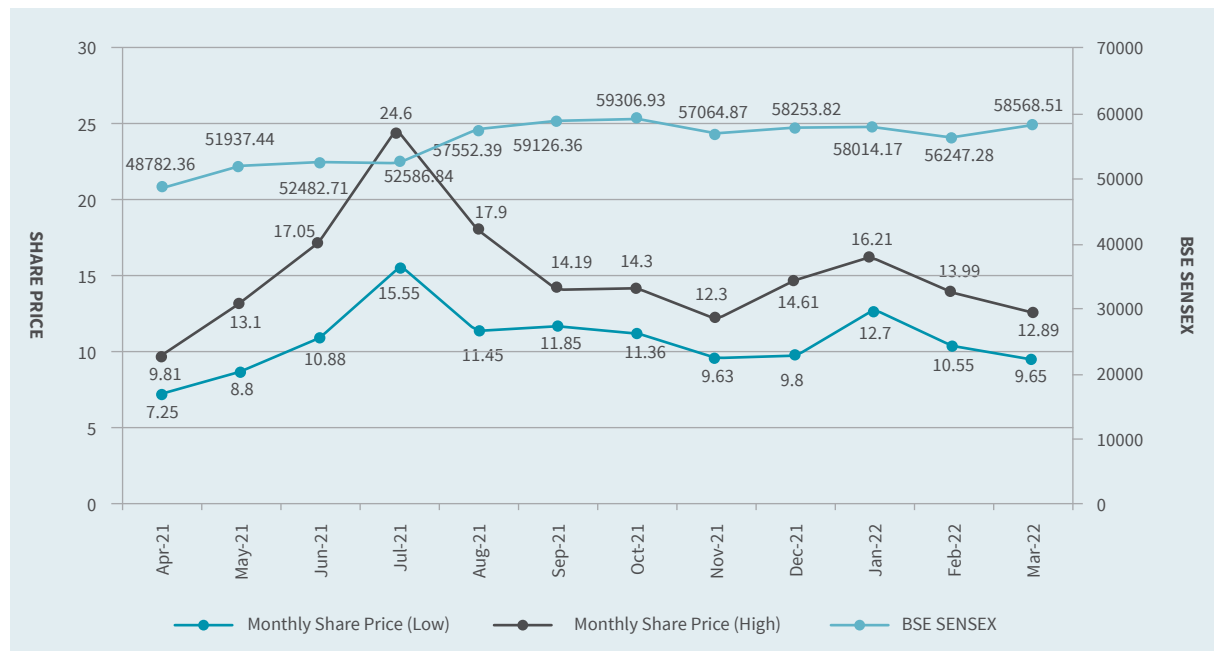


## b) BSE Scrip Code: 530555 ( For the period : April, 2021 to March, 2022)

## Performance of equity shares in comparison with BSE SENSEX during the Financial Year 2021-2022

Value in ₹

Month	High Price (H)	Low Price (L)	BSE (closing prices)
April 2021	9.81	7.25	48782.36
May 2021	13.1	8.8	51937.44
June 2021	17.05	10.88	52482.71
July 2021	24.6	15.55	52586.84
August 2021	17.9	11.45	57552.39
September 2021	14.19	11.85	59126.36
October 2021	14.3	11.36	59306.93
November 2021	12.3	9.63	57064.87
December 2021	14.61	9.8	58253.82
January 2022	16.21	12.7	58014.17
February 2022	13.99	10.55	56247.28
March 2022	12.89	9.65	58568.51



## Shareholding as on March 31, 2022

### a) Distribution of equity shareholding as on March 31, 2022

Shareholding of shares	No. of Shareholders		No. of Shares held	Amount	
	Number	% to total		In ₹	% to total
Upto 500	32069	69.92	5156548	1,03,13,096	2.65
501 - 1,000	6369	13.89	5372354	1,07,44,708	2.77
1,001 - 2,000	3396	7.40	5338983	1,06,77,966	2.75
2,001 - 3,000	1254	2.73	3262921	65,25,842	1.68
3,001 - 4,000	588	1.28	2142390	42,84,780	1.10
4,001 - 5,000	646	1.41	3103250	62,06,500	1.60
5,001 - 10,000	814	1.77	6253203	1,25,06,406	3.22
10,001 & Above	732	1.60	163554316	32,71,08,632	84.23
<b>Total</b>	<b>45868</b>	<b>100.00</b>	<b>194183965</b>	<b>38,83,67,930</b>	<b>100.00</b>

### b) Categories of equity shareholding as on March 31, 2022

Category	No. of Shareholders	No. of Shares (face value of ₹ 2/- each)	No. of Shares in demat form	% of shareholding
<b>Promoters</b>	17	120621103	120621103	62.12
<b>Institutions</b>				
Mutual Funds / Alternate Investment Funds / Bank / Financial Institutions/ FIs/ Foreign Portfolio Investors/ Insurance Companies	1	1497	1497	0.00
<b>Non-Institutions</b>				
Bodies Corporate	183	5714366	5707861	2.94
NRI/OCB/Clearing Members/Trust	295	7679352	7679352	3.95
Individuals/NBFCs Registered with RBI/IEPF/HUF	43998	60167647	59446529	30.99
<b>Total</b>	<b>44494</b>	<b>194183965</b>	<b>193456342</b>	<b>100</b>

- Steps taken by the management for strengthening the company's performance**

The Management is 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, 1<sup>st</sup> 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 except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. During the year, the Company obtained, on 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 99.63 percent of the Company's equity share capital are dematerialized as on March 31, 2022. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE074B01023.

- **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.

- **Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of Listing regulations.**

Not Applicable, as the Company did not raise any funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of Listing Regulations during the year under review.

- **Transfer of unclaimed/unpaid amounts to Investor Education and Protection Fund:**

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, dividend which remains unpaid or unclaimed for a period of seven years from the date of its transfer to the unpaid dividend account is required to be transferred by the Company to Investor Education and Protection Fund (IEPF), established by the Central Government under the provisions of Section 125 of the Companies Act, 2013. Further all the shares in respect of which dividend has remained unclaimed for 7 consecutive years or more from the date of

transfer to unpaid dividend account shall also be transferred to IEPF Authority. During the year under review, the Company was not required to transfer any unpaid or unclaimed dividend or shares thereof to the Investor Education and Protection Fund.

- **Plant Locations**

**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, January 13, 2021 and clarification circular dated December 14, 2021 has allowed the Company to conduct their AGM through Video Conferencing or other audio-visual means. Therefore, Notice convening the 28<sup>th</sup> 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.

**ANNEXURE A****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, 2022, 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.

Place: New Delhi  
Date: 09.08.2022

**(Sanjay Aggarwal)**  
Chairman & CEO

## ANNEXURE B

**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 31<sup>st</sup> March, 2022 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: 28.05.2022

**(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 2022 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 2022, referred to in paragraph 4 above.



**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: 22080691AOPXGE8091**

**Place: New Delhi**

**Dated: 09.08.2022**

**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](http://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 31<sup>st</sup> March, 2022 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	Designation	Date of appointment in Company
1	Mr. Sanjay Aggarwal	00001788	Wholetime Director	01-11-1994
2	Mr. Vijay Bhushan	00002421	Director	22-07-2000
3	Mr. Sandeep Aggarwal	00002646	Managing Director	01-11-1994
4	Mr. Vijay Maheshwari	00216687	Director	01-04-2019
5	Ms. Malini Gupta	03464410	Director	30-01-2015
6	Ms. Praveena Kala	08765830	Director	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 my 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.

**Place:** New Delhi  
**Date:** 02-08-2022

**NITIN GUPTA**  
Company Secretary in whole time practice  
UDIN: A035299D000729731  
Membership No.: A35299  
C. P. No.: 14087

# 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 Standalone Balance Sheet as at March 31, 2022, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone 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 2022, 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"> <li>1. We Obtain a detailed age analysis of the year end of debtors and test the analysis for a selection of the balances;</li> <li>2. Obtain an analysis of the provision for doubtful debts;</li> <li>3. Scrutinize the analysis and identify those debts which appear doubtful;</li> <li>4. Discuss with management their reasons, if any of these debts are not included in the provision for bad debts;</li> <li>5. Perform further testing where any disputes exists;</li> <li>6. Reach a final conclusion regarding the adequacy of the bad debts provision</li> </ol>
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 are 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, 2022 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, 2020 ("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 Standalone Balance Sheet, the Standalone Statement of Profit and Loss including Other Comprehensive Income, the Standalone Statement of Change in Equity and the Standalone 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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, 2022 on its financial position in its standalone financial statements – Refer Note No 44.
    - ii. The Company did not have any long-term contracts including derivative contracts as at 31st March, 2022.
    - 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, 2022.
    - iv. a) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding,

whether recorded in writing or otherwise, that the Intermediary shall whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever or on the behalf of company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

- b) The management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and

- c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement

- v. The company has neither proposed nor declared any dividend during the year.

- (h) The managerial remuneration for the year ended 31st March, 2022 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

Place: New Delhi  
Date: 28.05.2022

M.No.080691  
UDIN: 22080691AJUTUJ9224



## 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, 2022)

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant & Equipment and relevant details of right of use assets.
- (B) The company has maintained proper records showing full particulars of intangible assets.
- (b) The Property, Plant and Equipment were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the Property, Plant & Equipment and right of use assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties (other than properties where the company is the lessee and the lease agreement are duly executed in favour of the lessee), as disclosed in the financial statements included under Property, Plant & Equipment are held in the name of company as at the balance sheet date, 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.
- (d) The company has not revalued any of its Property, Plant and Equipment (including right of use assets) and intangible assets during the year.
- (e) According to the information and explanation given to us, there are no proceedings initiated or are pending against the Company for holding any Benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii. (a) The physical verification of inventory (excluding stocks with third parties) has 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 and has been properly dealt with in the books of accounts.
- (b) No working capital limit has been sanctioned and availed by the Company. Hence, the reporting requirement of para 3(ii)(b) of the order is not applicable to the Company.
- iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans, secured or unsecured, nor made any investments, provided guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year.
- Since the company has not granted any loans, secured or unsecured, nor made any investments, provided guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year, the reporting requirement of para 3(iii)(a) to 3(iii)(f) of the order are not applicable.
- iv. According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or provided any loan as specified under Section 186 of the Companies Act, 2013. Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to security given and investments made.
- v. The Company has neither accepted any deposits from the public nor accepted any amount which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- 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.

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 2022 for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us and according to the records of the Company examined by us, the particular of statutory dues which have not been deposited as at 31st March 2022 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
Service Tax Act	Service Tax	24,58,348	F.Y. 2008-09 & 2009-10	Commissioner Appeals - CBIC

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Hence, the para 3(viii) of the order is not applicable to the Company.

- ix. a) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loan or other borrowing or in the payment of interest thereon to any lender.
- b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c) According to the records of the Company examined by us and the information and explanation given to us terms loans taken by the company were applied for the purpose for which the loan were obtained.
- d) On an overall examination of the standalone financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- e) On the basis of books and records examined by us, the Company has not taken any funds from any entity or person on account of or to meet the obligation of its subsidiary. The Company does not have any associate or joint venture.
- f) On the basis of books and records examined by us and as explained to us, the Company has not raised any loan during the year on the pledge of securities held in its subsidiary.

- x. a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments). Hence, the para 3(x)(a) of the order is not applicable to the Company.

- b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or convertible debentures (fully, partly or optionally convertible) during the year. Accordingly, provisions of clause 3 (xiv) of the Order are not applicable to the Company.

- xi. a) In our opinion and according to the information and explanation given to us, no fraud by the company or on the Company has been noticed or reported during the course of our audit.

- b) During the year no report under sub-section 12 of section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

- c) No whistle blower complaints were received by the Company during the year. Hence, the reporting para 3(xi)(c) of the order is not applicable to the Company.

- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the order is not applicable.

- xiii. According to the information and explanations given to us and based on or examinations of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transaction have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. a) In our opinion the company has an adequate internal audit system commensurate with the size and the nature of its business.
- b) We have considered, the internal audit reports for the year under audit, issued to the company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. According to the information and explanations given to us and based on our examination of the record of the Company, the Company has not entered into non-cash transactions with directors or persons connected with its director. Accordingly, paragraph 3(xv) of the order is not applicable.
- 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. Hence reporting under clause 3(xvi)(a) to clause 3(xvi)(c) of the order is not applicable. In our opinion there is no Core Investment Company (CIC) within the group (as defined in the regulations made by the Reserve Bank of India) and accordingly, clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses in the current year and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditor during the year. Hence, the reporting para 3(xviii) of the order is not applicable to the Company.
- xix. On the basis of financial ratios disclosed in Note 51 to the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and Management plans and based on our examination of evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date to the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company and when they fall due.
- xx. In our opinion and according to the information and explanations given to us, the Company is not required to incur any amount under Corporate Social Responsibility (CSR) as per the provisions of Section 135 of the Companies Act, 2013, hence, the reporting clause 3(xx) of the order is 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: 28.05.2022

## 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, 2022.

### 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, 2022 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.

**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, 2022, 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 ICAI.

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

**Pawan Bholusaria**

Partner

M.No.080691

Place: New Delhi

Date: 28.05.2022

# Standalone Balance Sheet

as at 31<sup>st</sup> March 2022

Particulars	Note No.	(₹ in Lacs)	
		As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>I. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, Plant and Equipment	5	9,577.11	10,004.10
(b) Right of use assets	6	3,817.36	4,047.46
(c) Intangible assets	7	151.01	161.87
(d) Financial Assets			
(i) Investments	8	0.00	0.00
(ii) Loans	9	1.99	4.41
(iii) Others	10	1,446.06	2,072.92
(e) Other non-current assets	11	46.16	43.99
		<b>15,039.69</b>	<b>16,334.76</b>
<b>2 Current assets</b>			
(a) Inventories	12	11,460.92	10,020.32
(b) Financial Assets			
(i) Trade Receivables	13	17,361.02	16,720.59
(ii) Cash and cash equivalents	14	138.68	726.60
(iii) Bank Balances other than (ii) above	15	1,271.93	1,338.39
(iv) Loans	16	21.90	20.91
(v) Other Current Financial Assets	17	345.14	370.20
(c) Current Tax Assets (net)	18	408.90	409.38
(d) Other current assets	19	2,050.68	1,149.23
		<b>33,059.17</b>	<b>30,755.62</b>
<b>Total Assets</b>		<b>48,098.86</b>	<b>47,090.38</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Equity Share Capital	20	3,883.68	3,883.68
(b) Other Equity	21	16,290.57	15,411.49
		<b>20,174.25</b>	<b>19,295.17</b>
<b>2 Liabilities</b>			
<b>(i) Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	22	15,733.55	17,409.75
(ii) Lease Liabilities	23	1,027.62	1,193.60
(b) Provisions	24	105.12	101.50
		<b>16,866.29</b>	<b>18,704.85</b>
<b>(ii) Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	25	1,740.53	1,474.53
(ii) Lease Liabilities	26	165.98	151.74
(iii) Trade payables	27		
- Total outstanding dues of Micro and Small Enterprises		271.17	168.38
- Total outstanding dues of creditors other than Micro and Small Enterprises		8,079.26	6,557.62
(iv) Other Financial Liabilities	28	436.18	363.34
(b) Other current liabilities	29	282.70	289.86
(c) Provisions	30	82.50	84.88
		<b>11,058.32</b>	<b>9,090.36</b>
<b>Total Equity and Liabilities</b>		<b>48,098.86</b>	<b>47,090.38</b>
III. Notes forming part of the Standalone Financial Statements	1 to 52		

As per our Report of even date attached

**For P. Bholusaria & Co.**

**Chartered Accountants**

Firm Registration No. : 000468N

**Pawan Bholusaria**

**Partner (M.No.: 080691)**

Place : New Delhi

Date: 28.05.2022

For and on behalf of the Board

**(Sanjay Aggarwal)**

Chairman & CEO

DIN No: 00001788

**(S K Aggarwal)**

Chief Financial Officer

Mem No: 053595

**(Sandeep Aggarwal)**

Managing Director

DIN No: 00002646

**(Rashi Goel)**

Company Secretary

Mem No: FCS 9577



# Standalone Statement of Profit and Loss

for the year ended 31<sup>st</sup> March 2022

(₹ in Lacs)

Particulars	Note No.	For the year ended 31 <sup>st</sup> March 2022	For the year ended 31 <sup>st</sup> March 2021
<b>Revenue :</b>			
I. Revenue from operations	31	58,093.61	51,908.33
II. Other income	32	374.33	268.50
III. <b>Total Income (I + II)</b>		<b>58,467.94</b>	<b>52,176.83</b>
<b>IV. Expenses:</b>			
Cost of material consumed	33	45,927.49	39,728.76
Change in Inventories of finished goods, work-in-progress and scrap	34	(570.27)	1,604.22
Employee benefits expenses	35	2,294.10	1,971.32
Finance costs	36	640.88	704.64
Depreciation and amortization Expenses	37	954.46	907.16
Other Expenses	38	8,400.76	6,950.71
<b>Total Expenses (IV).</b>		<b>57,647.42</b>	<b>51,866.81</b>
V. <b>Profit Before exceptional items and Tax (III - IV)</b>		<b>820.52</b>	<b>310.02</b>
VI. Exceptional items		-	-
VII. <b>Profit before tax (V - VI)</b>		<b>820.52</b>	<b>310.02</b>
VIII. Tax expense:			
Current tax		-	-
Deferred tax		-	-
Total Tax Expense		-	-
IX <b>Profit for the year (VII - VIII)</b>		<b>820.52</b>	<b>310.02</b>
X <b>Comprehensive Income</b>			
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit and loss</b>			
Re-measurement gains/ (losses) on defined benefit plans		58.56	32.06
Income tax effect on above		-	-
		<b>58.56</b>	<b>32.06</b>
XI <b>Total Comprehensive Income for the year (IX +X) (Comprehensive profit and other comprehensive income for the year)</b>		<b>879.08</b>	<b>342.08</b>
XII. <b>Earnings Per Equity Share:</b>	48		
(1) Basic		0.42	0.17
(2) Diluted		0.42	0.17

Notes forming part of the Standalone Financial Statements

1 to 52

As per our Report of even date attached

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

**Pawan Bholusaria**  
Partner (M.No.: 080691)

Place : New Delhi  
Date: 28.05.2022

For and on behalf of the Board

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

**(S K Aggarwal)**  
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 Flows

for the year ended 31<sup>st</sup> March 2022

(₹ in Lacs)

Particulars	For the year ended 31 <sup>st</sup> March 2022		For the year ended 31 <sup>st</sup> March 2021	
<b>(A) CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Net Profit before taxation</b>		<b>820.52</b>		310.02
<b>Adjustment for :</b>				
Depreciation and amortization expenses	954.46		907.16	
Interest Expenses/ Finance Cost	535.02		591.02	
Interest on lease liability & on fair valuation of Security Deposit	105.87		113.62	
Reversal of rent lease liability	(266.67)		(260.66)	
Unrealised Exchange Gain/(Loss)	50.25		(1.05)	
Loss / (Profit) on sale of assets(net)	-		(2.34)	
Interest Income	(201.25)		(211.52)	
		<b>1,177.68</b>		<b>1,136.23</b>
<b>Operating Profit before working capital changes</b>		<b>1,998.20</b>		<b>1,446.25</b>
<b>Adjustment for :</b>				
Decrease / (Increase) in Trade Receivables	(690.67)		4,002.00	
Decrease / (Increase) in Loans & Advances	1.43		54.02	
Decrease / (Increase) in Inventories	(1,440.60)		872.34	
Decrease / (Increase) in Other financial and non financial Assets	(154.32)		(384.77)	
(Decrease) / Increase in Trade Payables	1,624.43		(4,196.39)	
(Decrease) / Increase in Other Liabilities & Provisions	125.47		(168.67)	
		<b>(534.26)</b>		<b>178.53</b>
<b>Cash generated from operation</b>		<b>1,463.94</b>		<b>1,624.78</b>
<b>Exceptional items</b>		-		-
Income Tax Paid	0.48	<b>0.48</b>	(191.34)	<b>(191.34)</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>		<b>1,464.42</b>		<b>1,433.43</b>
<b>(B) CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Purchase of Fixed Assets including Capital WIP	(286.51)		(573.38)	
Sale of Fixed Assets	-		50.79	
Interest Received	179.39		196.14	
<b>NET CASH FROM INVESTING ACTIVITIES</b>		<b>(107.12)</b>		<b>(326.45)</b>

# Standalone Statement of Cash Flows (Contd...)

for the year ended 31<sup>st</sup> March 2022

(₹ in Lacs)

Particulars	For the year ended 31 <sup>st</sup> March 2022		For the year ended 31st March 2021
<b>(C) CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Interest Expenses/ Finance Cost	(535.02)		(591.02)
Increase/(Decrease) in Borrowings from banks / ARC /NBFC	(1,440.20)		(680.58)
Loan From Directors	30.00		-
Proceeds from Issue of Equity Share upon conversion of Equity share warrant	-		738.68
<b>NET CASH FROM FINANCING ACTIVITIES</b>		<b>(1,945.22)</b>	<b>(532.92)</b>
<b>NET INCREASE/(DECREASE) IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>		<b>(587.92)</b>	<b>574.07</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>		<b>726.60</b>	<b>152.53</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>		<b>138.68</b>	<b>726.60</b>

## Reconciliation of Borrowings

(₹ in Lacs)

Particulars	Borrowings (Current & Non-Current)	Borrowings (Current & Non-Current)
	As at 31.03.2022	As at 31.03.2021
Opening balance	18,884.28	19,564.86
Proceeds	66.00	354.25
Repayments	1,476.20	1,034.83
<b>Closing balance</b>	<b>17,474.08</b>	<b>18,884.28</b>

### Note:

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

Notes forming part of the Standalone Financial Statements 1 to 52

### As per our Report of even date attached

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

**Pawan Bholusaria**  
Partner (M.No.: 080691)

Place : New Delhi  
Date: 28.05.2022

### For and on behalf of the Board

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

**(S K Aggarwal)**  
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 31<sup>st</sup> March 2022

## A. EQUITY SHARE CAPITAL

Particulars	(₹ in Lacs)		
	Balance as at April 1, 2020	Changes in equity share capital during the year 2020-21	Balance as at March 31, 2021
Equity share capital	3,682.68	201.00	3,883.68
			Changes in equity share capital during the year 2021-22
			-
			<b>As at 31st March 2022</b>
			<b>3,883.68</b>

## B. OTHER EQUITY

Particulars	(₹ in Lacs)				Total
	Equity component of convertible instruments	Reserve and Surplus		items of Other comprehensive Income	
		Capital Reserve	Securities Premium		
					Items that will not be classified to profit and loss
					Re-measurement of net defined benefit Plans
<b>Balance as at April 1, 2020</b>	<b>247.23</b>	<b>30.31</b>	<b>17,664.74</b>	<b>254.03</b>	<b>(54.75)</b>
Total Comprehensive Income for the year 2020-21	-	-	-	-	310.02
Addition during the year	-	-	784.90	-	-
Re-measurement of net defined benefit Plans	-	-	-	-	32.06
Transfer to Equity and share premium	(247.23)	-	-	-	-
<b>Balance as at March 31, 2021</b>	<b>-</b>	<b>30.31</b>	<b>18,449.64</b>	<b>254.03</b>	<b>(3,299.80)</b>
Total Comprehensive Income for the year 2021-22	-	-	-	-	820.52
Addition during the year	-	-	-	-	-
Re-measurement of net defined benefit Plans	-	-	-	-	58.56
<b>Balance as at March 31, 2022</b>	<b>-</b>	<b>30.31</b>	<b>18,449.64</b>	<b>254.03</b>	<b>(2,479.28)</b>

Notes forming part of the Standalone Financial Statements 1 to 52

### As per our Report of even date attached

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

**Pawan Bholusaria**  
Partner (M.No.: 080691)

Place : New Delhi  
Date: 28.05.2022

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**(Sanjay Aggarwal)**  
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**(Sandeep Aggarwal)**  
Managing Director  
DIN No: 00002646

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

# Notes to the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2022

## 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 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).

## 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 lacs.

### 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
<b>Class of Property, Plant &amp; Equipment</b>	
-Building	30-60
-Plant and Equipment	15-25
-Electric Installation	10
-Furniture and Fixtures	10
-Computer equipment	3
-Office equipment	5
-Vehicles	8
<b>Class of Right to use assets</b>	
-Leasehold Land	Over the lease period
-Leasehold Building	Over the lease period
<b>Class of Intangible Assets</b>	
-Software	5

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
- c) the cost of the asset can be reliably measured.

# Notes to the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2022

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 (₹ rounded to lacs), 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.



# Notes to the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2022

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

# Notes to the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2022

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 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.

# Notes to the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2022

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.

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 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.

### 3.14 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.

### 3.15 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

# Notes to the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2022

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.

### 3.16 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.

### 3.17 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.

### 3.18 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") has vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective 1 April 2022. These amendments are not expected to have a material impact on the company in the current or future reporting periods and on foreseeable future transactions.

Ministry of Corporate Affairs ("MCA") amended the Schedule III to the Companies Act, 2013 on 24 March 2021 to increase the transparency and provide additional disclosures to users of financial statements. These amendments are effective from 1 April 2021.

Consequent to above, the company has changed the classification/presentation of

- (i) current maturities of long-term borrowings
- (ii) security deposits, in the current year

The current maturities of long-term borrowings (including interest accrued) has now been included in the "Current borrowings" line item. Previously, current maturities of long-term borrowings and interest accrued were included in 'other financial liabilities' line item.

# Notes to the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2022

Further, security deposits (which meet the definition of a financial asset as per Ind AS 32) have been included in 'other financial assets' line item. Previously, these deposits were included in 'loans' line item.

## 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.

### (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 the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2022

## 5. PROPERTY, PLANT AND EQUIPMENT

Particulars	(₹ in Lacs)								Total
	Freehold Land	Buildings	Lease hold Building improvement	Plant and Equipment	Furniture and Fixture	Vehicles	Office Equipment		
<b>Gross Block</b>									
As at April 1, 2020	2,302.35	2,190.72	52.34	8,787.02	182.63	47.89	117.01	13,679.96	
Additions	-	-	-	453.89	0.95	2.00	14.13	470.98	
Disposals/Adjustments	-	-	-	(76.37)	(0.54)	(0.52)	-	(77.43)	
As at March 31, 2021	2,302.35	2,190.72	52.34	9,164.54	183.05	49.37	131.14	14,073.51	
Additions	-	-	-	178.09	1.02	38.15	18.12	235.38	
Disposals/Adjustments	-	-	-	-	-	-	-	-	
<b>As at March 31, 2022</b>	<b>2,302.35</b>	<b>2,190.72</b>	<b>52.34</b>	<b>9,342.63</b>	<b>184.07</b>	<b>87.52</b>	<b>149.26</b>	<b>14,308.89</b>	
<b>Accumulated Depreciation</b>									
As at April 1, 2020	-	344.13	46.36	2,830.23	149.46	24.89	56.23	3,451.30	
Depreciation charge for the year	-	86.32	0.10	532.16	6.60	2.49	19.41	647.08	
Disposals/Adjustments	-	-	-	(28.51)	(0.46)	-	-	(28.97)	
As at March 31, 2021	-	430.45	46.46	3,333.88	155.60	27.38	75.64	4,069.41	
Depreciation charge for the year	-	86.32	-	544.85	6.10	4.49	20.61	662.37	
Disposals/Adjustments	-	-	-	-	-	-	-	-	
<b>As at March 31, 2022</b>	<b>-</b>	<b>516.77</b>	<b>46.46</b>	<b>3,878.73</b>	<b>161.70</b>	<b>31.87</b>	<b>96.25</b>	<b>4,731.78</b>	
<b>Net Carrying Amount</b>									
As at March 31, 2021	2,302.35	1,760.27	5.88	5,830.66	27.45	21.99	55.50	10,004.10	
As at March 31, 2022	2,302.35	1,673.95	5.88	5,463.90	22.38	55.65	53.01	9,577.11	

Note:-

- 1) Property, plant and equipment is hypothecated for long term borrowings from Assets Reconstruction Company and NBFC. (Refer note no. 22)
- 2) For disclosure of title deeds not held in the name of company refer note no 50 (i).



# Notes to the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2022

## 6. RIGHT OF USE ASSETS

Particulars			(₹ in Lacs)
	Lease hold Land	Right of use assets (Lease Hold Building)	Total
<b>As at April 1, 2020</b>	<b>2,797.82</b>	<b>1,610.90</b>	<b>4,408.72</b>
Additions	-	-	-
Disposals/Adjustments	-	87.72	87.72
<b>As at March 31, 2021</b>	<b>2,797.82</b>	<b>1,698.62</b>	<b>4,496.44</b>
Additions	-	-	-
Disposals/Adjustments	-	-	-
<b>As at March 31, 2022</b>	<b>2,797.82</b>	<b>1,698.62</b>	<b>4,496.44</b>
<b>Accumulated Depreciation</b>			
<b>As at April 1, 2020</b>	<b>34.78</b>	<b>184.10</b>	<b>218.88</b>
Depreciation charge for the year	34.68	195.42	230.10
Disposals/Adjustments	-	-	-
<b>As at March 31, 2021</b>	<b>69.46</b>	<b>379.52</b>	<b>448.98</b>
Depreciation charge for the year	34.68	195.42	230.10
Disposals/Adjustments	-	-	-
<b>As at March 31, 2022</b>	<b>104.14</b>	<b>574.94</b>	<b>679.08</b>
<b>Net Carrying Amount</b>			
<b>As at March 31, 2021</b>	<b>2,728.36</b>	<b>1,319.10</b>	<b>4,047.46</b>
<b>As at March 31, 2022</b>	<b>2,693.68</b>	<b>1,123.68</b>	<b>3,817.36</b>

Note:-

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

## 7. INTANGIBLE ASSETS

Particulars			(₹ in Lacs)
	Other Intangibles (Software)		Total
<b>Gross Block</b>			
<b>As at April 1, 2020</b>	<b>170.49</b>		<b>170.49</b>
Addition during the year	102.41		102.41
Adjustment	-		-
<b>As at March 31, 2021</b>	<b>272.90</b>		<b>272.90</b>
Addition during the year	51.13		51.13
Adjustment	-		-
<b>As at March 31, 2022</b>	<b>324.03</b>		<b>324.03</b>
<b>Accumulated Amortization</b>			
<b>As at April 1, 2020</b>	<b>81.05</b>		<b>81.05</b>
Charge for the year	29.98		29.98
<b>As at March 31, 2021</b>	<b>111.03</b>		<b>111.03</b>
Charge for the year	61.99		61.99
<b>As at March 31, 2022</b>	<b>173.02</b>		<b>173.02</b>
<b>Net Carrying Amount</b>			
<b>As at March 31, 2021</b>	<b>161.87</b>		<b>161.87</b>
<b>As at March 31, 2022</b>	<b>151.01</b>		<b>151.01</b>

# Notes to the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2022

## 8. NON CURRENT INVESTMENTS

(₹ in Lacs)

Particulars	As at 31st March 2022			As at 31st March 2021		
	No. of Shares	Face Value	Amount	No. of Shares	Face Value	Amount
<b>Long Term (Unquoted)</b>						
<b>In Subsidiaries</b>						
<b>Equity Instruments</b>						
Paramount Holding Limited, Cyprus	3675	€ 1.71 each	0.00	3675	€ 1.71 each	0.00
AEI Power Cables Limited, United Kingdom	1000	£1 each	0.00	1000	£1 each	0.00
06196375 Cables Limited" (formerly AEI Cables Limited), United Kingdom. In administration liquidation	20000	£1 each	0.00	20000	£1 each	0.00
<b>Total</b>			<b>0.00</b>			<b>0.00</b>
<b>Aggregate amount of unquoted investment (Market value)</b>			<b>0.00</b>			<b>0.00</b>
<b>Grand Total</b>			<b>0.00</b>			<b>0.00</b>
<b>Aggregate value of quoted investments</b>			-			-
<b>Aggregate Market value of quoted investments</b>			-			-
<b>Aggregate value of unquoted investments</b>			<b>2,554.70</b>			<b>2,554.70</b>
<b>Aggregate amount of impairment in value of investments</b>			<b>2,554.70</b>			<b>2,554.70</b>

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 1st 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 the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2022

## 9. NON CURRENT LOANS

(₹ in Lacs)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Staff Loans</b>		
Secured, considered good	-	-
Unsecured, considered good	1.99	4.41
Loan Receivables which have significant increase in credit Risk	-	-
Loan Receivables- credit impaired	-	-
<b>Total</b>	<b>1.99</b>	<b>4.41</b>

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

(₹ in Lacs)

Particulars	As at 31st March 2022	As at 31st March 2021
Security Deposits		
to related party **	92.28	92.28
to others	156.66	157.02
Interest Accrued but not due on fair valuation of Security Deposit to related party	17.36	8.30
Bank Deposits (with remaining maturity of more than 12 months)*	1,114.51	1,700.61
Interest Accrued but not due on fixed deposits	65.25	114.71
Advance to Related Parties - (Net of Provision)**	-	-
	<b>1,446.06</b>	<b>2,072.92</b>

\*Under lien/custody with banks.

\*\* Refer Note no 47

## 11. OTHER NON-CURRENT ASSETS

(₹ in Lacs)

Particulars	As at 31st March 2022	As at 31st March 2021
Capital Advances (Unsecured, considered good)	46.16	43.99
<b>Total</b>	<b>46.16</b>	<b>43.99</b>

## 12. INVENTORIES

(₹ in Lacs)

Particulars	As at 31st March 2022	As at 31st March 2021
Raw Material *	3,720.60	2,911.98
Work-in-progress	3,156.03	2,907.21
Finished goods *	4,067.68	3,745.38
Stores and Spares	356.74	368.88
Packing materials	138.68	64.84
Scrap	21.19	22.03
<b>Total inventories</b>	<b>11,460.92</b>	<b>10,020.32</b>

\* Includes Goods in Transit in respect of raw material ₹ Nil (Previous year ₹ 50.36 Lacs) and finished goods ₹ 38.07 Lacs (Previous year ₹ Nil).

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

# Notes to the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2022

## 13. TRADE RECEIVABLES

(₹ in Lacs)

Particulars	As at 31st March 2022	As at 31st March 2021
Secured, considered good	-	-
Unsecured, considered good	17,361.02	16,720.59
Trade Receivables which have significant increase in credit Risk	546.32	546.32
Trade Receivables- credit impaired	-	-
Less: Allowance for credit losses	(546.32)	(546.32)
<b>Total Trade Receivables</b>	<b>17,361.02</b>	<b>16,720.59</b>

For disclosure of ageing of Trade Receivables refer note no 39.

## 14. CASH AND CASH EQUIVALENTS

(₹ in Lacs)

Particulars	As at 31st March 2022	As at 31st March 2021
Balances with banks		
- On current accounts	130.06	713.86
Cash on hand	8.62	12.74
	<b>138.68</b>	<b>726.60</b>

## 15. OTHER BANK BALANCES

(₹ in Lacs)

Particulars	As at 31st March 2022	As at 31st March 2021
Fixed Deposits with remaining maturity of less than twelve months and other than those considered in cash and cash equivalents *	1,271.93	1,338.39
	<b>1,271.93</b>	<b>1,338.39</b>

\*Under lien/custody with banks.

## 16. CURRENT LOANS

### Others Loans

(₹ in Lacs)

Particulars	As at 31st March 2022	As at 31st March 2021
Secured, considered good	-	-
Unsecured, considered good		
- Employees Loans & advances	21.90	20.91
Loan Receivables which have significant increase in credit Risk	-	-
Loan Receivables- credit impaired	-	-
	<b>21.90</b>	<b>20.91</b>

# Notes to the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2022

## 17. OTHER CURRENT FINANCIAL ASSETS

(₹ in Lacs)

Particulars	As at 31st March 2022	As at 31st March 2021
Earnest Money Deposits	157.62	254.27
Security Deposits to others	7.50	7.22
Interest Accrued but not due on fixed deposits	180.02	108.71
	<b>345.14</b>	<b>370.20</b>

## 18. CURRENT TAX ASSETS

(₹ in Lacs)

Particulars	As at 31st March 2022	As at 31st March 2021
TDS, TCS and Income Tax	408.90	409.38
	<b>408.90</b>	<b>409.38</b>

## 19. OTHER CURRENT ASSETS

(₹ in Lacs)

Particulars	As at 31st March 2022	As at 31st March 2021
Advances to vendors		
to others	831.22	672.15
Balance with Government Authorities *	1,144.14	397.87
Prepaid Expenses	75.32	79.21
<b>TOTAL</b>	<b>2,050.68</b>	<b>1,149.23</b>

\* represents GST, duty drawback and Government incentives etc.

## 20. EQUITY SHARE CAPITAL

(₹ in Lacs)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Authorised share capital</b>		
250,000,000(March 31, 2021- 250,000,000) Equity Shares of ₹ 2/-each	5,000.00	5,000.00
1,000,000(March 31, 2021- 1,000,000) Redeemable Preference Shares of ₹ 100/-each	1,000.00	1,000.00
	<b>6,000.00</b>	<b>6,000.00</b>
<b>Issued,Subscribed and Paid up Capital</b>		
194,183,965 (March 31, 2021 -194,183,965) Equity Shares of ₹ 2/-each fully paid up	3,883.68	3,883.68
	<b>3,883.68</b>	<b>3,883.68</b>

# Notes to the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2022

## Reconciliation of the number of equity shares and share capital

	As at 31st March 2022		As at 31st March 2021	
	No of shares	(Amount in ₹)	No of shares	(Amount in ₹)
Shares outstanding as at the beginning of the year	19,41,83,965	3,883.68	18,41,33,965	3,682.68
Add: Shares issued during the year *	-	-	1,00,50,000	201.00
<b>Shares outstanding as at the end of the year</b>	<b>19,41,83,965</b>	<b>3,883.68</b>	<b>19,41,83,965</b>	<b>3,883.68</b>

\* Upon conversion of Warraants

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

Name of the shareholders	As at 31st March 2022		As at 31st March 2021	
	No of Shares Hold	% of Holding	No of Shares Hold	% of Holding
M/s Paramount Telecables Limited	3,87,43,500	19.95	3,87,43,500	19.95
M/s April Investment and Finance Pvt. Ltd.	1,30,40,172	6.72	1,30,40,172	6.72
Mrs. Shashi Aggarwal	97,62,800	5.03	97,62,800	5.03
Mr. Sanjay Aggarwal	1,40,61,013	7.24	1,40,61,013	7.24
Mr. Sandeep Aggarwal	1,40,03,533	7.21	1,40,00,733	7.21

## 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.

## Shares held by Promoter and Promoter group at the end of the Year:

S. No.	Particulars	As at 31st March 2022		As at 31st March 2021		% change during the year
		No. of Shares	% of total Shares	No. of Shares	% of total Shares	
<b>Promoters</b>						
1	Sanjay Aggarwal	14061013	7.24	14061013	7.24	-
2	Sandeep Aggarwal	14003533	7.21	14000733	7.21	-
	<b>Total</b>	<b>28064546</b>	<b>14.45</b>	<b>28061746</b>	<b>14.45</b>	<b>-</b>
<b>Promoter Group</b>						
3	Kamla Aggarwal	8362855	4.31	8362855	4.31	-
4	Shyam Sunder Aggarwal (HUF)	317000	0.16	317000	0.16	-
5	Sanjay Aggarwal (HUF)	2962000	1.53	2962000	1.53	-
6	Sandeep Aggarwal (HUF)	1605745	0.83	1605745	0.83	-
7	Shashi Aggarwal	9762800	5.03	9762800	5.03	-
8	Archana Aggarwal	7862855	4.05	7862855	4.05	-
9	Parul Aggarwal	274125	0.14	274125	0.14	-
10	Tushar Aggarwal	1724125	0.89	1724125	0.89	-
11	Dhruv Aggarwal	1724125	0.89	1724125	0.89	-
12	Parth Aggarwal	1724125	0.89	1724125	0.89	-
13	April Investment and Finance Pvt. Ltd.	13040172	6.72	13040172	6.72	-
14	Worth Finance and Leasing Pvt. Ltd.	4424330	2.28	4424330	2.28	-
15	Ekta Ayat Niryat Pvt. Ltd.	10750	0.01	10750	0.01	-
16	Hertz Electricals (International) Pvt. Ltd.	18050	0.01	18050	0.01	-
17	Paramount Telecables Ltd.	38743500	19.95	38743500	19.95	-
	<b>Total</b>	<b>92556557</b>	<b>47.66</b>	<b>92556557</b>	<b>47.66</b>	<b>-</b>
	<b>Grand Total</b>	<b>120621103</b>	<b>62.12</b>	<b>120618303</b>	<b>62.12</b>	<b>-</b>



# Notes to the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2022

## 21. OTHER EQUITY

(₹ in Lacs)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>(A) Retained Earnings</b>		
Opening Balance	(3,299.80)	(3,609.82)
Add: Net profit for the year	820.52	310.02
<b>Total of A</b>	<b>(2,479.28)</b>	<b>(3,299.80)</b>
<b>(B) Other Reserves</b>		
<b>Items of Other comprehensive Income</b>		
Re-measurement gains (losses) on defined benefit plans		
Opening Balance	(22.69)	(54.75)
Addition during the year	58.56	32.06
	<b>35.87</b>	<b>(22.69)</b>
<b>General Reserve</b>		
Opening Balance	254.03	254.03
Addition during the year	-	-
	<b>254.03</b>	<b>254.03</b>
<b>Capital Reserve</b>		
Opening Balance	30.31	30.31
	<b>30.31</b>	<b>30.31</b>
<b>Securities Premium</b>		
Opening Balance	18,449.64	17,664.74
Addition during the year	-	784.90
	<b>18,449.64</b>	<b>18,449.64</b>
<b>Total of B</b>	<b>18,769.85</b>	<b>18,711.29</b>
<b>Total (A+B)</b>	<b>16,290.57</b>	<b>15,411.49</b>

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 par 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 the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2022

## 22. BORROWINGS

(At amortised cost)

(₹ in Lacs)

Particulars	As at 31st March 2022		As at 31st March 2021	
	Current	Non Current	Current	Non Current
<b>Secured</b>				
<b>Term Loans</b>				
From Banks	10.53	23.80	-	-
From Securitisation and Assets Reconstruction Company (ARC)	1,700.00	14,578.00	870.00	16,278.00
From Financial Institution	-	1,131.75	-	1,131.75
From Non Banking Financial Company	-	-	604.53	-
<b>Total</b>	<b>1,710.53</b>	<b>15,733.55</b>	<b>1,474.53</b>	<b>17,409.75</b>

### Nature of Security :-

#### From Banks

Loans from banks are secured against hypothecation of vehicles and carries rate of interest ranging from 9.5% to 12.5 %, loans are repayable in monthly installments. Last installment is due in June 2026.

#### 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, Muncipal 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 Prahlapur, 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 3,96,74,457 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 are repayable in unequal 14 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 was 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, Muncipal 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 Prahlapur, 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 was 16%. This loan was repayable in 33 equal monthly installments starting from 22.05.2019. Last installment was paid in January 2022.

# Notes to the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2022

**Maturity Profile and rate of interest of Secured Borrowings are as set out below:-**

(₹ in Lacs)

Class of loans	Rate of Interest	Maturity Profile			
		1-2 Years	2-3 Years	3-4 Years	Beyond 4 Years
Term loan from banks	7.5%	3.12	3.37	3.63	0.95
Term loan from banks	12.5%	8.22	4.51	-	-
From Securitisation and Assets Reconstruction Company (ARC)	0.0%	4,528.00	9,855.00	195.00	-
From Financial Institution	9.5%	-	-	1,131.75	-
<b>Total</b>		<b>4,539.34</b>	<b>9,862.88</b>	<b>1,330.38</b>	<b>0.95</b>

## 23. LEASE LIABILITIES

(₹ in Lacs)

Particulars	As at 31st March 2022	As at 31st March 2021
Lease Liability towards right of use assets *	1,027.62	1,193.60
<b>Total</b>	<b>1,027.62</b>	<b>1,193.60</b>

\* Refer note no 49 of Notes to Financial Statements)

## 24. PROVISIONS

(₹ in Lacs)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Provisions for employee benefits</b>		
Provision for Gratuity	34.30	49.78
Provision for Leave Encashment	70.82	51.72
	<b>105.12</b>	<b>101.50</b>

### 24.1 Movement in provisions

(₹ in Lacs)

Particulars	As at 31st March 2022		As at 31st March 2021	
	Gratuity (funded)	Leave Encashment (unfunded)	Gratuity (funded)	Leave Encashment (unfunded)
Opening balance	121.33	65.05	219.61	71.34
Add: Provision created/(reversed) during the year	(19.19)	48.33	1.72	2.78
Less: Paid during the year	-	(27.90)	(100.00)	(9.07)
<b>Closing Balance</b>	<b>102.14</b>	<b>85.48</b>	<b>121.33</b>	<b>65.05</b>
of which, current Provision (Refer Note no 30)	67.84	14.66	71.55	13.33

# Notes to the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2022

## 25. BORROWINGS

Particulars	(₹ in Lacs)	
	As at 31st March 2022	As at 31st March 2021
<b>Secured</b>		
<b>Current maturities of long term debts (Refer Note No 22)</b>		
-From Securitisation and Assets Reconstruction Company (ARC)	1,700.00	870.00
- From Non Banking Financial Company	-	604.53
- From Banks	10.53	-
<b>Unsecured</b>		
<b>From Related Parties</b>		
Loan From Directors*	30.00	-
(Repayable on demand, rate of interest @12 % Per annum)		
	<b>1,740.53</b>	<b>1,474.53</b>

\* Refer Note no 47

## 26. LEASE LIABILITIES

Particulars	(₹ in Lacs)	
	As at 31st March 2022	As at 31st March 2021
Lease Liability towards right of use lease assets	165.98	151.74
	<b>165.98</b>	<b>151.74</b>

## 27. TRADE PAYABLES

Particulars	(₹ in Lacs)	
	As at 31st March 2022	As at 31st March 2021
Total outstanding dues of Micro and Small Enterprises*	271.17	168.38
Total outstanding dues of creditors other than Micro and Small Enterprises	8,079.26	6,557.62
<b>Total</b>	<b>8,350.43</b>	<b>6,726.00</b>

For disclosure of ageing of Trade Payables refer note no 39.

27.1 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	(₹ in Lacs)	
	As at 31st March 2022	As at 31st March 2021
Principal Amount remaining unpaid at the end of the year	271.17	168.38
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	-	-
<b>Total</b>	<b>271.17</b>	<b>168.38</b>

# Notes to the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2022

## 28. OTHER CURRENT FINANCIAL LIABILITIES

(₹ in Lacs)

Particulars	As at 31st March 2022	As at 31st March 2021
Other Financial Liabilities	382.06	351.84
(Includes Expenses payable, salary & bonus payable)		
Interest accrued	54.12	11.50
<b>Total</b>	<b>436.18</b>	<b>363.34</b>

## 29. OTHER CURRENT LIABILITIES

(₹ in Lacs)

Particulars	As at 31st March 2022	As at 31st March 2021
Advance from customers	179.35	222.63
Statutory Dues Payable	103.35	67.23
<b>Total</b>	<b>282.70</b>	<b>289.86</b>

## 30. PROVISIONS

(₹ in Lacs)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Provisions for employee benefits *</b>		
Provision for Gratuity	67.84	71.55
Provision for Leave Encashment	14.66	13.33
<b>Total</b>	<b>82.50</b>	<b>84.88</b>

\* Movement in provisions Refer Note No 24.1

## 31. REVENUE FROM OPERATIONS

(₹ in Lacs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
<b>a) Sale of Products /Services</b>		
<b>Revenue from contacts with customers</b>		
Sales of Prodcuts: -Manufactured goods	53,951.32	48,629.70
Sales of Services :- Job Work & EPC Contracts	3,466.49	2,657.10
Other Revenue :- Sales of Scrap	469.75	546.60
<b>b) Other Operating Revenue</b>		
Export Incentives	206.05	74.93
	<b>58,093.61</b>	<b>51,908.33</b>

# Notes to the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2022

## 31.1 Geographical Market -All sales are point in time

(₹ in Lacs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
India	44,866.25	48,203.01
Outside India	13,021.31	3,630.39
<b>Total Revenue Sale of Products /Services</b>	<b>57,887.56</b>	<b>51,833.40</b>

## 31.2 Reconciliation of revenue recognized with Contract Price

(₹ in Lacs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Gross revenue recognized during the year	57,923.54	51,848.97
Less: Discount paid/payable to Customers	(35.98)	(15.57)
<b>Net revenue recognized during the year</b>	<b>57,887.56</b>	<b>51,833.40</b>

## 32. OTHER INCOME

(₹ in Lacs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Interest on income tax refund	15.64	-
Interest on Bank Deposit	154.56	167.51
Interest Income - Others	31.04	44.01
Profit on sale/disposal of Fixed Assets (Net)	-	2.34
Exchange Rate Variation (Net)*	173.04	53.06
Miscellaneous Income	0.05	1.58
	<b>374.33</b>	<b>268.50</b>

\* Refer Note No 39

## 33. COST OF MATERIALS CONSUMED

(₹ in Lacs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
<b>Raw Material consumed</b>		
Opening stock	2,911.98	2,374.24
Add: Purchases	46,736.11	40,266.50
Less: Closing stock	3,720.60	2,911.98
<b>Raw Material consumed</b>	<b>45,927.49</b>	<b>39,728.76</b>



# Notes to the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2022

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

(₹ in Lacs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
<b>Opening Stock</b>		
-Finished Stock	3,745.38	5,579.49
-Work in Progress	2,907.21	2,658.82
-Scrap	22.04	40.54
	<b>6,674.63</b>	<b>8,278.85</b>
<b>Less: Closing Stock</b>		
-Finished Stock	4,067.68	3,745.38
-Work in Progress	3,156.03	2,907.21
-Scrap	21.19	22.04
	<b>7,244.90</b>	<b>6,674.63</b>
<b>Net (Increase)/Decrease in Inventories of finished goods, work-in-progress and scrap</b>	<b>(570.27)</b>	<b>1,604.22</b>

## 35. EMPLOYEE BENEFITS EXPENSES

(₹ in Lacs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Salaries and wages	2,129.02	1,797.21
Contribution to provident and other funds	117.39	114.50
Staff Welfare	47.69	59.61
<b>Total</b>	<b>2,294.10</b>	<b>1,971.32</b>

## 36. FINANCE COST

(₹ in Lacs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Interest on Loans	149.34	242.26
Interest on Bills Discounting & others	353.70	318.35
Interest on lease liability	105.87	113.63
Other Borrowing Cost	30.64	25.76
Loan Processing Fees amortized	1.33	4.64
<b>Total</b>	<b>640.88</b>	<b>704.64</b>

# Notes to the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2022

## 37. DEPRECIATION AND AMORTIZATION EXPENSES

(₹ in Lacs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Depreciation on Property Plant and Equipment	662.37	647.08
Amortization on Intangible Assets	61.99	29.98
Depreciation on Right of use assets	230.10	230.10
<b>Total</b>	<b>954.46</b>	<b>907.16</b>

## 38. OTHER EXPENSES

(₹ in Lacs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Stores, Spares & Consumables	376.71	219.40
Packing	1,373.24	1,167.50
Power and Fuel	1,234.58	1,062.80
Rent	27.20	13.70
Repair and Maintenance		
- Plant and Machinery	335.18	229.54
- Building	74.02	112.93
- Others	24.94	20.36
Insurance	116.34	72.08
Rates and Taxes	9.10	8.83
Auditor's Remuneration	18.04	18.44
Conversion Charges	143.10	219.58
Labour Charges	1,170.92	1,106.29
Commission and Brokrag	182.36	123.35
Rebate and Discount	103.83	134.49
Freight & cartage	2,089.98	997.58
Bad Debts written off	3.26	27.74
Less: Provision for doubtful debts written back	- 3.26	4.29
Travelling and Conveyance	195.72	215.48
Advertisement and Publicity	10.94	5.67
Communication	61.14	56.48
Donation	22.23	23.65
Professional Charges	307.59	472.25
Business Promotion	127.03	214.66
Printing and Stationary	26.21	32.99
Security Charges	77.83	82.18
Testing Charges	69.89	82.63
Directors Meeting Fee	26.40	22.20
Miscellaneous	192.98	212.20
<b>Total</b>	<b>8,400.76</b>	<b>6,950.71</b>

# Notes to the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2022

## 39. 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, 2021, and March 31, 2022.

#### 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 the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2022

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.

## Foreign Currency Sensitivity

(₹ in Lacs)			
Particulars	Net monetary items in respective foreign currency outstanding on reporting date (absolute figures)	Change in currency exchange rate	Effect on profit/ (loss) before tax (amount in Lacs)
<b>For the year ended March 31, 2022</b>			
USD- Receivable	70,47,935	+ 5%	265.57
		-5%	(265.57)
USD-Payable	9,025	+ 5%	(0.34)
		-5%	0.34
GBP- Receivable	1,19,536	+ 5%	5.91
		-5%	(5.91)
EURO - Receivable	9,996	+ 5%	0.42
		-5%	(0.42)
<b>For the year ended March 31, 2021</b>			
USD- Receivable	4,11,605	+ 5%	14.79
		-5%	(14.79)
USD-Payable	36,556	+ 5%	(1.36)
		-5%	1.36
GBP- Receivable	6,80,906	+ 5%	33.67
		-5%	(33.67)

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

(₹ in Lacs)		
Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Net Foreign Exchange gain shown as other income	173.04	53.06

## (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 10.75 % for the year ended 31st March, 2022 (12.50% for the year ended 31st March, 2021) 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.

# Notes to the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2022

## • 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.

The ageing of trade receivable is as below:

### Trade Receivables ageing Schedule as on 31.03.2022

		(₹ in Lacs)						
S. no	Particulars	Not Due	Less than 6 Months	6 Months-1Year	1-2 Years	2-3 Years	More than 3 years	Total
(i)	Undisputed Trade Receivables-Considered Good	11,462.28	4,521.37	779.09	318.75	100.82	-	17,182.31
(ii)	Undisputed Trade Receivables-Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii)	Undisputed Trade Receivables-Credit Impaired	-	-	-	-	-	-	-
(iv)	Disputed Trade Receivables-Considered Good	-	-	-	178.71	-	-	178.71
(v)	Disputed Trade Receivables-Which have significant increase in credit risk	-	-	-	-	41.63	504.69	546.32
(vi)	Disputed Trade Receivables-Credit Impaired	-	-	-	-	-	-	-
	Less: Allowance for credit losses	-	-	-	-	(41.63)	(504.69)	(546.32)
	<b>Total</b>	<b>11,462.28</b>	<b>4,521.37</b>	<b>779.09</b>	<b>497.46</b>	<b>100.82</b>	<b>-</b>	<b>17,361.02</b>

### Trade Receivables ageing Schedule as on 31.03.2021

		(₹ in Lacs)						
S. no	Particulars	Not Due	Less than 6 Months	6 Months-1Year	1-2 Years	2-3 Years	More than 3 years	Total
(i)	Undisputed Trade Receivables-Considered Good	9,988.85	5,468.70	500.42	645.56	-	-	16,603.53
(ii)	Undisputed Trade Receivables-Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii)	Undisputed Trade Receivables-Credit Impaired	-	-	-	-	-	-	-
(iv)	Disputed Trade Receivables-Considered Good	-	-	117.06	-	-	-	117.06
(v)	Disputed Trade Receivables-Which have significant increase in credit risk	-	-	-	25.88	15.74	504.69	546.32
(vi)	Disputed Trade Receivables-Credit Impaired	-	-	-	-	-	-	-
	Less: Allowance for credit losses	-	-	-	(25.88)	(15.74)	(504.69)	(546.32)
	<b>Total</b>	<b>9,988.85</b>	<b>5,468.70</b>	<b>617.48</b>	<b>645.56</b>	<b>-</b>	<b>-</b>	<b>16,720.59</b>

# Notes to the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2022

## 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.

(₹ in Lacs)

Particulars	Carrying Amount	On demand	Maturity as on 31st March 2022			Total
			< 6 months	6-12 months	> 1 years	
Borrowings	17,474.08	-	884.94	855.59	15,733.55	17,474.08
Trade payable	8,350.43	494.11	7,856.32	-	-	8,350.43
Other liabilities	718.88	-	718.88	-	-	718.88
<b>Total</b>	<b>26,543.39</b>	<b>494.11</b>	<b>9,460.14</b>	<b>855.59</b>	<b>15,733.55</b>	<b>26,543.39</b>

(₹ in Lacs)

Particulars	Carrying Amount	On demand	Maturity as on 31st March 2021			Total
			< 6 months	6-12 months	> 1 years	
Borrowings	18,884.28	-	723.64	750.89	17,409.75	18,884.28
Trade payable	6,726.00	527.53	6,198.47	-	-	6,726.00
Other liabilities	653.20	-	653.20	-	-	653.20
<b>Total</b>	<b>26,263.48</b>	<b>527.53</b>	<b>7,575.31</b>	<b>750.89</b>	<b>17,409.75</b>	<b>26,263.48</b>

## Trade Payables ageing Schedule as on 31.03.2022

(₹ in Lacs)

S. no	Particulars	Not Due	Less than 1 Years	1-2 Years	2-3 Years	More than 3 years	Total
(i)	MSME	271.17	-	-	-	-	271.17
(ii)	Others	7,585.15	494.11	-	-	-	8,079.26
(iii)	Disputed dues-MSME	-	-	-	-	-	-
(iv)	Disputed dues-Others	-	-	-	-	-	-

## Trade Payables ageing Schedule as on 31.03.2021

(₹ in Lacs)

S. no	Particulars	Not Due	Less than 1 Years	1-2 Years	2-3 Years	More than 3 years	Total
(i)	MSME	168.38	-	-	-	-	168.38
(ii)	Others	6,030.09	527.53	-	-	-	6,557.62
(iii)	Disputed dues-MSME	-	-	-	-	-	-
(iv)	Disputed dues-Others	-	-	-	-	-	-

# Notes to the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2022

## 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.

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 2021-22 and 2020-21 is an under.

Particulars	(₹ in Lacs)	
	As of March 31, 2022	As of March 31, 2021
Loans and borrowings	17,474.08	18,884.28
Less: cash and cash equivalents	138.68	726.60
Net debt	17,335.40	18,157.69
Equity	20,174.25	19,295.17
Total capital	37,509.65	37,452.85
Gearing ratio	46.22%	48.48%

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

## 40. 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.



# Notes to the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2022

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.

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:

(₹ in Lacs)

Particulars	As at 31st March 2022		As at 31st March 2021	
	Carrying amount	Fair Value	Carrying amount	Fair Value
<b>Financial assets designated at amortised cost</b>				
Fixed deposits with banks	2,386.44	2,386.44	3,039.00	3,039.00
Cash and bank balances	138.68	138.68	726.60	726.60
Investment	0.00	0.00	0.00	0.00
Trade and other receivables	17,384.91	17,384.91	16,745.91	16,745.91
Other financial assets	676.69	676.69	742.51	742.51
	<b>20,586.72</b>	<b>20,586.72</b>	<b>21,254.02</b>	<b>21,254.02</b>
<b>Financial liabilities designated at amortised cost</b>				
Borrowings- fixed rate	17,474.08	17,474.08	18,884.28	18,884.28
Trade & other payables	8,350.43	8,350.43	6,726.00	6,726.00
Other financial liabilities	436.18	436.18	363.34	363.34
	<b>26,260.69</b>	<b>26,260.69</b>	<b>25,973.62</b>	<b>25,973.62</b>

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

(₹ in Lacs)

Particulars	As at March 31, 2022		
	Level 1	Level 2	Level 3
<b>Financial liabilities</b>			
Borrowings- fixed rate		17,474.08	
Other financial liabilities		436.18	

(₹ in Lacs)

Particulars	As at March 31, 2021		
	Level 1	Level 2	Level 3
<b>Financial liabilities</b>			
Borrowings- fixed rate		18,884.28	
Other financial liabilities		363.34	

During the year ended March 31, 2021 and March 31, 2022, 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.

# Notes to the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2022

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

March 31, 2021 and March 31, 2022, respectively:

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

Particulars	Fair value hierarchy	Valuation technique	Inputs used
<b>Financial liabilities</b>			
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

## 41. 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 segment information about geographical segment is given in note 31.1.

## 42. DEFINED CONTRIBUTION PLAN

**(a) Expense recognised for Defined Contribution plan**

Particulars	(₹ in Lacs)	
	Year ended March 31, 2022	Year ended March 31, 2021
Company's contribution to provident fund	117.39	112.78
<b>Total</b>	<b>117.39</b>	<b>112.78</b>

**(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, 2021, and March 31, 2022, being the respective measurement dates:

# Notes to the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2022

## (c) Movement in obligation

(₹ in Lacs)

Particulars	Gratuity (funded)	leave encashment (unfunded)
<b>Present value of obligation - April 1, 2020</b>	<b>440.98</b>	<b>71.34</b>
Current service cost	36.55	12.03
Interest cost	28.48	4.57
Benefits paid	-	(9.07)
Remeasurements - actuarial loss/ (gain)	(47.62)	(13.82)
<b>Present value of obligation - March 31, 2021</b>	<b>458.39</b>	<b>65.05</b>
<b>Present value of obligation - April 1, 2021</b>	<b>458.39</b>	<b>65.05</b>
Current service cost	31.11	8.56
Interest cost	28.03	4.10
Benefits paid	(93.56)	(27.90)
Remeasurements - actuarial loss/ (gain)	(58.14)	35.67
<b>Present value of obligation - March 31, 2022</b>	<b>365.83</b>	<b>85.48</b>

## (d) Movement in Plan Assets – Gratuity

(₹ in Lacs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Fair value of plan assets at beginning of year	337.06	221.37
Expected return on plan assets	19.77	15.68
Employer contributions	-	100.00
Benefits paid	(93.56)	-
Actuarial gain / (loss)	0.42	0.01
<b>Fair value of plan assets at end of year</b>	<b>263.69</b>	<b>337.06</b>
Present value of obligation	(365.83)	(458.39)
Net funded status of plan	263.69	337.06
<b>Actual return on plan assets</b>	<b>(102.14)</b>	<b>(121.33)</b>

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

## (e) Recognised in profit and loss

(₹ in Lacs)

Particulars	Gratuity	Leave encashment
Current Service cost	36.55	12.03
Interest cost	12.80	4.57
Remeasurement - Actuarial loss/(gain)	(47.63)	(13.82)
<b>For the year ended March 31, 2021</b>	<b>1.72</b>	<b>2.78</b>
Current Service cost	31.11	8.56
Interest cost	8.26	4.10
Remeasurement - Actuarial loss/(gain)	(58.56)	35.67
<b>For the year ended March 31, 2022</b>	<b>(19.19)</b>	<b>48.33</b>

# Notes to the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2022

(f) **Recognised in other comprehensive income.**

Particulars	(₹ in Lacs)
	<b>Gratuity</b>
Remeasurement - Actuarial loss/(gain) For the year ended March 31, 2021	(32.06)
Remeasurement - Actuarial loss/(gain) <b>For the year ended March 31, 2022</b>	(58.56)

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

Weighted average actuarial assumptions	As at March 31, 2022	As at March 31, 2021
Attrition rate	0% PA	0% PA
Discount Rate	6.68% PA	6.81% PA
Expected Rate of increase in salary	7.50% PA	7.50% PA
Expected Rate of Return on Plan Assets	5.86 % PA	7.08 % PA
Mortality rate	IALM 2012-14 Ultimate	IALM 2012-14 Ultimate

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.

(h) **Sensitivity analysis:**

**For the year ended March 31, 2021**

Particulars	change in Assumption	Effect on Gratuity obligation	change in Assumption	Effect on leave encashment obligation
Discount rate	+ 1%	421.78	+ 1%	62.01
	- 1%	501.07	- 1%	68.42
Salary Growth rate	+ 1%	494.14	+ 1%	68.30
	- 1%	424.75	- 1%	62.06
Attrition Rate	+ 1%	457.35	+ 1%	
	- 1%	459.41	- 1%	

**For the year ended March 31, 2022**

Particulars	change in Assumption	Effect on Gratuity obligation	change in Assumption	Effect on leave encashment obligation
Discount rate	+ 0.5%	357.67	+ 1%	82.05
	- 0.5%	374.39	- 1%	89.21
Salary Growth rate	+ 0.5%	372.32	+ 1%	89.09
	- 0.5%	355.35	- 1%	82.09
Attrition Rate	+ 1%	362.98	+ 1%	
	- 1%	364.40	- 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.

# Notes to the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2022

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

Particulars	(₹ in Lacs)	
	<b>Gratuity</b>	
01 Apr 2022 to 31 Mar 2023	67.84	
01 Apr 2023 to 31 Mar 2024	38.51	
01 Apr 2024 to 31 Mar 2025	48.70	
01 Apr 2025 to 31 Mar 2026	35.41	
01 Apr 2026 to 31 Mar 2027	40.17	
01 Apr 2027 Onwards	174.60	

(j) **Statement of Employee benefit provision**

Particulars	(₹ in Lacs)	
	Year ended March 31, 2022	Year ended March 31, 2021
Gratuity	365.83	458.39
Leave encashment	85.48	65.05
<b>Total</b>	<b>451.31</b>	<b>523.44</b>

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, 2021**

Particulars	(₹ in Lacs)	
	Gratuity	Leave Encashment
Current provision	71.55	13.33
Non current provision	49.78	51.72
<b>Total Provision</b>	<b>121.33</b>	<b>65.05</b>

**For the year ended March 31, 2022**

Particulars	(₹ in Lacs)	
	Gratuity	Leave Encashment
Current provision	67.84	14.66
Non current provision	34.30	70.82
<b>Total Provision</b>	<b>102.14</b>	<b>85.48</b>

k (i) **Employee benefit expenses**

Particulars	(₹ in Lacs)	
	Year ended March 31, 2022	Year ended March 31, 2021
Salaries and Wages	2,129.02	1,797.21
Costs-defined contribution plan	117.39	114.50
Welfare expenses	47.69	59.61
<b>Total</b>	<b>2,294.10</b>	<b>1,971.32</b>

**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.

# Notes to the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2022

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.

## 43. OTHER DISCLOSURES

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

Particulars	(₹ in Lacs)	
	Year ended March 31, 2022	Year ended March 31, 2021
<b>Auditors Remuneration</b>		
Audit Fee	15.50	15.50
Tax Audit Fee	1.50	1.50
Taxation Matters	0.50	0.71
Certification	0.50	0.50
Out of Pocket Expenses	0.04	0.23
<b>Total</b>	<b>18.04</b>	<b>18.44</b>

### (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.

## 44. CONTINGENT LIABILITIES

### i) Guarantees

Particulars	(₹ in Lacs)	
	As at March 31, 2022	As at March 31, 2021
Financial Bank Guarantees outstanding	227.00	1,010.42
Performance Bank Guarantees	1,970.84	2,005.39
	<b>2,197.84</b>	<b>3,015.81</b>

### ii) Duties & Taxes

Particulars	(₹ in Lacs)	
	As at March 31, 2022	As at March 31, 2021
Income Tax		
-Demands under appeal	107.53	107.53
Custom duty demand due to denial of concessional custom duty, under appeal	13.13	13.13
Service Tax demands under appeal	24.58	-
	<b>145.24</b>	<b>120.66</b>

# Notes to the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2022

## iii) Other contingent liabilities

Particulars	(₹ in Lacs)	
	As at March 31, 2022	As at March 31, 2021
Outstanding Bill discounted	4,003.78	2,751.87

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.

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

Particulars	(₹ in Lacs)	
	As at March 31, 2022	As at March 31, 2021
Property, Plant & Equipment	107.34	64.39

## 46. 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.

## 47. 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. Rashi Goel, Company Secretary

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

Parth Aggarwal  
 S S Aggarwal & Sons HUF

### e) Enterprises where Key Managerial Personnel or their relative exercise significant influence and with whom transactions have taken place:

Valens Technologies Private Limited



# Notes to the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2022

## Related Party Transactions:

(₹ in Lacs)

Description	Current Year				Previous Year			
	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	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
<b>Lease Liabilities Repayments</b>								
Paramount Telecables Limited	-	151.74	-	-	-	138.73	-	-
<b>Lease Rent Payment</b>								
Valens Technologies Private Limited		11.25						
S S Aggarwal & Sons HUF				4.50				
<b>Lease Interest Cost</b>								
Paramount Telecables Limited	-	105.87	-	-	-	113.63	-	-
<b>Loan received from Directors</b>								
Mr. Sanjay Aggarwal	-	-	5.00	-	-	-	35.00	-
Mr. Sandeep Aggarwal	-	-	25.00	-	-	-	43.00	-
<b>Loan Repaid to Directors</b>								
Mr. Sanjay Aggarwal			-				35.00	
Mr. Sandeep Aggarwal			-				43.00	
<b>Interest paid on Loans</b>								
Mr. Sanjay Aggarwal	-	-	0.05	-	-	-	2.23	-
Mr. Sandeep Aggarwal	-	-	0.81	-	-	-	2.74	-
<b>Purchases</b>								
Valens Technologies Private Limited	-	-	-	-	-	-	-	89.37
<b>Sales &amp; Job work Charges</b>								
Valens Technologies Private Limited				-				49.77
<b>Equity Shares Allotment including share premium</b>								
Mr. Sanjay Aggarwal			-				421.83	
Mr. Sandeep Aggarwal			-				421.83	
Mr. Parth Aggarwal			-	-			-	142.25

# Notes to the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2022

## Related Party Transactions: (Contd....)

(₹ in Lacs)

Description	Current Year				Previous Year			
	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	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
<b>Short term Security Deposit Paid</b>								
Paramount Telecables Limited	-	-	-	-	-	120.00	-	-
<b>Short term Security Deposit Return</b>								
Paramount Telecables Limited	-	-	-	-	-	120.00	-	-
<b>Remuneration to Key Managerial Personnel (KMP)</b>								
Mr. Sanjay Aggarwal, Chairman and CEO	-	-	179.05	-	-	-	153.15	-
Mr. Sandeep Aggrawal, Managing Director	-	-	178.84	-	-	-	152.42	-
Mr. Shambhu Kumar Agarwal, Chief Financial Officer	-	-	32.83	-	-	-	26.74	-
Mrs. Rashi Goel, Company Secretary	-	-	10.49	-	-	-	8.38	-

# Notes to the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2022

**Related Party Balances:**

(₹ in Lacs)

Description	Current Year 2021-22				Previous Year 2020-21					
	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
Lease Liabilities/Finance Lease Obligations	-	-	-	-	-	-	-	-	-	-
Paramount Telecles Limited	-	1,193.60	-	-	-	1,345.34	-	-	-	-
Payable outstanding at the year end	-	-	-	-	-	-	-	-	-	-
Paramount Telecles Limited	-	-	-	-	-	10.36	-	-	-	-
Valens Technologies Private Limited	-	-	-	-	-	-	-	-	-	42.19
S S Aggarwal & Sons HUF	-	-	-	6.14	-	-	-	-	-	-
Advance given balance outstanding as at year end after net of provisions	-	-	-	-	-	-	-	-	-	-
Paramount Holdings Limited*	-	-	-	-	-	-	-	-	-	-
Security Deposit given balance outstanding as at year end	-	92.28	-	-	-	92.28	-	-	-	-
Paramount Telecles Limited	-	-	-	-	-	-	-	-	-	-

Note \* - Advance given balance outstanding as at year end to a subsidiary company having net balance ₹. Nil (Gross advances at year end is ₹ 73.57 lacs and provisions for Advance as at year end is ₹ 73.,57 lacs).

## Remuneration to Key Managerial Personnel (KMP)

(₹ in Lacs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Short-Term employee benefits*	349.92	294.86
Post-Employment benefits	-	-
- Defined contribution plan\$	36.00	30.60
- Defined benefit plan#	15.28	15.22
<b>Total</b>	<b>401.20</b>	<b>340.68</b>

\* 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

# Notes to the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2022

## 48. 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	Number of shares	
	Year ended March 31, 2022	Year ended March 31, 2021
<b>Number of Equity Shares at the beginning of the year</b>	<b>19,41,83,965</b>	<b>18,41,33,965</b>
Add: Weighted average number of equity shares issued during the year	-	9,36,164
<b>Weighted average number of Equity shares for Basic EPS (A)</b>	<b>19,41,83,965</b>	<b>18,50,70,129</b>
Add: Weighted average number of Potential equity share for outstanding convertible share warrants.	-	22,71,575
<b>Weighted average number of equity shares for Diluted EPS (B)</b>	<b>19,41,83,965</b>	<b>18,73,41,704</b>

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

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Net Profit after Taxation (₹ Lacs)	820.52	310.02
Basic Earnings per Share (₹)	0.42	0.17
Diluted Earnings per Share (₹)	0.42	0.17
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.

## 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

# Notes to the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2022

**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. ADDITIONAL REGULATORY INFORMATION

- (i) Disclosure of title deeds of Immovable Properties not held in the name of Company

Relevant line item in the Balance Sheet	Description of item of Property	Gross Carrying Value (₹ Lacs)	Title deeds held in the name of	Whether the title deed holder is a promoter, director or relative of Promoter/ director or employee of Promoter/director	Property held since which date	Reason for not being held in the name of the company
PPE	Land	604.18	erstwhile partnership firm i.e. Paramount Cable Corporation	NO	1981	Land was in the name of erstwhile partnership firm i.e. Paramount Cable Corporation which was converted into this company, name change of which is yet to be transferred in the name of company

- (ii) The Company has not revalued its Property, Plant and Equipment as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017 during the year 2021-22 and 2020-21.
- (iii) The company has not granted any loan to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.
- (iv) Company does not have any Capital-Work-in Progress (CWIP)
- (v) The company does not have any pending proceeding for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- (vi) The Company does not have any working capital loan from banks or financial institutions on the basis of security of current assets.
- (vii) Company has not been declared as wilful defaulter by any bank or financial Institution or other lender.

# Notes to the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2022

- (viii) The company have the followings transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956. The details of which are as under

Name of Struck off Company	Nature of transactions with Struck off Company	Balance Outstanding (₹ Lacs)	Relationship with the Struck off Company, if any, to be disclosed
PYROTECH ELECTRONICS PVT LTD	Receivables	4.38	None
AARGEE CONTRACTS (P) LTD.	Receivables	17.95	None
M GLOBAL FINANCE LTD	Shares held by struck off Company	0.06	None
PROTECT FINVEST PVT LTD	Shares held by struck off Company	0.01	None
VAISHAK SHARES LIMITED	Shares held by struck off Company	0.00	None
KOYAL COMMERCIAL PRIVATE LIMITED	Shares held by struck off Company	0.00	None
ROKAD INVESTMENTS PRIVATE LIMITED.	Shares held by struck off Company	0.03	None
HOME TRADE LIMITED	Shares held by struck off Company	0.02	None
AGGARWAL SECURITIES PRIVATE LIMITED	Shares held by struck off Company	0.00	None
BERIWAL FINANCE AND HOLDINGS PVT. LTD.	Shares held by struck off Company	0.00	None

- (ix) The company do not have any charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.
- (x) The company has not advanced/ loaned/ invested funds (borrowed/share premium/any other sources of kind of funds) to any other person(s) or entity(ies), including foreign entities (intermediaries), with the understanding (whether recorded in writing or otherwise) that the intermediary shall (a) directly/ indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (ultimate beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- (xi) The company has not received any funds from any other person(s) or entity(ies), including foreign entities (Funding Party), with the understanding (whether recorded in writing or otherwise) that the company shall (a) directly/ indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the Funding Party (Ultimate beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate beneficiaries.
- (xii) The Company has complied with number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017. are not applicable on the company.
- (xiii) No income has been surrendered or disclosed for which transaction was not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (xiv) There is no transaction related to Crypto Currency or Virtual Currency. Hence, not applicable.

# Notes to the Standalone Financial Statements

for the year ended 31<sup>st</sup> March 2022

## 51. FINANCIAL RATIOS: -

Particulars	31-03-2022	31-03-2021	% Variance	Reason for variance more than 25%
(a) Current Ratio (in times)	2.99	3.38	(11.64)	
(b) Debt-Equity ratio (in times)	0.93	1.05	(11.74)	
(C) Debt-Service Coverage Ratio (in times)	1.08	1.03	5.22	
(d) Return on Equity ratio (in%)	4.16	1.65	151.52	Increase in ratio is due to increase in profitability of the company
(e) Inventory turnover ratio (in times)	4.22	3.95	6.83	
(f) Trade Receivables turnover ratio (in times)	3.40	2.77	22.69	
(g) Trade Payables turnover ratio (in times)	6.44	4.74	35.80	Increase in ratio is due to decrease in credit period
(h) Net Capital turnover ratio (in times)	2.63	2.39	9.98	
(i) Net Profit ratio(in %)	1.42	0.60	136.98	Increase in ratio is due to increase in profitability of the company
(j) Return on Capital Employed(in%)	3.81	2.59	47.24	Increase in ratio is due to increase in profitability of the company
(k) Return on Investment(in%)	NA	NA	NA	

Formula for computation of ratios are as follows:

Particulars	Numerator	Denominator
(a) Current Ratio (in times)	Current Asset	Current Liabilities
(b) Debt-Equity ratio (in times)	Total Debt	Shareholder's Equity
(C) Debt-Service Coverage Ratio (in times)	Earnings for Debt service = Net Profit after taxes+Non - cash operating expenses + interest cost	Debt service = Interest expense + Lease Payments + Principal Repayments
(d) Return on Equity ratio (in%)	Net Profit after taxes	Average Shareholders's Equity
(e) Inventory turnover ratio (in times)	Cost of Goods sold	Average Inventory
(f) Trade Receivables turnover ratio (in times)	Net Credit Sales	Average Trade Receivables
(g) Trade Payables turnover ratio (in times)	Net credit Purchases	Average Trade Payables
(h) Net Capital turnover ratio (in times)	Net Total Sales	Working Capital = Current Assets - Current Liabilities
(i) Net Profit ratio(in %)	Net Profit after taxes	Net Total Sales
(j) Return on Capital Employed(in%)	Earning before interest and taxes	Tangible Capital employed = Net Worth + Total Debts - Intangible Assets
(k) Return on Investment(in%)	Interest Income	Average Investments + Fixed Bank Deposits (Including Accrued Interest)

## 52. 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.: 080691)

Place : New Delhi  
Date: 28.05.2022

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**

## REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

### 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, 2022, 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, 2022, 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
<b>Provision of Doubtful Debts</b>	<ol style="list-style-type: none"> <li>1. We Obtain a detailed age analysis of the year end of debtors and test the analysis for a selection of the balances;</li> <li>2. Obtain an analysis of the provision for doubtful debts;</li> <li>3. Scrutinize the analysis and identify those debts which appear doubtful;</li> <li>4. Discuss with management their reasons, if any of these debts are not included in the provision for bad debts;</li> <li>5. Perform further testing where any disputes exists;</li> <li>6. Reach a final conclusion regarding the adequacy of the bad debts provision</li> </ol>
<b>Accuracy of Recognition, Measurement, Presentation and Disclosure of Revenue</b>	We assessed the company's process to identify the impact of the new revenue accounting standard.
<b>Impairment of Assets</b>	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 Holding 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 group'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 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, 2022 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, 2022, 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, 2022, taken on record by the Board of Directors, none of the directors of the Company is disqualified as on 31st March, 2022 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. 44 of the Consolidated Financial Statements.
  - ii. The Group did not have any long-term contracts including derivative contracts as at 31st March, 2022.
  - 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, 2022.
  - iv. a) The Holding Company's Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the group to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever or on the behalf of group ("Ultimate Beneficiaries") or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
  - b) The Holding Company's Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the group from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
  - c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement
  - v. The company has neither proposed nor declared any dividend during the year.
  - h. The managerial remuneration for the year ended 31st March, 2022 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: 22080691AJUAM8735

Place: New Delhi

Date: 28.05.2022

## 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, 2022

### 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, 2022 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, 2022, 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

**Pawan Bholusaria**

Partner

M.No.080691

Place: New Delhi

Date: 28.05.2022

# Consolidated Balance Sheet

as at 31<sup>st</sup> March 2022

Particulars	Note No.	(₹ in Lacs)	
		As at 31 <sup>st</sup> March 2022	As at 31 <sup>st</sup> March 2021
<b>I. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, Plant and Equipment	5	9,577.11	10,004.10
(b) Right of use assets	6	3,817.36	4,047.46
(c) Intangible assets	7	151.01	161.87
(d) Financial Assets			
(i) Investments	8	0.00	0.00
(ii) Loans	9	1.99	4.41
(iii) Others	10	1,446.06	2,072.92
(e) Other non-current assets	11	46.16	43.99
		<b>15,039.69</b>	<b>16,334.76</b>
<b>2 Current assets</b>			
(a) Inventories	12	11,460.92	10,020.32
(b) Financial Assets			
(i) Trade Receivables	13	17,361.02	16,720.59
(ii) Cash and cash equivalents	14	138.68	726.60
(iii) Bank Balances other than (ii) above	15	1,271.93	1,338.39
(iv) Loans	16	21.90	20.91
(v) Other Current Financial Assets	17	345.14	370.20
(c) Current Tax Assets (net)	18	408.90	409.38
(d) Other current assets	19	2,050.68	1,149.23
		<b>33,059.17</b>	<b>30,755.62</b>
<b>Total Assets</b>		<b>48,098.86</b>	<b>47,090.38</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Equity Share Capital	20	3,883.68	3,883.68
(b) Other Equity	21	16,290.57	15,411.49
		<b>20,174.25</b>	<b>19,295.17</b>
<b>2 Liabilities</b>			
<b>(i) Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	22	15,733.55	17,409.75
(ii) Lease Liabilities	23	1,027.62	1,193.60
(b) Provisions	24	105.12	101.50
		<b>16,866.29</b>	<b>18,704.85</b>
<b>(ii) Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	25	1,740.53	1,474.53
(ii) Lease Liabilities	26	165.98	151.74
(iii) Trade payables	27		
- Total outstanding dues of Micro and Small Enterprises		271.17	168.38
- Total outstanding dues of creditors other than Micro and Small Enterprises		8,079.26	6,557.62
(iv) Other Financial Liabilities	28	436.18	363.34
(b) Other current liabilities	29	282.70	289.86
(c) Provisions	30	82.50	84.88
		<b>11,058.32</b>	<b>9,090.36</b>
<b>Total Equity and Liabilities</b>		<b>48,098.86</b>	<b>47,090.38</b>
III. Notes forming part of the Consolidated Financial Statements	1 to 52		

As per our Report of even date attached

**For P. Bholusaria & Co.**

**Chartered Accountants**

Firm Registration No. : 000468N

**Pawan Bholusaria**

**Partner (M.No.: 080691)**

Place : New Delhi

Date: 28.05.2022

For and on behalf of the Board

**(Sanjay Aggarwal)**

Chairman & CEO

DIN No: 00001788

**(S K Aggarwal)**

Chief Financial Officer

Mem No: 053595

**(Sandeep Aggarwal)**

Managing Director

DIN No: 00002646

**(Rashi Goel)**

Company Secretary

Mem No: FCS 9577



# Consolidated Statement of Profit and Loss

for the year ended 31<sup>st</sup> March 2022

(₹ in Lacs)

Particulars	Note No.	For the year ended 31 <sup>st</sup> March 2022	For the year ended 31 <sup>st</sup> March 2021
<b>Revenue :</b>			
I. Revenue from operations	31	58,093.61	51,908.33
II. Other income	32	374.33	268.50
III. <b>Total Income (I + II)</b>		<b>58,467.94</b>	<b>52,176.83</b>
<b>IV. Expenses:</b>			
Cost of material consumed	33	45,927.49	39,728.76
Change in Inventories of finished goods, work-in-progress and scrap	34	(570.27)	1,604.22
Employee benefits expenses	35	2,294.10	1,971.32
Finance costs	36	640.88	704.64
Depreciation and amortization Expenses	37	954.46	907.16
Other Expenses	38	8,400.76	6,950.71
<b>Total Expenses (IV).</b>		<b>57,647.42</b>	<b>51,866.81</b>
V. <b>Profit Before exceptional items and Tax (III - IV)</b>		<b>820.52</b>	<b>310.02</b>
VI. Exceptional items		-	-
VII. <b>Profit before tax (V - VI)</b>		<b>820.52</b>	<b>310.02</b>
VIII. Tax expense:			
Current tax		-	-
Deferred tax		-	-
Total Tax Expense		-	-
IX <b>Profit for the year (VII - VIII)</b>		<b>820.52</b>	<b>310.02</b>
X <b>Comprehensive Income</b>			
<b>Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit and loss</b>			
Re-measurement gains/ (losses) on defined benefit plans		58.56	32.06
Income tax effect on above		-	-
		<b>58.56</b>	<b>32.06</b>
XI <b>Total Comprehensive Income for the year (IX +X) (Comprehensive profit and other comprehensive income for the year)</b>		<b>879.08</b>	<b>342.08</b>
XII. <b>Earnings Per Equity Share:</b>	48		
(1) Basic		0.42	0.17
(2) Diluted		0.42	0.17

Notes forming part of the Consolidated Financial Statements

1 to 52

As per our Report of even date attached

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

**Pawan Bholusaria**  
Partner (M.No.: 080691)

Place : New Delhi  
Date: 28.05.2022

For and on behalf of the Board

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

**(S K Aggarwal)**  
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 Flows

for the year ended 31<sup>st</sup> March 2022

(₹ in Lacs)

Particulars	For the year ended 31 <sup>st</sup> March 2022		For the year ended 31 <sup>st</sup> March 2021	
<b>(A) CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Net Profit before taxation</b>		<b>820.52</b>		310.02
<b>Adjustment for :</b>				
Depreciation and amortization expenses	954.46		907.16	
Interest Expenses/ Finance Cost	535.02		591.02	
Interest on lease liability & on fair valuation of Security Deposit	105.87		113.62	
Reversal of rent lease liability	(266.67)		(260.66)	
Unrealised Exchange Gain/(Loss)	50.25		(1.05)	
Loss / (Profit) on sale of assets(net)	-		(2.34)	
Interest Income	(201.25)		(211.52)	
		<b>1,177.68</b>		<b>1,136.23</b>
<b>Operating Profit before working capital changes</b>		<b>1,998.20</b>		<b>1,446.25</b>
<b>Adjustment for :</b>				
Decrease / (Increase) in Trade Receivables	(690.67)		4,002.00	
Decrease / (Increase) in Loans & Advances	1.43		54.02	
Decrease / (Increase) in Inventories	(1,440.60)		872.34	
Decrease / (Increase) in Other financial and non financial Assets	(154.32)		(384.77)	
(Decrease) / Increase in Trade Payables	1,624.43		(4,196.39)	
(Decrease) / Increase in Other Liabilities & Provisions	125.47		(168.67)	
		<b>(534.26)</b>		<b>178.53</b>
<b>Cash generated from operation</b>		<b>1,463.94</b>		<b>1,624.78</b>
<b>Exceptional items</b>		-		-
Income Tax Paid	0.48	<b>0.48</b>	(191.34)	<b>(191.34)</b>
<b>NET CASH FROM OPERATING ACTIVITIES</b>		<b>1,464.42</b>		<b>1,433.43</b>
<b>(B) CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Purchase of Fixed Assets including Capital WIP	(286.51)		(573.38)	
Sale of Fixed Assets	-		50.79	
Interest Received	179.39		196.14	
<b>NET CASH FROM INVESTING ACTIVITIES</b>		<b>(107.12)</b>		<b>(326.45)</b>

# Consolidated Statement of Cash Flows (Contd...)

for the year ended 31<sup>st</sup> March 2022

(₹ in Lacs)

Particulars	For the year ended 31 <sup>st</sup> March 2022		For the year ended 31 <sup>st</sup> March 2021
<b>(C) CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Interest Expenses/ Finance Cost	(535.02)		(591.02)
Increase/(Decrease) in Borrowings from banks / ARC /NBFC	(1,440.20)		(680.58)
Loan From Directors	30.00		-
Proceeds from Issue of Equity Share upon conversion of Equity share warrant	-		738.68
<b>NET CASH FROM FINANCING ACTIVITIES</b>		<b>(1,945.22)</b>	<b>(532.92)</b>
<b>NET INCREASE/(DECREASE) IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>		<b>(587.92)</b>	<b>574.07</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>		<b>726.60</b>	<b>152.53</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>		<b>138.68</b>	<b>726.60</b>

## Reconciliation of Borrowings

(₹ in Lacs)

Particulars	Borrowings (Current & Non-Current)	Borrowings (Current & Non-Current)
	As at 31.03.2022	As at 31.03.2021
Opening balance	18,884.28	19,564.86
Proceeds	66.00	354.25
Repayments	1,476.20	1,034.83
<b>Closing balance</b>	<b>17,474.08</b>	<b>18,884.28</b>

### Note:

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

Notes forming part of the Consolidated Financial Statements 1 to 52

### As per our Report of even date attached

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

**Pawan Bholusaria**  
Partner (M.No.: 080691)

Place : New Delhi  
Date: 28.05.2022

### For and on behalf of the Board

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

**(S K Aggarwal)**  
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 31<sup>st</sup> March 2022

## A. EQUITY SHARE CAPITAL

Particulars	Balance as at	Changes in equity share capital	Balance as at	Changes in equity share capital	As at
	April 1, 2020	during the year 2020-21	March 31, 2021	during the year 2021-22	31st March 2022
Equity share capital	3,682.68	201.00	3,883.68	-	3,883.68

(₹ in Lacs)

## B. OTHER EQUITY

Particulars	Equity component of convertible instruments	Reserve and Surplus			items of Other comprehensive Income items that will not be classified to profit and loss	Total
		Capital Reserve	Securities Premium	General Reserve		
<b>Balance as at April 1, 2020</b>	<b>247.23</b>	<b>30.31</b>	<b>17,664.74</b>	<b>254.03</b>	<b>(3,609.82)</b>	<b>14,531.74</b>
Total Comprehensive Income for the year 2020-21	-	-	-	-	310.02	310.02
Addition during the year	-	-	784.90	-	-	784.90
Re-measurement of net defined benefit Plans	-	-	-	-	32.06	32.06
Transfer to Equity and share premium	(247.23)	-	-	-	-	(247.23)
<b>Balance as at March 31, 2021</b>	<b>-</b>	<b>30.31</b>	<b>18,449.64</b>	<b>254.03</b>	<b>(3,299.80)</b>	<b>15,411.49</b>
Total Comprehensive Income for the year 2021-22	-	-	-	-	820.52	820.52
Addition during the year	-	-	-	-	-	-
Re-measurement of net defined benefit Plans	-	-	-	-	58.56	58.56
<b>Balance as at March 31, 2022</b>	<b>-</b>	<b>30.31</b>	<b>18,449.64</b>	<b>254.03</b>	<b>(2,479.28)</b>	<b>16,290.57</b>

(₹ in Lacs)

Notes forming part of the Consolidated Financial Statements 1 to 52

### As per our Report of even date attached

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

**Pawan Bholusaria**  
Partner (M.No.: 080691)

Place : New Delhi  
Date: 28.05.2022

### For and on behalf of the Board

**(Sanjay Aggarwal)**  
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Mem No: 053595

**(Sandeep Aggarwal)**  
Managing Director  
DIN No: 00002646

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

# Notes to the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March 2022

## 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 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 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 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 recognised in the Exchange Fluctuation Reserve.

The Consolidated Financial Statements include the results of the following entities:

Name of Company	Country of incorporation	Relationship	Ownership Interest
Paramount Holding Limited (PHL)	Cyprus	Subsidiary	100.00%
AEI Power Cables Limited (APCL)	United Kingdom	Subsidiary	100.00%

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:

# Notes to the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March 2022

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

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

## 3.2 Property, Plant and Equipment

- 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.
- 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
<b>Class of Property, Plant &amp; Equipment</b>	
-Building	30-60
-Plant and Equipment	15-25
-Electric Installation	10
-Furniture and Fixtures	10
-Computer equipment	3
-Office equipment	5
-Vehicles	8
<b>Class of Right to use assets</b>	
-Leasehold Land	Over the lease period
-Leasehold Building	Over the lease period
<b>Class of Intangible Assets</b>	
-Software	5

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:

- when the Company controls the asset,
- it is probable that future economic benefits attributed to the asset will flow to the Company
- 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 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

# Notes to the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March 2022

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 (₹rounded to lacs), 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.

### 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.



# Notes to the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March 2022

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 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.

# Notes to the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March 2022

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.

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 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.

## 3.14 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.

# Notes to the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March 2022

## 3.15 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 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.

## 3.16 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.

## 3.17 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.

## 3.18 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") has vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain

# Notes to the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March 2022

accounting standards, and are effective 1 April 2022. These amendments are not expected to have a material impact on the company in the current or future reporting periods and on foreseeable future transactions.

Ministry of Corporate Affairs (“MCA”) amended the Schedule III to the Companies Act, 2013 on 24 March 2021 to increase the transparency and provide additional disclosures to users of financial statements. These amendments are effective from 1 April 2021.

Consequent to above, the company has changed the classification/presentation of

- (i) current maturities of long-term borrowings
- (ii) security deposits, in the current year

The current maturities of long-term borrowings (including interest accrued) has now been included in the “Current borrowings” line item. Previously, current maturities of long-term borrowings and interest accrued were included in ‘other financial liabilities’ line item.

Further, security deposits (which meet the definition of a financial asset as per Ind AS 32) have been included in ‘other financial assets’ line item. Previously, these deposits were included in ‘loans’ line item.

## 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.

### (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 the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March 2022

## 5. PROPERTY, PLANT AND EQUIPMENT

Particulars	(₹ in Lacs)										Total	
	Freehold Land	Buildings	Lease hold Building improvement	Plant and Equipment	Furniture and Fixture	Vehicles	Office Equipment					
<b>Gross Block</b>												
As at April 1, 2020	2,302.35	2,190.72	52.34	8,787.02	182.63	47.89	117.01					13,679.96
Additions	-	-	-	453.89	0.95	2.00	14.13					470.98
Disposals/Adjustments	-	-	-	(76.37)	(0.54)	(0.52)	-					(77.43)
As at March 31, 2021	2,302.35	2,190.72	52.34	9,164.54	183.05	49.37	131.14					14,073.51
Additions	-	-	-	178.09	1.02	38.15	18.12					235.38
Disposals/Adjustments	-	-	-	-	-	-	-					-
As at March 31, 2022	2,302.35	2,190.72	52.34	9,342.63	184.07	87.52	149.26					14,308.89
<b>Accumulated Depreciation</b>												
As at April 1, 2020	-	344.13	46.36	2,830.23	149.46	24.89	56.23					3,451.30
Depreciation charge for the year	-	86.32	0.10	532.16	6.60	2.49	19.41					647.08
Disposals/Adjustments	-	-	-	(28.51)	(0.46)	-	-					(28.97)
As at March 31, 2021	-	430.45	46.46	3,333.88	155.60	27.38	75.64					4,069.41
Depreciation charge for the year	-	86.32	-	544.85	6.10	4.49	20.61					662.37
Disposals/Adjustments	-	-	-	-	-	-	-					-
As at March 31, 2022	-	516.77	46.46	3,878.73	161.70	31.87	96.25					4,731.78
<b>Net Carrying Amount</b>												
As at March 31, 2021	2,302.35	1,760.27	5.88	5,830.66	27.45	21.99	55.50					10,004.10
As at March 31, 2022	2,302.35	1,673.95	5.88	5,463.90	22.38	55.65	53.01					9,577.11

Note:-

- 1) Property, plant and equipment is hypothecated for long term borrowings from Assets Reconstruction Company and NBFC. (Refer note no. 22)
- 2) For disclosure of title deeds not held in the name of company refer note no 50 (i).

# Notes to the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March 2022

## 6. RIGHT OF USE ASSETS

Particulars			(₹ in Lacs)
	Lease hold Land	Right of use assets (Lease Hold Building)	Total
<b>As at April 1, 2020</b>	<b>2,797.82</b>	<b>1,610.90</b>	<b>4,408.72</b>
Additions	-	-	-
Disposals/Adjustments	-	87.72	87.72
<b>As at March 31, 2021</b>	<b>2,797.82</b>	<b>1,698.62</b>	<b>4,496.44</b>
Additions	-	-	-
Disposals/Adjustments	-	-	-
<b>As at March 31, 2022</b>	<b>2,797.82</b>	<b>1,698.62</b>	<b>4,496.44</b>
<b>Accumulated Depreciation</b>			
<b>As at April 1, 2020</b>	<b>34.78</b>	<b>184.10</b>	<b>218.88</b>
Depreciation charge for the year	34.68	195.42	230.10
Disposals/Adjustments	-	-	-
<b>As at March 31, 2021</b>	<b>69.46</b>	<b>379.52</b>	<b>448.98</b>
Depreciation charge for the year	34.68	195.42	230.10
Disposals/Adjustments	-	-	-
<b>As at March 31, 2022</b>	<b>104.14</b>	<b>574.94</b>	<b>679.08</b>
<b>Net Carrying Amount</b>			
<b>As at March 31, 2021</b>	<b>2,728.36</b>	<b>1,319.10</b>	<b>4,047.46</b>
<b>As at March 31, 2022</b>	<b>2,693.68</b>	<b>1,123.68</b>	<b>3,817.36</b>

Note:-

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

## 7. INTANGIBLE ASSETS

Particulars			(₹ in Lacs)
		Other Intangibles (Software)	Total
<b>Gross Block</b>			
<b>As at April 1, 2020</b>		<b>170.49</b>	<b>170.49</b>
Addition during the year		102.41	102.41
Adjustment		-	-
<b>As at March 31, 2021</b>		<b>272.90</b>	<b>272.90</b>
Addition during the year		51.13	51.13
Adjustment		-	-
<b>As at March 31, 2022</b>		<b>324.03</b>	<b>324.03</b>
<b>Accumulated Amortization</b>			
<b>As at April 1, 2020</b>		<b>81.05</b>	<b>81.05</b>
Charge for the year		29.98	29.98
<b>As at March 31, 2021</b>		<b>111.03</b>	<b>111.03</b>
Charge for the year		61.99	61.99
<b>As at March 31, 2022</b>		<b>173.02</b>	<b>173.02</b>
<b>Net Carrying Amount</b>			
<b>As at March 31, 2021</b>		<b>161.87</b>	<b>161.87</b>
<b>As at March 31, 2022</b>		<b>151.01</b>	<b>151.01</b>

# Notes to the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March 2022

## 8. NON CURRENT INVESTMENTS

(₹ in Lacs)

Particulars	As at 31st March 2022			As at 31st March 2021		
	No. of Shares	Face Value	Amount	No. of Shares	Face Value	Amount
<b>Long Term (Unquoted)</b>						
<b>In Subsidiaries</b>						
<b>Equity Instruments</b>						
06196375 Cables Limited" (formerly AEI Cables Limited), United Kingdom. In administration liquidation	20000	£1 each	0.00	20000	£1 each	0.00
<b>Total</b>			<b>0.00</b>			<b>0.00</b>
<b>Aggregate amount of unquoted investment (Market value)</b>			<b>0.00</b>			<b>0.00</b>
<b>Grand Total</b>			<b>0.00</b>			<b>0.00</b>
<b>Aggregate value of quoted investments</b>			-			-
<b>Aggregate Market value of quoted investments</b>			-			-
<b>Aggregate value of unquoted investments</b>			<b>2,554.70</b>			<b>2,554.70</b>
<b>Aggregate amount of impairment in value of investments</b>			<b>2,554.70</b>			<b>2,554.70</b>

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.



# Notes to the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March 2022

## 9. NON CURRENT LOANS

(₹ in Lacs)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Staff Loans</b>		
Secured, considered good	-	-
Unsecured, considered good	1.99	4.41
Loan Receivables which have significant increase in credit Risk	-	-
Loan Receivables- credit impaired	-	-
<b>Total</b>	<b>1.99</b>	<b>4.41</b>

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

(₹ in Lacs)

Particulars	As at 31st March 2022	As at 31st March 2021
Security Deposits		
to related party **	92.28	92.28
to others	156.66	157.02
Interest Accrued but not due on fair valuation of Security Deposit to related party	17.36	8.30
Bank Deposits (with remaining maturity of more than 12 months)*	1,114.51	1,700.61
Interest Accrued but not due on fixed deposits	65.25	114.71
	<b>1,446.06</b>	<b>2,072.92</b>

\*Under lien/custody with banks.

## 11. OTHER NON-CURRENT ASSETS

(₹ in Lacs)

Particulars	As at 31st March 2022	As at 31st March 2021
Capital Advances (Unsecured, considered good)	46.16	43.99
<b>Total</b>	<b>46.16</b>	<b>43.99</b>

## 12. INVENTORIES

(₹ in Lacs)

Particulars	As at 31st March 2022	As at 31st March 2021
Raw Material *	3,720.60	2,911.98
Work- in -progress	3,156.03	2,907.21
Finished goods *	4,067.68	3,745.38
Stores and Spares	356.74	368.88
Packing materials	138.68	64.84
Scrap	21.19	22.03
<b>Total inventories</b>	<b>11,460.92</b>	<b>10,020.32</b>

\* Includes Goods in Transit in respect of raw material ₹ Nil (Previous year ₹ 50.36 Lacs) and finished goods ₹ 38.07 Lacs (Previous year ₹ Nil).  
Inventories have been offered as security against the borrowings (Refer Note No 22)

# Notes to the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March 2022

## 13. TRADE RECEIVABLES

(₹ in Lacs)

Particulars	As at 31st March 2022	As at 31st March 2021
Secured, considered good	-	-
Unsecured, considered good	17,361.02	16,720.59
Trade Receivables which have significant increase in credit Risk	546.32	546.32
Trade Receivables- credit impaired	-	-
Less: Allowance for credit losses	(546.32)	(546.32)
<b>Total Trade Receivables</b>	<b>17,361.02</b>	<b>16,720.59</b>

For disclosure of ageing of Trade Receivables refer note no 39.

## 14. CASH AND CASH EQUIVALENTS

(₹ in Lacs)

Particulars	As at 31st March 2022	As at 31st March 2021
Balances with banks		
- On current accounts	130.06	713.86
Cash on hand	8.62	12.74
	<b>138.68</b>	<b>726.60</b>

## 15. OTHER BANK BALANCES

(₹ in Lacs)

Particulars	As at 31st March 2022	As at 31st March 2021
Fixed Deposits with remaining maturity of less than twelve months and other than those considered in cash and cash equivalents *	1,271.93	1,338.39
	<b>1,271.93</b>	<b>1,338.39</b>

\*Under lien/custody with banks.

## 16. CURRENT LOANS

### Others Loans

(₹ in Lacs)

Particulars	As at 31st March 2022	As at 31st March 2021
Secured, considered good	-	-
Unsecured, considered good		
- Employees Loans & advances	21.90	20.91
Loan Receivables which have significant increase in credit Risk	-	-
Loan Receivables- credit impaired	-	-
	<b>21.90</b>	<b>20.91</b>

# Notes to the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March 2022

## 17. OTHER CURRENT FINANCIAL ASSETS

(₹ in Lacs)

Particulars	As at 31st March 2022	As at 31st March 2021
Earnest Money Deposits	157.62	254.27
Security Deposits to others	7.50	7.22
Interest Accrued but not due on fixed deposits	180.02	108.71
	<b>345.14</b>	<b>370.20</b>

## 18. CURRENT TAX ASSETS

(₹ in Lacs)

Particulars	As at 31st March 2022	As at 31st March 2021
TDS, TCS and Income Tax	408.90	409.38
	<b>408.90</b>	<b>409.38</b>

## 19. OTHER CURRENT ASSETS

(₹ in Lacs)

Particulars	As at 31st March 2022	As at 31st March 2021
Advances to vendors		
to others	831.22	672.15
Balance with Government Authorities *	1,144.14	397.87
Prepaid Expenses	75.32	79.21
<b>TOTAL</b>	<b>2,050.68</b>	<b>1,149.23</b>

\* represents GST, duty drawback and Government incentives etc.

## 20. EQUITY SHARE CAPITAL

(₹ in Lacs)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Authorised share capital</b>		
250,000,000(March 31, 2021- 250,000,000) Equity Shares of ₹ 2/-each	5,000.00	5,000.00
1,000,000(March 31, 2021- 1,000,000) Redeemable Preference Shares of ₹ 100/-each	1,000.00	1,000.00
	<b>6,000.00</b>	<b>6,000.00</b>
<b>Issued,Subscribed and Paid up Capital</b>		
194,183,965 (March 31, 2021 -194,183,965) Equity Shares of ₹ 2/-each fully paid up	3,883.68	3,883.68
	<b>3,883.68</b>	<b>3,883.68</b>

# Notes to the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March 2022

## Reconciliation of the number of equity shares and share capital

	As at 31st March 2022		As at 31st March 2021	
	No of shares	(Amount in ₹)	No of shares	(Amount in ₹)
Shares outstanding as at the beginning of the year	19,41,83,965	3,883.68	18,41,33,965	3,682.68
Add: Shares issued during the year *	-	-	1,00,50,000	201.00
<b>Shares outstanding as at the end of the year</b>	<b>19,41,83,965</b>	<b>3,883.68</b>	<b>19,41,83,965</b>	<b>3,883.68</b>

\* Upon conversion of Warraants

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

Name of the shareholders	As at 31st March 2022		As at 31st March 2021	
	No of Shares Hold	% of Holding	No of Shares Hold	% of Holding
M/s Paramount Telecables Limited	3,87,43,500	19.95	3,87,43,500	19.95
M/s April Investment and Finance Pvt. Ltd.	1,30,40,172	6.72	1,30,40,172	6.72
Mrs. Shashi Aggarwal	97,62,800	5.03	97,62,800	5.03
Mr. Sanjay Aggarwal	1,40,61,013	7.24	1,40,61,013	7.24
Mr. Sandeep Aggarwal	1,40,03,533	7.21	1,40,00,733	7.21

## 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.

## Shares held by Promoter and Promoter group at the end of the Year:

S. No.	Particulars	As at 31st March 2022		As at 31st March 2021		% change during the year
		No. of Shares	% of total Shares	No. of Shares	% of total Shares	
<b>Promoters</b>						
1	Sanjay Aggarwal	14061013	7.24	14061013	7.24	-
2	Sandeep Aggarwal	14003533	7.21	14000733	7.21	-
	<b>Total</b>	<b>28064546</b>	<b>14.45</b>	<b>28061746</b>	<b>14.45</b>	<b>-</b>
<b>Promoter Group</b>						
3	Kamla Aggarwal	8362855	4.31	8362855	4.31	-
4	Shyam Sunder Aggarwal (HUF)	317000	0.16	317000	0.16	-
5	Sanjay Aggarwal (HUF)	2962000	1.53	2962000	1.53	-
6	Sandeep Aggarwal (HUF)	1605745	0.83	1605745	0.83	-
7	Shashi Aggarwal	9762800	5.03	9762800	5.03	-
8	Archana Aggarwal	7862855	4.05	7862855	4.05	-
9	Parul Aggarwal	274125	0.14	274125	0.14	-
10	Tushar Aggarwal	1724125	0.89	1724125	0.89	-
11	Dhruv Aggarwal	1724125	0.89	1724125	0.89	-
12	Parth Aggarwal	1724125	0.89	1724125	0.89	-
13	April Investment And Finance Pvt. Ltd.	13040172	6.72	13040172	6.72	-
14	Worth Finance and Leasing Pvt. Ltd.	4424330	2.28	4424330	2.28	-
15	Ekta Ayat Niryat Pvt. Ltd.	10750	0.01	10750	0.01	-
16	Hertz Electricals (International) Pvt. Ltd.	18050	0.01	18050	0.01	-
17	Paramount Telecables Ltd.	38743500	19.95	38743500	19.95	-
	<b>Total</b>	<b>92556557</b>	<b>47.66</b>	<b>92556557</b>	<b>47.66</b>	<b>-</b>
	<b>Grand Total</b>	<b>120621103</b>	<b>62.12</b>	<b>120618303</b>	<b>62.12</b>	<b>-</b>

# Notes to the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March 2022

## 21. OTHER EQUITY

(₹ in Lacs)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>(A) Retained Earnings</b>		
Opening Balance	(3,299.80)	(3,609.82)
Add: Net profit for the year	820.52	310.02
<b>Total of A</b>	<b>(2,479.28)</b>	<b>(3,299.80)</b>
<b>(B) Other Reserves</b>		
<b>items of Other comprehensive Income</b>		
Re-measurement gains (losses) on defined benefit plans		
Opening Balance	(22.69)	(54.75)
Addition during the year	58.56	32.06
	<b>35.87</b>	<b>(22.69)</b>
<b>General Reserve</b>		
Opening Balance	254.03	254.03
Addition during the year	-	-
	<b>254.03</b>	<b>254.03</b>
<b>Capital Reserve</b>		
Opening Balance	30.31	30.31
	<b>30.31</b>	<b>30.31</b>
<b>Securities Premium</b>		
Opening Balance	18,449.64	17,664.74
Addition during the year	-	784.90
	<b>18,449.64</b>	<b>18,449.64</b>
<b>Total of B</b>	<b>18,769.85</b>	<b>18,711.29</b>
<b>Total (A+B)</b>	<b>16,290.57</b>	<b>15,411.49</b>

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 par 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 the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March 2022

## 22. BORROWINGS

(At amortised cost)

(₹ in Lacs)

Particulars	As at 31st March 2022		As at 31st March 2021	
	Current	Non Current	Current	Non Current
<b>Secured</b>				
<b>Term Loans</b>				
From Banks	10.53	23.80	-	-
From Securitisation and Assets Reconstruction Company (ARC)	1,700.00	14,578.00	870.00	16,278.00
From Financial Institution	-	1,131.75	-	1,131.75
From Non Banking Financial Company	-	-	604.53	-
<b>Total</b>	<b>1,710.53</b>	<b>15,733.55</b>	<b>1,474.53</b>	<b>17,409.75</b>

### Nature of Security :-

#### From Banks

Loans from banks are secured against hypothecation of vehicles and carries rate of interest ranging from 9.5% to 12.5 %, loans are repayable in monthly installments. Last installment is due in June 2026.

#### 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 Prahlapur, 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 3,96,74,457 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 are repayable in unequal 14 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 was 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 Prahlapur, 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 was 16%. This loan was repayable in 33 equal monthly installments starting from 22.05.2019. Last installment was paid in January 2022.

# Notes to the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March 2022

**Maturity Profile and rate of interest of Secured Borrowings are as set out below:-**

(₹ in Lacs)

Class of loans	Rate of Interest	Maturity Profile			
		1-2 Years	2-3 Years	3-4 Years	Beyond 4 Years
Term loan from banks	7.5%	3.12	3.37	3.63	0.95
Term loan from banks	12.5%	8.22	4.51	-	-
From Securitisation and Assets Reconstruction Company (ARC)	0.0%	4,528.00	9,855.00	195.00	-
From Financial Institution	9.5%	-	-	1,131.75	-
<b>Total</b>		<b>4,539.34</b>	<b>9,862.88</b>	<b>1,330.38</b>	<b>0.95</b>

## 23. LEASE LIABILITIES

(₹ in Lacs)

Particulars	As at 31st March 2022	As at 31st March 2021
Lease Liability towards right of use assets *	1,027.62	1,193.60
<b>Total</b>	<b>1,027.62</b>	<b>1,193.60</b>

\* Refer note no 49 of Notes to Financial Statements)

## 24. PROVISIONS

(₹ in Lacs)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Provisions for employee benefits</b>		
Provision for Gratuity	34.30	49.78
Provision for Leave Encashment	70.82	51.72
	<b>105.12</b>	<b>101.50</b>

### 24.1 Movement in provisions

(₹ in Lacs)

Particulars	As at 31st March 2022		As at 31st March 2021	
	Gratuity (funded)	Leave Encashment (unfunded)	Gratuity (funded)	Leave Encashment (unfunded)
Opening balance	121.33	65.05	219.61	71.34
Add: Provision created/(reversed) during the year	(19.19)	48.33	1.72	2.78
Less: Paid during the year	-	(27.90)	(100.00)	(9.07)
<b>Closing Balance</b>	<b>102.14</b>	<b>85.48</b>	<b>121.33</b>	<b>65.05</b>
of which, current Provision (Refer Note no 30)	67.84	14.66	71.55	13.33



# Notes to the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March 2022

## 25. BORROWINGS

Particulars	(₹ in Lacs)	
	As at 31st March 2022	As at 31st March 2021
<b>Secured</b>		
<b>Current maturities of long term debts (Refer Note No 22)</b>		
- From Securitisation and Assets Reconstruction Company (ARC)	1,700.00	870.00
- From Non Banking Financial Company	-	604.53
- From Banks	10.53	-
<b>Unsecured</b>		
<b>From Related Parties</b>		
Loan From Directors*	30.00	-
(Repayable on demand, rate of interest @12 % Per annum)		
	<b>1,740.53</b>	<b>1,474.53</b>

\* Refer Note no 47

## 26. LEASE LIABILITIES

Particulars	(₹ in Lacs)	
	As at 31st March 2022	As at 31st March 2021
Lease Liability towards right of use lease assets	165.98	151.74
	<b>165.98</b>	<b>151.74</b>

## 27. TRADE PAYABLES

Particulars	(₹ in Lacs)	
	As at 31st March 2022	As at 31st March 2021
Total outstanding dues of Micro and Small Enterprises*	271.17	168.38
Total outstanding dues of creditors other than Micro and Small Enterprises	8,079.26	6,557.62
<b>Total</b>	<b>8,350.43</b>	<b>6,726.00</b>

For disclosure of ageing of Trade Payables refer note no 39.

27.1 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	(₹ in Lacs)	
	As at 31st March 2022	As at 31st March 2021
Principal Amount remaining unpaid at the end of the year	271.17	168.38
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	-	-
<b>Total</b>	<b>271.17</b>	<b>168.38</b>

# Notes to the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March 2022

## 28. OTHER CURRENT FINANCIAL LIABILITIES

(₹ in Lacs)

Particulars	As at 31st March 2022	As at 31st March 2021
Other Financial Liabilities	382.06	351.84
(Includes Expenses payable, salary & bonus payable)		
Interest accrued	54.12	11.50
<b>Total</b>	<b>436.18</b>	<b>363.34</b>

## 29. OTHER CURRENT LIABILITIES

(₹ in Lacs)

Particulars	As at 31st March 2022	As at 31st March 2021
Advance from customers	179.35	222.63
Statutory Dues Payable	103.35	67.23
<b>Total</b>	<b>282.70</b>	<b>289.86</b>

## 30. PROVISIONS

(₹ in Lacs)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>Provisions for employee benefits *</b>		
Provision for Gratuity	67.84	71.55
Provision for Leave Encashment	14.66	13.33
<b>Total</b>	<b>82.50</b>	<b>84.88</b>

\* Movement in provisions Refer Note No 24.1

## 31. REVENUE FROM OPERATIONS

(₹ in Lacs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
<b>a) Sale of Products /Services</b>		
<b>Revenue from contacts with customers</b>		
Sales of Prodcuts: -Manufactured goods	53,951.32	48,629.70
Sales of Services :- Job Work & EPC Contracts	3,466.49	2,657.10
Other Revenue :- Sales of Scrap	469.75	546.60
<b>b) Other Operating Revenue</b>		
Export Incentives	206.05	74.93
	<b>58,093.61</b>	<b>51,908.33</b>

# Notes to the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March 2022

## 31.1 Geographical Market -All sales are point in time

(₹ in Lacs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
India	44,866.25	48,203.01
Outside India	13,021.31	3,630.39
<b>Total Revenue Sale of Products /Services</b>	<b>57,887.56</b>	<b>51,833.40</b>

## 31.2 Reconciliation of revenue recognized with Contract Price

(₹ in Lacs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Gross revenue recognized during the year	57,923.54	51,848.97
Less: Discount paid/payable to Customers	(35.98)	(15.57)
<b>Net revenue recognized during the year</b>	<b>57,887.56</b>	<b>51,833.40</b>

## 32. OTHER INCOME

(₹ in Lacs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Interest on income tax refund	15.64	-
Interest on Bank Deposit	154.56	167.51
Interest Income - Others	31.04	44.01
Profit on sale/disposal of Fixed Assets (Net)	-	2.34
Exchange Rate Variation (Net)*	173.04	53.06
Miscellaneous Income	0.05	1.58
	<b>374.33</b>	<b>268.50</b>

\* Refer Note No 39

## 33. COST OF MATERIALS CONSUMED

(₹ in Lacs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
<b>Raw Material consumed</b>		
Opening stock	2,911.98	2,374.24
Add: Purchases	46,736.11	40,266.50
Less: Closing stock	3,720.60	2,911.98
<b>Raw Material consumed</b>	<b>45,927.49</b>	<b>39,728.76</b>

# Notes to the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March 2022

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

(₹ in Lacs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
<b>Opening Stock</b>		
-Finished Stock	3,745.38	5,579.49
-Work in Progress	2,907.21	2,658.82
-Scrap	22.04	40.54
	<b>6,674.63</b>	<b>8,278.85</b>
<b>Less: Closing Stock</b>		
-Finished Stock	4,067.68	3,745.38
-Work in Progress	3,156.03	2,907.21
-Scrap	21.19	22.04
	<b>7,244.90</b>	<b>6,674.63</b>
<b>Net (Increase)/Decrease in Inventories of finished goods, work-in-progress and scrap</b>	<b>(570.27)</b>	<b>1,604.22</b>

## 35. EMPLOYEE BENEFITS EXPENSES

(₹ in Lacs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Salaries and wages	2,129.02	1,797.21
Contribution to provident and other funds	117.39	114.50
Staff Welfare	47.69	59.61
<b>Total</b>	<b>2,294.10</b>	<b>1,971.32</b>

## 36. FINANCE COST

(₹ in Lacs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Interest on Loans	149.34	242.26
Interest on Bills Discounting & others	353.70	318.35
Interest on lease liability	105.87	113.63
Other Borrowing Cost	30.64	25.76
Loan Processing Fees amortized	1.33	4.64
<b>Total</b>	<b>640.88</b>	<b>704.64</b>

# Notes to the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March 2022

## 37. DEPRECIATION AND AMORTIZATION EXPENSES

(₹ in Lacs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Depreciation on Property Plant and Equipment	662.37	647.08
Amortization on Intangible Assets	61.99	29.98
Depreciation on Right of use assets	230.10	230.10
<b>Total</b>	<b>954.46</b>	<b>907.16</b>

## 38. OTHER EXPENSES

(₹ in Lacs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Stores, Spares & Consumables	376.71	219.40
Packing	1,373.24	1,167.50
Power and Fuel	1,234.58	1,062.80
Rent	27.20	13.70
Repair and Maintenance		
- Plant and Machinery	335.18	229.54
- Building	74.02	112.93
- Others	24.94	20.36
Insurance	116.34	72.08
Rates and Taxes	9.10	8.83
Auditor's Remuneration	18.04	18.44
Conversion Charges	143.10	219.58
Labour Charges	1,170.92	1,106.29
Commission and Brokrag	182.36	123.35
Rebate and Discount	103.83	134.49
Freight & cartage	2,089.98	997.58
Bad Debts written off	3.26	27.74
Less:Provision for doubtful debts written back	- 3.26	4.29
Travelling and Conveyance	195.72	215.48
Advertisement and Publicity	10.94	5.67
Communication	61.14	56.48
Donation	22.23	23.65
Professional Charges	307.59	472.25
Business Promotion	127.03	214.66
Printing and Stationary	26.21	32.99
Security Charges	77.83	82.18
Testing Charges	69.89	82.63
Directors Meeting Fee	26.40	22.20
Miscellaneous	192.98	212.20
<b>Total</b>	<b>8,400.76</b>	<b>6,950.71</b>

# Notes to the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March 2022

## 39. 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, 2021, and March 31, 2022.

#### 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 the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March 2022

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.

## Foreign Currency Sensitivity

(₹ in Lacs)

Particulars	Net monetary items in respective foreign currency outstanding on reporting date (absolute figures)	Change in currency exchange rate	Effect on profit/ (loss) before tax (amount in Lacs)
<b>For the year ended March 31, 2022</b>			
USD- Receivable	70,47,935	+ 5%	265.57
		-5%	(265.57)
USD-Payable	9,025	+ 5%	(0.34)
		-5%	0.34
GBP- Receivable	1,19,536	+ 5%	5.91
		-5%	(5.91)
EURO - Receivable	9,996	+ 5%	0.42
		-5%	(0.42)
<b>For the year ended March 31, 2021</b>			
USD- Receivable	4,11,605	+ 5%	14.79
		-5%	(14.79)
USD-Payable	36,556	+ 5%	(1.36)
		-5%	1.36
GBP- Receivable	6,80,906	+ 5%	33.67
		-5%	(33.67)

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

(₹ in Lacs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Net Foreign Exchange gain shown as other income	173.04	53.06

## (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 10.75 % for the year ended 31st March, 2022 (12.50% for the year ended 31st March, 2021) 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.



# Notes to the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March 2022

## • 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.

The ageing of trade receivable is as below:

### Trade Receivables ageing Schedule as on 31.03.2022

		(₹ in Lacs)						
S. no	Particulars	Not Due	Less than 6 Months	6 Months-1Year	1-2 Years	2-3 Years	More than 3 years	Total
(i)	Undisputed Trade Receivables-Considered Good	11,462.28	4,521.37	779.09	318.75	100.82	-	17,182.31
(ii)	Undisputed Trade Receivables-Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii)	Undisputed Trade Receivables-Credit Impaired	-	-	-	-	-	-	-
(iv)	Disputed Trade Receivables-Considered Good	-	-	-	178.71	-	-	178.71
(v)	Disputed Trade Receivables-Which have significant increase in credit risk	-	-	-	-	41.63	504.69	546.32
(vi)	Disputed Trade Receivables-Credit Impaired	-	-	-	-	-	-	-
	Less: Allowance for credit losses				-	(41.63)	(504.69)	(546.32)
	<b>Total</b>	<b>11,462.28</b>	<b>4,521.37</b>	<b>779.09</b>	<b>497.46</b>	<b>100.82</b>	<b>-</b>	<b>17,361.02</b>

### Trade Receivables ageing Schedule as on 31.03.2021

		(₹ in Lacs)						
S. no	Particulars	Not Due	Less than 6 Months	6 Months-1Year	1-2 Years	2-3 Years	More than 3 years	Total
(i)	Undisputed Trade Receivables-Considered Good	9,988.85	5,468.70	500.42	645.56	-	-	16,603.53
(ii)	Undisputed Trade Receivables-Which have significant increase in credit risk	-	-	-	-	-	-	-
(iii)	Undisputed Trade Receivables-Credit Impaired	-	-	-	-	-	-	-
(iv)	Disputed Trade Receivables-Considered Good	-	-	117.06	-	-	-	117.06
(v)	Disputed Trade Receivables-Which have significant increase in credit risk	-	-	-	25.88	15.74	504.69	546.32
(vi)	Disputed Trade Receivables-Credit Impaired	-	-	-	-	-	-	-
	Less: Allowance for credit losses				(25.88)	(15.74)	(504.69)	(546.32)
	<b>Total</b>	<b>9,988.85</b>	<b>5,468.70</b>	<b>617.48</b>	<b>645.56</b>	<b>-</b>	<b>-</b>	<b>16,720.59</b>

# Notes to the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March 2022

## 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.

(₹ in Lacs)

Particulars	Carrying Amount	On demand	Maturity as on 31st March 2022			Total
			< 6 months	6-12 months	> 1 years	
Borrowings	17,474.08	-	884.94	855.59	15,733.55	17,474.08
Trade payable	8,350.43	494.11	7,856.32	-	-	8,350.43
Other liabilities	718.88	-	718.88	-	-	718.88
<b>Total</b>	<b>26,543.39</b>	<b>494.11</b>	<b>9,460.14</b>	<b>855.59</b>	<b>15,733.55</b>	<b>26,543.39</b>

(₹ in Lacs)

Particulars	Carrying Amount	On demand	Maturity as on 31st March 2021			Total
			< 6 months	6-12 months	> 1 years	
Borrowings	18,884.28	-	723.64	750.89	17,409.75	18,884.28
Trade payable	6,726.00	527.53	6,198.47	-	-	6,726.00
Other liabilities	653.20	-	653.20	-	-	653.20
<b>Total</b>	<b>26,263.48</b>	<b>527.53</b>	<b>7,575.31</b>	<b>750.89</b>	<b>17,409.75</b>	<b>26,263.48</b>

## Trade Payables ageing Schedule as on 31.03.2022

(₹ in Lacs)

S. no	Particulars	Not Due	Less than 1 Years	1-2 Years	2-3 Years	More than 3 years	Total
(i)	MSME	271.17	-	-	-	-	271.17
(ii)	Others	7,585.15	494.11	-	-	-	8,079.26
(iii)	Disputed dues-MSME	-	-	-	-	-	-
(iv)	Disputed dues-Others	-	-	-	-	-	-

## Trade Payables ageing Schedule as on 31.03.2021

(₹ in Lacs)

S. no	Particulars	Not Due	Less than 1 Years	1-2 Years	2-3 Years	More than 3 years	Total
(i)	MSME	168.38	-	-	-	-	168.38
(ii)	Others	6,030.09	527.53	-	-	-	6,557.62
(iii)	Disputed dues-MSME	-	-	-	-	-	-
(iv)	Disputed dues-Others	-	-	-	-	-	-

# Notes to the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March 2022

## 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.

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 2021-22 and 2020-21 is an under.

Particulars	(₹ in Lacs)	
	As of March 31, 2022	As of March 31, 2021
Loans and borrowings	17,474.08	18,884.28
Less: cash and cash equivalents	138.68	726.60
Net debt	17,335.40	18,157.68
Equity	20,174.25	19,295.17
Total capital	37,509.65	37,452.85
Gearing ratio	46.22%	48.48%

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

## 40. 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.

# Notes to the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March 2022

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.

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:

(₹ in Lacs)

Particulars	As at 31st March 2022		As at 31st March 2021	
	Carrying amount	Fair Value	Carrying amount	Fair Value
<b>Financial assets designated at amortised cost</b>				
Fixed deposits with banks	2,386.44	2,386.44	3,039.00	3,039.00
Cash and bank balances	138.68	138.68	726.60	726.60
Investment	0.00	0.00	0.00	0.00
Trade and other receivables	17,384.91	17,384.91	16,745.91	16,745.91
Other financial assets	676.69	676.69	742.51	742.51
	<b>20,586.72</b>	<b>20,586.72</b>	<b>21,254.02</b>	<b>21,254.02</b>
<b>Financial liabilities designated at amortised cost</b>				
Borrowings- fixed rate	17,474.08	17,474.08	18,884.28	18,884.28
Trade & other payables	8,350.43	8,350.43	6,726.00	6,726.00
Other financial liabilities	436.18	436.18	363.34	363.34
	<b>26,260.69</b>	<b>26,260.69</b>	<b>25,973.62</b>	<b>25,973.62</b>

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

(₹ in Lacs)

Particulars	As at March 31, 2022		
	Level 1	Level 2	Level 3
<b>Financial liabilities</b>			
Borrowings - fixed rate		17,474.08	
Other financial liabilities		436.18	

(₹ in Lacs)

Particulars	As at March 31, 2021		
	Level 1	Level 2	Level 3
<b>Financial liabilities</b>			
Borrowings- fixed rate		18,884.28	
Other financial liabilities		363.34	

During the year ended March 31, 2021 and March 31, 2022, 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.

# Notes to the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March 2022

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

March 31, 2021 and March 31, 2022, respectively:

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

Particulars	Fair value hierarchy	Valuation technique	Inputs used
<b>Financial liabilities</b>			
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

## 41. 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 segment information about geographical segment is given in note 31.1.

## 42. DEFINED CONTRIBUTION PLAN

### (a) Expense recognised for Defined Contribution plan

Particulars	(₹ in Lacs)	
	Year ended March 31, 2022	Year ended March 31, 2021
Company's contribution to provident fund	117.39	112.78
<b>Total</b>	<b>117.39</b>	<b>112.78</b>

### (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, 2021, and March 31, 2022, being the respective measurement dates:

# Notes to the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March 2022

(c) Movement in obligation

Particulars	(₹ in Lacs)	
	Gratuity (funded)	leave encashment (unfunded)
<b>Present value of obligation - April 1, 2020</b>	<b>440.98</b>	<b>71.34</b>
Current service cost	36.55	12.03
Interest cost	28.48	4.57
Benefits paid	-	(9.07)
Remeasurements - actuarial loss/ (gain)	(47.62)	(13.82)
<b>Present value of obligation - March 31, 2021</b>	<b>458.39</b>	<b>65.05</b>
<b>Present value of obligation - April 1, 2021</b>	<b>458.39</b>	<b>65.05</b>
Current service cost	31.11	8.56
Interest cost	28.03	4.10
Benefits paid	(93.56)	(27.90)
Remeasurements - actuarial loss/ (gain)	(58.14)	35.67
<b>Present value of obligation - March 31, 2022</b>	<b>365.83</b>	<b>85.48</b>

(d) Movement in Plan Assets - Gratuity

Particulars	(₹ in Lacs)	
	Year ended March 31, 2022	Year ended March 31, 2021
Fair value of plan assets at beginning of year	337.06	221.37
Expected return on plan assets	19.77	15.68
Employer contributions	-	100.00
Benefits paid	(93.56)	-
Actuarial gain / (loss)	0.42	0.01
<b>Fair value of plan assets at end of year</b>	<b>263.69</b>	<b>337.06</b>
Present value of obligation	(365.83)	(458.39)
Net funded status of plan	263.69	337.06
<b>Actual return on plan assets</b>	<b>(102.14)</b>	<b>(121.33)</b>

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

(e) Recognised in profit and loss

Particulars	(₹ in Lacs)	
	Gratuity	Leave encashment
Current Service cost	36.55	12.03
Interest cost	12.80	4.57
Remeasurement - Actuarial loss/(gain)	(47.63)	(13.82)
<b>For the year ended March 31, 2021</b>	<b>1.72</b>	<b>2.78</b>
Current Service cost	31.11	8.56
Interest cost	8.26	4.10
Remeasurement - Actuarial loss/(gain)	(58.56)	35.67
<b>For the year ended March 31, 2022</b>	<b>(19.19)</b>	<b>48.33</b>

# Notes to the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March 2022

(f) **Recognised in other comprehensive income.**

Particulars	(₹ in Lacs)
Remeasurement - Actuarial loss/(gain) For the year ended March 31, 2021	(32.06)
Remeasurement - Actuarial loss/(gain) <b>For the year ended March 31, 2022</b>	<b>(58.56)</b>

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

Weighted average actuarial assumptions	As at March 31, 2022	As at March 31, 2021
Attrition rate	0% PA	0% PA
Discount Rate	6.68% PA	6.81% PA
Expected Rate of increase in salary	7.50% PA	7.50% PA
Expected Rate of Return on Plan Assets	5.86 % PA	7.08 % PA
Mortality rate	IALM 2012-14 Ultimate	IALM 2012-14 Ultimate

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.

(h) **Sensitivity analysis:**

**For the year ended March 31, 2021**

Particulars	change in Assumption	Effect on Gratuity obligation	change in Assumption	Effect on leave encashment obligation
Discount rate	+ 1%	421.78	+ 1%	62.01
	- 1%	501.07	- 1%	68.42
Salary Growth rate	+ 1%	494.14	+ 1%	68.30
	- 1%	424.75	- 1%	62.06
Attrition Rate	+ 1%	457.35	+ 1%	
	- 1%	459.41	- 1%	

**For the year ended March 31, 2022**

Particulars	change in Assumption	Effect on Gratuity obligation	change in Assumption	Effect on leave encashment obligation
Discount rate	+ 0.5%	357.67	+ 1%	82.05
	- 0.5%	374.39	- 1%	89.21
Salary Growth rate	+ 0.5%	372.32	+ 1%	89.09
	- 0.5%	355.35	- 1%	82.09
Attrition Rate	+ 1%	362.98	+ 1%	
	- 1%	364.40	- 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.



# Notes to the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March 2022

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

Particulars	(₹ in Lacs)	
	<b>Gratuity</b>	
01 Apr 2022 to 31 Mar 2023	67.84	
01 Apr 2023 to 31 Mar 2024	38.51	
01 Apr 2024 to 31 Mar 2025	48.70	
01 Apr 2025 to 31 Mar 2026	35.41	
01 Apr 2026 to 31 Mar 2027	40.17	
01 Apr 2027 Onwards	174.60	

(j) **Statement of Employee benefit provision**

Particulars	(₹ in Lacs)	
	Year ended March 31, 2022	Year ended March 31, 2021
Gratuity	365.83	458.39
Leave encashment	85.48	65.05
<b>Total</b>	<b>451.31</b>	<b>523.44</b>

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, 2021**

Particulars	(₹ in Lacs)	
	Gratuity	Leave Encashment
Current provision	71.55	13.33
Non current provision	49.78	51.72
<b>Total Provision</b>	<b>121.33</b>	<b>65.05</b>

**For the year ended March 31, 2022**

Particulars	(₹ in Lacs)	
	Gratuity	Leave Encashment
Current provision	67.84	14.66
Non current provision	34.30	70.82
<b>Total Provision</b>	<b>102.14</b>	<b>85.48</b>

k (i) **Employee benefit expenses**

Particulars	(₹ in Lacs)	
	Year ended March 31, 2022	Year ended March 31, 2021
Salaries and Wages	2,129.02	1,797.21
Costs-defined contribution plan	117.39	114.50
Welfare expenses	47.69	59.61
<b>Total</b>	<b>2,294.10</b>	<b>1,971.32</b>

**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.

# Notes to the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March 2022

## 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.

## 43. OTHER DISCLOSURES

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

Particulars	(₹ in Lacs)	
	Year ended March 31, 2022	Year ended March 31, 2021
<b>Auditors Remuneration</b>		
Audit Fee	15.50	15.50
Tax Audit Fee	1.50	1.50
Taxation Matters	0.50	0.71
Certification	0.50	0.50
Out of Pocket Expenses	0.04	0.23
<b>Total</b>	<b>18.04</b>	<b>18.44</b>

### (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.

## 44. CONTINGENT LIABILITIES

### i) Guarantees

Particulars	(₹ in Lacs)	
	As at March 31, 2022	As at March 31, 2021
Financial Bank Guarantees outstanding	227.00	1,010.42
Performance Bank Guarantees	1,970.84	2,005.39
	<b>2,197.84</b>	<b>3,015.81</b>

### ii) Duties & Taxes

Particulars	(₹ in Lacs)	
	As at March 31, 2022	As at March 31, 2021
Income Tax		
-Demands under appeal	107.53	107.53
Custom duty demand due to denial of concessional custom duty, under appeal	13.13	13.13
Service Tax demands under appeal	24.58	-
	<b>145.24</b>	<b>120.66</b>

# Notes to the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March 2022

## iii) Other contingent liabilities

Particulars	(₹ in Lacs)	
	As at March 31, 2022	As at March 31, 2021
Outstanding Bill discounted	4,003.78	2,751.87

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.

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

Particulars	(₹ in Lacs)	
	As at March 31, 2022	As at March 31, 2021
Property, Plant & Equipment	107.34	64.39

## 46. 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.

## 47. 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. Rashi Goel, Company Secretary

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

Parth Aggarwal  
 S S Aggarwal & Sons HUF

### d) Enterprises where Key Managerial Personnel or their relative exercise significant influence and with whom transactions have taken place:

Valens Technologies Private Limited

# Notes to the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March 2022

(₹ in Lacs)

Description	Current Year			Previous Year			
	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
<b>Lease Liabilities Repayments</b>							
Paramount Telecables Limited	151.74	-	-	-	138.73	-	-
<b>Lease Rent Payment</b>							
Valens Technologies Private Limited	11.25	-	-	-	-	-	-
S S Aggarwal & Sons HUF	-	-	4.50	-	-	-	-
<b>Lease Interest Cost</b>							
Paramount Telecables Limited	105.87	-	-	-	113.63	-	-
<b>Loan received from Directors</b>							
Mr. Sanjay Aggarwal	-	5.00	-	-	-	35.00	-
Mr. Sandeep Aggarwal	-	25.00	-	-	-	43.00	-
<b>Loan Repaid to Directors</b>							
Mr. Sanjay Aggarwal	-	-	-	-	-	35.00	-
Mr. Sandeep Aggarwal	-	-	-	-	-	43.00	-
<b>Interest paid on Loans</b>							
Mr. Sanjay Aggarwal	-	0.05	-	-	-	2.23	-
Mr. Sandeep Aggarwal	-	0.81	-	-	-	2.74	-
<b>Purchases</b>							
Valens Technologies Private Limited	-	-	-	89.37	-	-	-
<b>Sales &amp; Job work Charges</b>							
Valens Technologies Private Limited	-	-	-	49.77	-	-	167.75
<b>Equity Shares Allotment including share premium</b>							
Mr. Sanjay Aggarwal	-	-	-	-	-	421.83	-
Mr. Sandeep Aggarwal	-	-	-	-	-	421.83	-
Mr. Parth Aggarwal	-	-	-	-	-	-	142.25
<b>Short term Security Deposit Paid</b>							

# Notes to the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March 2022

## Related Party Transactions: (Contd...)

Description	Current Year				Previous Year			
	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
Paramount Telecables Limited	-	-	-	-	120.00	-	-	-
<b>Short term Security Deposit Return</b>								
Paramount Telecables Limited	-	-	-	-	120.00	-	-	-
<b>Remuneration to Key Managerial Personnel (KMP)</b>								
Mr. Sanjay Aggarwal, Chairman and CEO	-	179.05	-	-	-	153.15	-	-
Mr. Sandeep Aggrawal, Managing Director	-	178.84	-	-	-	152.42	-	-
Mr. Shambhu Kumar Agarwal, Chief Financial Officer	-	32.83	-	-	-	26.74	-	-
Mrs. Rashi Goel, Company Secretary	-	10.49	-	-	-	8.38	-	-

(₹ in Lacs)

# Notes to the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March 2022

## Related Party Balances:

Description	Current Year 2021-22				Previous Year 2020-21			
	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
Lease Liabilities/Finance Lease Obligations								
Paramount Telecbles Limited	1,193.60	-	-	-	1,345.34	-	-	-
Payable outstanding at the year end								
Paramount Telecbles Limited	-	-	-	-	10.36	-	-	-
Valens Technologies Private Limited	-	-	-	-	-	-	-	42.19
S S Aggarwal & Sons HUF	-	-	-	6.14	-	-	-	-
Security Deposit given balance outstanding as at year end								
Paramount Telecbles Limited	92.28	-	-	-	92.28	-	-	-

## Remuneration to Key Managerial Personnel (KMP)

Particulars	Year ended March 31, 2022		Year ended March 31, 2021	
Short-Term employee benefits*		349.92		294.86
Post-Employment benefits				
- Defined contribution plan\$		36.00		30.60
- Defined benefit plan#		15.28		15.22
<b>Total</b>		<b>401.20</b>		<b>340.68</b>

\* 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

# Notes to the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March 2022

## 48. 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	Number of shares	
	Year ended March 31, 2022	Year ended March 31, 2021
<b>Number of Equity Shares at the beginning of the year</b>	<b>19,41,83,965</b>	<b>18,41,33,965</b>
Add: Weighted average number of equity shares issued during the year	-	9,36,164
<b>Weighted average number of Equity shares for Basic EPS (A)</b>	<b>19,41,83,965</b>	<b>18,50,70,129</b>
Add: Weighted average number of Potential equity share for outstanding convertible share warrants.	-	22,71,575
<b>Weighted average number of equity shares for Diluted EPS (B)</b>	<b>19,41,83,965</b>	<b>18,73,41,704</b>

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

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Net Profit after Taxation (₹ Lacs)	820.52	310.02
Basic Earnings per Share (₹)	0.42	0.17
Diluted Earnings per Share (₹)	0.42	0.17
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.

## 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



# Notes to the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March 2022

**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. ADDITIONAL REGULATORY INFORMATION

- (i) Disclosure of title deeds of Immovable Properties not held in the name of Company

Relevant line item in the Balance Sheet	Description of item of Property	Gross Carrying Value (₹ Lacs)	Title deeds held in the name of	Whether the title deed holder is a promoter, director or relative of Promoter/ director or employee of Promoter/director	Property held since which date	Reason for not being held in the name of the company
PPE	Land	604.18	erstwhile partnership firm i.e. Paramount Cable Corporation	NO	1981	Land was in the name of erstwhile partnership firm i.e. Paramount Cable Corporation which was converted into this company, name change of which is yet to be transferred in the name of company

- (ii) The Company has not revalued its Property, Plant and Equipment as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017 during the year 2021-22 and 2020-21.
- (iii) The company has not granted any loan to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.
- (iv) Company does not have any Capital-Work-in Progress (CWIP)
- (v) The company does not have any pending proceeding for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- (vi) The Company does not have any working capital loan from banks or financial institutions on the basis of security of current assets.
- (vii) Company has not been declared as wilful defaulter by any bank or financial Institution or other lender.

# Notes to the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March 2022

- (viii) The company have the followings transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956. The details of which are as under

Name of Struck off Company	Nature of transactions with Struck off Company	Balance Outstanding (₹ Lacs)	Relationship with the Struck off Company, if any, to be disclosed
PYROTECH ELECTRONICS PVT LTD	Receivables	4.38	None
AARGE CONTRACTS (P) LTD.	Receivables	17.95	None
M GLOBAL FINANCE LTD	Shares held by struck off Company	0.06	None
PROTECT FINVEST PVT LTD	Shares held by struck off Company	0.01	None
VAISHAK SHARES LIMITED	Shares held by struck off Company	0.00	None
KOYAL COMMERCIAL PRIVATE LIMITED	Shares held by struck off Company	0.00	None
ROKAD INVESTMENTS PRIVATE LIMITED.	Shares held by struck off Company	0.03	None
HOME TRADE LIMITED	Shares held by struck off Company	0.02	None
AGGARWAL SECURITIES PRIVATE LIMITED	Shares held by struck off Company	0.00	None
BERIWAL FINANCE AND HOLDINGS PVT. LTD.	Shares held by struck off Company	0.00	None

- (ix) The company do not have any charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.
- (x) The company has not advanced/ loaned/ invested funds (borrowed/share premium/any other sources of kind of funds) to any other person(s) or entity(ies), including foreign entities (intermediaries), with the understanding (whether recorded in writing or otherwise) that the intermediary shall (a) directly/ indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (ultimate beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- (xi) The company has not received any funds from any other person(s) or entity(ies), including foreign entities (Funding Party), with the understanding (whether recorded in writing or otherwise) that the company shall (a) directly/ indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the Funding Party (Ultimate beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate beneficiaries.
- (xii) The Company has complied with number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017. are not applicable on the company.
- (xiii) No income has been surrendered or disclosed for which transaction was not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (xiv) There is no transaction related to Crypto Currency or Virtual Currency. Hence, not applicable.

# Notes to the Consolidated Financial Statements

for the year ended 31<sup>st</sup> March 2022

## 51. FINANCIAL RATIOS: -

Particulars	31-03-2022	31-03-2021	% Variance	Reason for variance more than 25%
(a) Current Ratio (in times)	2.99	3.38	(11.64)	
(b) Debt-Equity ratio (in times)	0.93	1.05	(11.74)	
(C) Debt-Service Coverage Ratio (in times)	1.08	1.03	5.22	
(d) Return on Equity ratio (in%)	4.16	1.65	151.52	Increase in ratio is due to increase in profitability of the company
(e) Inventory turnover ratio (in times)	4.22	3.95	6.83	
(f) Trade Receivables turnover ratio (in times)	3.40	2.77	22.69	
(g) Trade Payables turnover ratio (in times)	6.44	4.74	35.80	Increase in ratio is due to decrease in credit period
(h) Net Capital turnover ratio (in times)	2.63	2.39	9.98	
(i) Net Profit ratio(in %)	1.42	0.60	136.98	Increase in ratio is due to increase in profitability of the company
(j) Return on Capital Employed(in%)	3.81	2.59	47.24	Increase in ratio is due to increase in profitability of the company
(k) Return on Investment(in%)	NA	NA	NA	

Formula for computation of ratios are as follows:

Particulars	Numerator	Denominator
(a)Current Ratio (in times)	Current Asset	Current Liabilities
(b) Debt-Equity ratio (in times)	Total Debt	Shareholder's Equity
(C) Debt-Service Coverage Ratio (in times)	Earnings for Debt service = Net Profit after taxes+Non - cash operating expenses + interest cost	Debt service = Interest expense + Lease Payments + Principal Repayments
(d) Return on Equity ratio (in%)	Net Profit after taxes	Average Shareholders's Equity
(e) Inventory turnover ratio (in times)	Cost of Goods sold	Average Inventory
(f) Trade Receivables turnover ratio (in times)	Net Credit Sales	Average Trade Receivables
(g) Trade Payables turnover ratio (in times)	Net credit Purchases	Average Trade Payables
(h)Net Capital turnover ratio (in times)	Net Total Sales	Working Capital = Current Assets - Current Liabilities
(i)Net Profit ratio(in %)	Net Profit after taxes	Net Total Sales
(j)Return on Capital Employed(in%)	Earning before interest and taxes	Tangible Capital employed = Net Worth + Total Debts - Intangible Assets
(k)Return on Investment(in%)	Interest Income	Average Investments + Fixed Bank Deposits (Including Accrued Interest)

## 52. 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.: 080691)

Place : New Delhi  
Date: 28.05.2022

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

# Notice

NOTICE IS HEREBY GIVEN THAT THE TWENTY EIGHTH ANNUAL GENERAL MEETING (“AGM”) OF PARAMOUNT COMMUNICATIONS LIMITED will be held on THURSDAY, 29th SEPTEMBER 2022 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 consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2022 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, 2022 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, 2022, 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, 2022, and the report of Auditors thereon, as circulated to the Members, be and are hereby considered and adopted.”

2. To appoint Sh. Sandeep Aggarwal (**DIN: 00002646**), 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. Sandeep Aggarwal (DIN: 00002646), who retires by rotation at this meeting, be and is hereby appointed as a Director of the Company.”

3. **Appointment of Statutory Auditors and fix their remuneration** and, in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of

the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, M/s. P. Bholusaria & Co., Chartered Accountants (ICAI Firm Registration No. 000468N) be and are hereby re-appointed as the Statutory Auditors of the Company for a second term of five years commencing from the conclusion of the 28th Annual General Meeting of the Company till the conclusion of the 33rd Annual General Meeting at such remuneration plus reimbursement of out-of pocket, travelling expenses etc., as recommended by the Audit Committee and approved by the Board of Directors.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof), be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution.”

## SPECIAL BUSINESS:

4. **To approve revision in remuneration limit of Sh. Sanjay Aggarwal, Chairman & CEO of the Company**, and, in this regard, to consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** on the recommendation of Nomination and Remuneration Committee and approval of the Board of Directors and pursuant to the provisions of Sections 196, 197, 198 read with Schedule V and all other applicable provisions of the Companies Act, 2013 read with the provisions of regulation 17 (6) (e) of the Securities and Exchange Board of India ( Listing Obligations and Disclosure Requirement ) Regulations, 2018 (including any statutory modification(s) or re-enactment thereof for the time being in force), and such other rules, laws, regulations, guidelines or notifications as may be applicable, the approval of members of the Company be and is hereby accorded for increase in maximum limit of remuneration payable to Mr. Sanjay Aggarwal (DIN No. 00001788), Chairman & CEO of the Company, from ₹ 1.80 crores p.a. (Rupees One Crore Eighty Lakhs) to ₹ 2.5 crores p.a. (Rupees Two Crore Fifty lakhs) apart from Company's Contribution to Provident Fund, leave encashment (if any) in accordance with the rules and regulations of the Company and gratuity at rate not exceeding 15 days' salary for each completed year of service with effect from 1st April, 2022.

**Resolved further that** the below mentioned details of maximum remuneration limit and actual remuneration to be paid to Mr. Sanjay Aggarwal, Chairman & CEO of the Company be and is hereby approved.

MAXIMUM REMUNERATION LIMIT		REMUNERATION PAID/TO BE PAID	
Existing (₹) (Up to 31.03.2022)	Proposed (₹) (w.e.f. 01.04.2022)	Existing (₹) (Up to 31.03.2022)	Proposed (₹) (w.e.f. 01.04.2022)
1.80 Crore per annum	2.5 Crore per annum	1.80 Crore per annum	₹ 1.80 Crore per annum

5. **To approve revision in remuneration limit of Mr. Sandeep Aggarwal, Managing Director of the Company**, and, in this regard, to consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

**“RESOLVED THAT** on the recommendation of Nomination and Remuneration Committee and approval of Board of Directors and pursuant to the provisions of Sections 196, 197, 198 read with Schedule V and all other applicable provisions of the Companies Act, 2013 read with the provisions of regulation 17 (6) (e) of the Securities and Exchange Board of India ( Listing Obligations and Disclosure Requirement ) Regulations, 2018 (including any statutory modification(s) or re-enactment thereof for the time being in force), and such other rules, laws, regulations, guidelines or notifications as may be applicable, the approval of members of the Company be and is hereby accorded for increase in maximum limit of remuneration payable to Mr. Sandeep Aggarwal (DIN No. 00002646), Managing Director of the Company, from ₹ 1.80 crores p.a. (Rupees One Crore Eighty Lakhs) to ₹ 2.5 crores p.a. (Rupees Two Crore Fifty lakhs) apart from Company’s Contribution to Provident Fund, leave encashment (if any) in accordance with the rules and regulations of the Company and gratuity at rate not exceeding 15 days’ salary for each completed year of service with effect from 1st April, 2022.

**Resolved further that** the below mentioned details of maximum remuneration limit and actual remuneration to be paid to Mr. Sandeep Aggarwal, Managing Director of the Company be and is hereby approved.

MAXIMUM REMUNERATION LIMIT		REMUNERATION PAID/TO BE PAID	
Existing (₹) (Up to 31.03.2022)	Proposed (₹) (w.e.f. 01.04.2022)	Existing (₹) (Up to 31.03.2022)	Proposed (₹) (w.e.f. 01.04.2022)
1.80 Crore per annum	2.5 Crore per annum	1.80 Crore per annum	₹ 1.80 Crore per annum

6. **To Issue Equity warrants convertible into equal number of equity shares to Promoters and Persons/entities belonging to Promoter Group on preferential basis**

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

**“RESOLVED THAT** in accordance with the provisions of Section 42, 52, 62 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof for the time being in force) (the **“Act”**), and the rules and regulations made thereunder (including any amendment thereto or re-enactment thereof for the time being in force), Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), Regulations, 2018 (the **“SEBI ICDR Regulations”**) and any other law for the time being in force, and the provisions in the Memorandum and Articles of the Association of the Company, and subject to the approvals, consents, permissions and sanctions of the Securities and Exchange Board of India (**“SEBI”**), Stock Exchanges and any other concerned authorities, as may be necessary, and subject to such conditions and modifications as may be prescribed or imposed by any of the aforementioned authorities while granting such approvals, consents, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the **“Board”** which term shall be deemed to include any committee of directors duly constituted or to be constituted thereof to exercise its powers conferred by this resolution), the approval of the members of the Company be and is hereby accorded to the Board to create, offer, issue and allot, in one or more tranches, at such time or times as the Board may in its absolute discretion thinks fit, upto 2,90,00,000 (Two crores Ninety Lakhs) equity warrants of the Company convertible into equal number of equity shares of face value ₹ 2/- (Indian Rupees Two) each (**“Equity Shares”**) at an issue price as may be determined as on the Relevant Date in accordance with the provisions of Chapter V of the SEBI ICDR Regulations by way of preferential allotment to persons/entities forming part of the Promoter and Promoter group of the Company (hereinafter referred to as the **“Proposed Allottees”**):

Sr. No.	Name of the proposed allottee	No. of Equity warrants to be allotted
1.	April Investment and Finance Private Limited	2,90,00,000

**RESOLVED FURTHER THAT** in accordance with the provisions of the SEBI ICDR Regulations, the “Relevant Date” for the purpose of calculating the price of Equity warrants convertible into equal number of equity shares to be issued in terms hereof shall be Tuesday, August 30, 2022, being the working day immediately preceding the date 30 days prior to the date of General Meeting.

**RESOLVED FURTHER THAT** (i) each Equity Warrant shall give the Warrant Holder the right to exercise for one Equity Share of the Company; (ii) Warrants shall be convertible into equity shares within 18 months from the date of allotment of Equity Warrants; (iii) The Equity Warrants by themselves do not give to the holder thereof any rights of the shareholder of the Company; (iv) the number of Equity Shares and the price per Equity Share upon exercise of each Warrant shall be appropriately adjusted for corporate actions such as bonus issue, rights issue, stock split, merger, demerger, transfer of undertaking, sale of a business division or any such capital or corporate restructuring, if any prior to the conversion of Equity Warrants; (v) Atleast 25% of the consideration for preferential issue of Equity Warrants shall be received by the Company prior to the allotment of said warrants; and (vi) at the time of exercise, the Warrant Holder shall pay the balance of the consideration payable in respect of the Equity Warrants so being exercised;

**RESOLVED FURTHER THAT** the equity shares on conversion of equity warrants to be allotted shall rank pari passu in all respects including as to dividend with the existing equity shares of the Company of face value ₹ 2/- each.

**RESOLVED FURTHER THAT** the Equity Shares on conversion of equity warrants, issued to the Proposed Allottee, be listed on BSE Limited and National Stock Exchange of India Limited, and that the Board be and is hereby authorised to make the necessary application and to take all other steps as may be necessary for the listing of the said Equity Shares and the admission of the Equity Shares with the depositories and for the credit of such Equity Shares to the Proposed Allottees.

**RESOLVED FURTHER THAT** the Common Seal of the Company, if required be affixed on any agreement, undertaking, deed or other documents as per the provisions of the Articles of Association of the Company.

**RESOLVED FURTHER THAT** subject to applicable law, the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary or desirable for the purpose of giving effect to the above resolutions, delegate all or any of the powers conferred by the aforesaid resolutions on it to any committee of directors or any director(s) or officer(s) of the Company and to revoke and substitute such delegation from time to time, as deemed fit by the Board, to give effect to the above resolutions and also to initiate all necessary actions for and to settle all such questions, difficulties or doubts whatsoever that may arise and take all such steps and decisions in this regard.”

7. **To ratify the remuneration of M/s Jain Sharma & Associates, Cost Accountants, appointed as Cost Auditors of the Company for the financial year ending March 31, 2023.**

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, 2023, be and is hereby ratified.”

By Order of the Board  
**Paramount Communications Limited**

Sd/-  
**(Rashi Goel)**

Company Secretary  
 M. No.: FCS9577

Dated: 09.08.2022  
 Place: New Delhi

CIN : L74899DL1994PLC061295  
 Regd. Office: C-125, Naraina Industrial Area,  
 Phase-I, New Delhi-110028



**NOTES:**

- (1) In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its General Circular nos. 14/2020 and 17/2020 dated April 8, 2020 and April 13, 2020 respectively, in relation to “Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19”, General Circular no. 20/2020 dated May 5, 2020, General Circular nos. 02/2021, 21/2021 and Circular No. 2/2022 dated January 13, 2021, December 14, 2021 and May 5, 2022 respectively in relation to “Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)”, (collectively referred to as “MCA Circulars”) and SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 ( hereinafter referred to as “SEBI Circular”) 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 MCA and SEBI Circulars, the AGM of the Company is being held through VC/OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.
- (2) Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA and SEBI Circulars through VC/OAVM, 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, Attendance Slip and route map of AGM 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](mailto:abhishekcs21@gmail.com) with a copy marked to the Company at [investors@paramountcables.com](mailto:investors@paramountcables.com). Institutional shareholders (i.e., other than individuals, HUF’s, NRI’s etc.) can also upload their Board Resolution/Power of Attorney/ Authority Letter etc. by clicking on “Upload Board Resolution/ Authority Letter” displayed under “e-Voting” tab in their login.
- (4) In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM.
- (5) The Register of Members and Share Transfer Books will remain closed from September 23, 2022 to September 29, 2022 (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 22, 2022, 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](mailto:enotices@linkintime.co.in). However, if he/she is already registered with e-Voting system of LIPL: <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 2021-22 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 may write to their Depository Participant/Company
- (10) Members may note that the Notice and Annual Report 2021-22 will also be available on the Company’s website [www.paramountcables.com](http://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](http://www.bseindia.com) and [www.nseindia.com](http://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) The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts concerning the business under Item No. 3 to 7 of the Notice are annexed hereto. Item No. 4 to 7 shall be treated as Special Business in the forthcoming AGM. Further, the relevant details with respect to Item No. 2 pursuant to Regulation 36(3) of the



- SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM are also annexed.
- (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 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 intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number ( PAN ) , bank details such as , name of the bank and branch details, bank account number, MICR Code, IFSC code etc., to the Company/Registrar and Transfer Agent i.e., 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 in prescribed form ISR-1 pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021, or to their respective depository participants if the shares are held in electronic form.
- (16) SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization. Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or Link Intime India Pvt. Ltd. for assistance in this regard.
- (17) As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company’s website <https://paramountcables.com/updates/>. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to Link Intime India in case the shares are held in physical form.
- (18) Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the company or Link Intime India Pvt. Ltd, the details of such folios together with the share certificates along with the requisite KYC Documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.
- (19) Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_ RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/ folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company’s website at <https://paramountcables.com/updates> and on the website of the Company’s Registrar and Transfer Agents, Link Intime India Private Limited at <https://linkintime.co.in/downloads.html> It may be noted that any service request can be processed only after the folio is KYC Compliant.
- (20) 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](mailto:investors@paramountcables.com), The same shall be replied by the Company suitably.
- (21) The remote e-voting period will commence at 9.00 a.m. on Monday, September 26, 2022 and will end at 5.00 p.m. on Wednesday, September 28, 2022. 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.
- (22) In terms of the provisions of Section 152 of the Act, Sh. Sandeep Aggarwal, Director, retire by rotation at the Meeting. The Board of Directors of the Company recommend his re-appointment. Shri Sandeep Aggarwal is interested in the Ordinary Resolution set out at Item Nos. 2, of the Notice with

regard to his reappointment. Sh. Sanjay Aggarwal, Whole Time Director, being related to Sh. Sandeep Aggarwal, may be deemed to be interested in the resolution set out at Item No. 2 of the Notice. The other relatives of Sh. Sandeep Aggarwal may be deemed to be interested in the resolutions set out at Item Nos. 2 of the Notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other 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 Nos. 2 of the Notice.

- (23) 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 Members, whose unclaimed dividend/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in). For details, please refer to Corporate Governance Report which is a part of this report.
- (24) 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](http://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.
- (25) 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, Thursday, September 29, 2022.

(A) **Instructions for Members to attend the Annual General Meeting through InstaMeet (VC/OAVM) are as under:**

- i) 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.

ii) **The details of the process to register and attend the AGM are as under:**

- a) 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

- Shareholders/ members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID
- Shareholders/ members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID.
- Shareholders/ 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.

- b) 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](mailto:Id-investors@paramountcables.com).
2. Shareholders will get confirmation on first cum first basis.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

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.

Note: 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.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from MobileDevices 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.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or contact on: - Tel: 022-49186175.

**REMOTE E-VOTING INSTRUCTIONS FOR SHAREHOLDERS:**

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

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	<ol style="list-style-type: none"> <li>Existing IDeAS user can visit the e-Services website of NSDL viz... <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a personal computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added 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 i.e. <b>LINKINTIME</b> and you will be re-directed to “InstaVote” website for casting your vote during the remote e-Voting period.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> Select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> 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 i.e., <b>LINKINTIME</b> and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.</li> </ol>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, 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 <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e., LINKINTIME. Click on LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a>.</li> <li>Alternatively, the user can directly access e-Voting page by providing demat account number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e., LINKINTIME. Click on LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.</li> </ol>
Individual Shareholders (holding securities in demat mode) & depository participants	You can also login using the login credentials of your demat account through your Depository Participant (holding securities registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. 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 i.e., <b>LINKINTIME</b> and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.

Login method for Individual Shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below:

Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. 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: -
    - A. **User ID:** Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.
    - B. **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
    - C. **DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)
    - D. **Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/Company.
      - Shareholders holding shares in **physical form** but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above.
      - Shareholders holding shares in **NSDL form**, shall provide ‘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).
2. Click on ‘Login’ under ‘**SHARE HOLDER**’ tab.
3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘**Submit**’.

**Cast your vote electronically:**

1. After successful login, you will be able to see the notification for e-voting. Select ‘**View**’ icon.
2. E-voting page will appear.
3. 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).
4. 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.

**Guidelines for 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.

**Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:**

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022 – 4918 6000.

### Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.

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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 22- 23058542-43.

### Individual Shareholders holding securities in Physical mode has forgotten the password:

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- o Click on ‘Login’ under ‘SHARE HOLDER’ tab and further Click ‘forgot password?’
- o Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on “SUBMIT”.

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/ DOI, 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.

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

### Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned 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”.

### EXPLANATORY STATEMENT

As required by Section 102 of the Companies Act, 2013 (“Act”), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 3 to 7 of the accompanying Notice:

#### Item No. 3

This explanatory statement is in terms of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), however, the same is strictly not required as per Section 102 of the Act.

The Members at the twenty-third Annual General Meeting (“AGM”) of the Company held on August 17, 2017, had approved the appointment of M/s P. Bholusaria & Co., Chartered Accountants (Firm Registration No.: 000468N), as Statutory Auditors of the Company, to hold office till the conclusion of the twenty-eighth AGM.

After considering various factors such as competency of the audit team, efficiency in conduct of audit, independence, etc., the Board of Directors of the Company has, based on the recommendation of the Audit Committee, at its meeting held on May 28, 2022, proposed the re-appointment of P. Bholusaria & Co., Chartered Accountants (Firm Registration No.: 000468N), as the Statutory Auditors of the Company, for a second term of five consecutive years from the conclusion of twenty-eighth AGM till the conclusion of thirty-third AGM of the Company to be held in the year 2027 on such remuneration plus applicable taxes and out-of-pocket expenses incurred in connection with the Audit as may be decided by the Board on the recommendation of the Audit Committee. Fees paid to P. Bholusaria for 2021-22 is ₹ 18.04 lakhs.

M/s P. Bholusaria & Co., have consented to their appointment for a second term of five years as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act.

P. Bholusaria & Co. having firm registration number 000468N is a firm of Chartered Accountants registered with the Institute of Chartered Accountants of India. The Firm was established in the year 2004 primarily engaged in providing audit and related assurance services to its clients in various industry segments.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the Members. None of the Directors and Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested in the Resolution set out at Item No. 3 of the Notice.



**Item No. 4**

In accordance with Section II of Part II of Schedule V of the Companies Act, 2013 read with notification dated 12.09.2018, where in any financial year during the currency of tenure of a managerial person, a company has no profits or its profits are inadequate, it may, pay remuneration to the managerial person, where the effective capital is ₹100 Cr and above but less than ₹ 250 Cr, then limit of yearly remuneration payable shall not exceed Rupees One Hundred Twenty Lakhs (₹ 120 Lakhs) in a year; provided that the remuneration in excess of above limits may be paid, if a special resolution passed by the shareholders.

The Members of the Company at the 25th Annual General Meeting held on September 24, 2019 (“25th AGM”) had revised the remuneration of Mr. Sanjay Aggarwal, Whole time Director of the

Company effective from April 1, 2019, and his remuneration was due for revision with effect from 01.04.2022

Pursuant to the provisions of Section 196, 197 and 198 of the Companies Act, 2013 read with Schedule V, a company having inadequate/no profits, may subject to certain conditions, pay such remuneration to its managerial personnel as may be decided by the Nomination and Remuneration Committee/Board of Directors subject to the approval of the shareholders. Accordingly, the Nomination and Remuneration Committee and the Board at their meeting held on February 12, 2022, subject to the approval of the members of the Company, accorded their approval to revise the maximum remuneration limit of Mr. Sanjay Aggarwal, as specified in the relevant resolution. However, there is no change in the actual remuneration to be paid and it was same as existing.

MAXIMUM REMUNERATION LIMIT		REMUNERATION PAID/TO BE PAID	
Existing (₹) (Up to 31.03.2022)	Proposed (₹) (w.e.f. 01.04.2022)	Existing (₹) (Up to 31.03.2022)	Proposed (₹) (w.e.f. 01.04.2022)
1.80 Crore per annum	2.5 Crore per annum	1.80 Crore per annum	₹ 1.80 Crore per annum

The remuneration paid/payable to Mr. Sanjay Aggarwal is given below:

**a) Fixed Compensation:**

Fixed Compensation shall include Basic Salary. The Basic Salary shall be ₹ 12.50 lakhs per month.

**b) Flexible Compensation:**

In addition to the Fixed Compensation, the abovementioned Director shall be entitled to the perquisites on actual basis i.e., Car with driver, Electricity, club membership up to 3 clubs and other perquisites.

Subject to the maximum of ₹ 2.50 Crore per annum apart from Company’s Contribution to Provident Fund, leave encashment (if any) in accordance with the rules and regulations of the Company and gratuity at rate not exceeding 15 days’s salary for each completed year of service.

Pursuant to the requirements of Schedule V of the Companies Act, 2013, the approval of the shareholders by means of Special Resolution is sought for the revision in remuneration of Sh. Sanjay Aggarwal, Chairman & CEO of the Company, in excess of the limits specified in Schedule V of the Companies Act, 2013.

It is hereby confirmed that the company has not committed any default in payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor, as per the requirement of Schedule V, Section II clause (ii) of the Companies Act, 2013.

Mr. Sanjay Aggarwal is interested in the resolution set out at Item No. 4 of the Notice of AGM, as the same relates to the remuneration payable to him. Mr. Sandeep Aggarwal being related to Mr. Sanjay Aggarwal is deemed to be interested in the resolution. The relatives of Mr. Sanjay Aggarwal may also be deemed to be interested in the resolution to the extent of their shareholding in the Company.

Save and except the above, none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested financially or otherwise in the resolution set out at Item No. 4 of the Notice. Accordingly, the Board recommends the resolution as set out in Item No. 4 for approval of the members.

The Information required under Section II, Part II of Schedule V of the Companies Act, 2013 is annexed hereto.

**Item No. 5**

In accordance with Section II of Part II of Schedule V of the Companies Act, 2013 read with notification dated 12.09.2018, where in any financial year during the currency of tenure of a managerial person, a company has no profits or its profits are inadequate, it may, pay remuneration to the managerial person, where the effective capital is ₹100 Cr and above but less than ₹ 250 Cr, then limit of yearly remuneration payable shall not exceed Rupees One Hundred Twenty Lakhs (₹ 120 Lakhs) in a year; provided that the remuneration in excess of above limits may be paid, if a special resolution passed by the shareholders.



The Members of the Company at the 25th Annual General Meeting held on September 24, 2019 ("25th AGM") had revised the remuneration of Mr. Sandeep Aggarwal, Managing Director of the Company effective from April 1, 2019, and his remuneration was due for revision with effect from 01.04.2022

Pursuant to the provisions of Section 196, 197 and 198 of the Companies Act, 2013 read with Schedule V, a company having inadequate/no profits, may subject to certain conditions, pay such

MAXIMUM REMUNERATION LIMIT		REMUNERATION PAID/TO BE PAID	
Existing (₹) (Up to 31.03.2022)	Proposed (₹) (w.e.f. 01.04.2022)	Existing (₹) (Up to 31.03.2022)	Proposed (₹) (w.e.f. 01.04.2022)
1.80 Crore per annum	2.5 Crore per annum	1.80 Crore per annum	₹ 1.80 Crore per annum

The remuneration paid/ payable to Mr. Sandeep Aggarwal is given below:

**a) Fixed Compensation:**

Fixed Compensation shall include Basic Salary. The Basic Salary shall be ₹ 12.50 lakhs per month.

**b) Flexible Compensation:**

In addition to the Fixed Compensation, the abovementioned Director shall be entitled to the perquisites on actual basis i.e., Car with driver, Electricity, club membership up to 3 clubs and other perquisites.

Subject to the maximum of ₹ 2.50 Crore per annum apart from Company's Contribution to Provident Fund, leave encashment (if any) in accordance with the rules and regulations of the Company and gratuity at rate not exceeding 15 days's salary for each completed year of service.

Pursuant to the requirements of Schedule V of the Companies Act, 2013, the approval of the shareholders by means of Special Resolution is sought for the revision in remuneration of Sh. Sandeep Aggarwal, Managing Director of the Company, in excess of the limits specified in Schedule V of the Companies Act, 2013.

It is hereby confirmed that the company has not committed any default in payment of dues to any bank or public financial institution or non-convertible debenture holders or any other secured creditor, as per the requirement of Schedule V, Section II clause (ii) of the Companies Act, 2013.

Mr. Sandeep Aggarwal is interested in the resolution set out at Item No. 5 of the Notice of AGM, as the same relates to the remuneration payable to him. Mr. Sanjay Aggarwal being related to Mr. Sandeep Aggarwal is deemed to be interested in the resolution. The relatives of Mr. Sandeep Aggarwal may also be deemed to be interested in the resolution to the extent of their shareholding in the Company.

remuneration to its managerial personnel as may be decided by the Nomination and Remuneration Committee/Board of Directors subject to the approval of the shareholders. Accordingly, the Nomination and Remuneration Committee and the Board at their meeting held on February 12, 2022, subject to the approval of the members of the Company, accorded their approval to revise the maximum remuneration limit of Mr. Sandeep Aggarwal, as specified in the relevant resolution. However, there is no change in the actual remuneration to be paid and it was same as existing.

Save and except the above, none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested financially or otherwise in the resolution set out at Item No. 5 of the Notice. Accordingly, the Board recommends the resolution as set out in Item No. 5 for approval of the members.

The Information required under Section II, Part II of Schedule V of the Companies Act, 2013 is annexed hereto.

**Item No. 6**

The Company is in need of funds to meet its working Capital requirement, Capital expenditure for expansion and modernization of Business activities and R & D Expenditure. It was therefore thought expedient to raise the funds through issue of equity warrants to Promoters / Promoter Group on Preferential basis.

The Board of Directors have therefore considered and approved the Proposal of raising funds through issue of equity warrants on preferential basis to the Promoter and Persons / entities belonging to Promoters Group, subject to receipt of necessary approvals from the shareholders and Stock Exchanges on which the equity shares of the Company are listed.

The relevant details / disclosures of the proposed issue are given below:

1. The Equity Warrants and Equity Shares to be allotted on conversion of Equity Warrants issued pursuant to the abovementioned resolution shall be subject to lock-in in accordance with Regulations 167 of the SEBI ICDR Regulations. However, subject to the aforesaid lock-in, the Equity Shares shall be transferable and transmittable in the same manner and to the same extent as permitted under applicable laws, and shall be subject to the same restrictions and limitations as any other equity shares of the Company.
2. Each Equity Warrant shall give the Warrant Holder the right to exercise for one Equity Share of the Company.

3. Equity Warrants shall be convertible into equity shares within 18 months from the date of their allotment
4. The Equity Warrants by themselves do not give to the holder thereof any rights of the shareholder of the Company. However, the Equity Shares allotted on conversion of Equity Warrants shall rank pari passu inter se and with the existing equity shares of the Company in all respects, including in relation to rights to dividend.
5. The number of Equity Shares and the price per Equity Share upon exercise of each Warrant shall be appropriately adjusted for corporate actions such as bonus issue, rights issue, stock split, merger, demerger, transfer of undertaking, sale of a business division or any such capital or corporate restructuring, if any prior to the conversion of Equity Warrants
6. Atleast 25% of the consideration for preferential issue of Equity Warrants shall be received by the Company prior to the allotment of said warrants and at the time of exercise, the Warrant Holder shall pay the balance of the consideration payable in respect of the Equity Warrants so being exercised.
7. The consideration for allotment of Equity Warrants/ Equity Shares shall be paid to the Company from the respective Bank account(s) of the Proposed Allottees
8. Allotment shall only be made in dematerialized form.
9. The Equity Shares allotted upon exercise of option to convert Equity Warrants into Equity Shares shall be listed on the Stock Exchanges on which the Equity Shares of the Company are listed. However, the Equity Warrants will not be listed on any Stock Exchange.

The disclosures prescribed under Regulation 163 of the SEBI ICDR Regulations in respect of the proposed Resolution, are as follows:

**(a) The objects of the preferential issue:**

The object of the issue is to meet its capital expenditure for expansion and modernization of Business operations and processes, working capital requirement & R & D expenditure.

**(b) Type of security offered and the number of security offered:**

Upto 2,90,00,000 Equity Warrants convertible into equivalent number of equity shares of face value ₹ 2/- (Indian Rupees Two) each ranking pari-passu in all respects with the existing fully paid up equity shares of the Company by way of preferential allotment to the Proposed Allottees.

**(c) Intent of the promoters, directors or key management personnel of the Company to subscribe to the offer:**

The following entity forming part of the Promoter and Promoters group of the Company, named as Proposed Allottees, shall subscribe to equity warrants mentioned against their names as provided below. None of the directors or key management personnel intends to subscribe to the proposed preferential offer of equity warrants.

Sr. No.	Name of the proposed allottee	No. of Equity warrants to be allotted
1.	April Investment and Finance Private Limited	2,90,00,000

**(d) Equity Shareholding Pattern before and after the Preferential Issue**

Sr. No.	Particulars	Pre-Issue holding as on June 30, 2022		Post Issue shareholding pattern (post conversion of warrants)	
		No. of Equity Shares	% age	No. of Equity Shares	% age
<b>A Promoter Shareholding</b>					
	April Investment and Finance Private Limited	1,30,40,172	6.72	4,20,40,172	18.84
	Other Promoter and Promoter Group	10,75,80,931	55.40	10,75,80,931	48.20
	<b>Total Promoter Group holding (A)</b>	<b>12,06,21,103</b>	<b>62.12</b>	<b>14,96,21,103</b>	<b>67.04</b>
<b>B Public Shareholding</b>					
	FIs / Banks / Insurance Companies	-	-		
	FIIIs / FPIs	129	0.00	129	0.00
	Individual share capital upto ₹ 2 Lacs	4,40,03,046	22.66	4,40,03,046	19.72
	Individual share capital in excess of ₹ 2 Lacs	1,16,85,877	6.02	1,16,85,877	5.24
	NBFCs registered with RBI	900	0.00	900	0.00

Sr. No.	Particulars	Pre-Issue holding as on June 30, 2022		Post Issue shareholding pattern (post conversion of warrants)	
		No. of Equity Shares	% age	No. of Equity Shares	% age
	IEPF	5,18,966	0.27	5,18,966	0.23
	Trusts	1,747	0.00	1,747	0.00
	HUF	48,36,590	2.49	48,36,590	2.17
	Elara Capital PLC	64,26,050	3.31	64,26,050	2.88
	Non-Resident Indian (NRI)	8,90,137	0.46	8,90,137	0.40
	LLP	56,000	0.03	56,000	0.03
	Clearing Members	55,636	0.03	55,636	0.02
	Bodies Corporate	50,87,784	2.62	50,87,784	2.28
	<b>Total Public holding (B)</b>	<b>7,35,62,862</b>	<b>37.88</b>	<b>7,35,62,862</b>	<b>32.96</b>
	<b>Grand Total (A) + (B)</b>	<b>19,41,83,965</b>	<b>100.00</b>	<b>22,31,83,965</b>	<b>100.00</b>

**(e) Proposed time within which the allotment shall be completed**

The Equity Warrants shall be allotted within a period of 15 days or such extended time, as may be approved by the Regulatory Authorities, from the date of approval of the members to the preferential issue, provided that where the said allotment is pending on account of pendency of any approval for such allotment by any regulatory authority, the allotment shall be completed within a period of 15 days from the date of receipt of such approval.

Further, upon exercise of the option by the allottee to convert Equity Warrants into Equity Shares within the tenure of upto eighteen months, as mentioned above, the Company will allot equity shares pursuant to the exercise of the Equity Warrants within 15 days from the date of such exercise of option by the allottee.

**(f) Basis on which the floor price has been arrived at and justification for the price (including premium, if any) and Relevant Date**

The Relevant Date on the basis of which the price of the Equity warrants will be calculated is Tuesday, August 30, 2022, i.e. working day immediately preceding the date 30 days prior to the date of general meeting.

It is proposed to issue the Equity Warrants and resulting Equity Shares at an issue price as may be determined on the Relevant Date in compliance with the provisions of Chapter V of the SEBI ICDR Regulations.

**(g) Identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and / or who ultimately control the proposed allottee.**

The details of the Proposed Allottees are as per the following table. The Company has not made any preferential allotment of Equity Shares or convertible securities during the current financial year.

Sr. No.	Proposed Allottee	Natural person who are / is the ultimate beneficial owners / who control the proposed allottee	No. of equity shares to be allotted	Pre-Issue Shareholding		Post-Issue Shareholding	
				No. of Equity Shares	% age	No. of Equity Shares (post conversion of warrants)	% age
1.	April Investment and Finance Private Limited	Mr. Sanjay Aggarwal Mr. Sandeep Aggarwal	2,90,00,000	1,30,40,172	6.72	4,20,40,172	18.84

The Proposed Allottee is presently part of the Promoter and Promoter Group of the Company and shall continue to remain so post preferential allotment. There will be no change in the status of the Proposed Allottee.

**(h) the percentage of post preferential issue capital that may be held by the allottee(s) and change in control, if any, in the issuer consequent to the preferential issue**

Not Applicable. No change in control is contemplated consequent to the allotment of Equity Warrants and/ or Equity Shares. There will not be any change in the management control of the Company on account of the proposed preferential allotment of Equity warrants except a corresponding change in the shareholding pattern as well as the voting rights. The promoter and promoter group will continue to hold majority shareholding in the Company.

**(i) Undertaking by the Company**

The Board of Directors of the Company hereby undertakes and confirm that since the Equity Shares of the Company are frequently traded, there is no need for the Company to re-compute the price of Equity Shares in terms of the provisions of the SEBI ICDR Regulations.

**(j) Lock-in**

The Equity Warrants and Equity Shares allotted pursuant to exercise of Equity Warrants issued will be subject to applicable lock-in and transfer restrictions stipulated under Regulations 167, 167A and 168 of the ICDR Regulations.

The Equity Warrants allotted to the Proposed Allottee shall be locked-in for a period of one year from the date of allotment. Further, the Equity Shares to be allotted to the Proposed Allottees upon exercise of the option by the allottee to convert Equity Warrants into Equity Shares shall be subject to lock-in for a period of 18 months from the date of the receipt of trading approval for such Equity Shares allotted pursuant to exercise of warrants.

Also, the entire pre-preferential allotment shareholding of the Proposed Allottees, shall be locked-in from the relevant date up to a period of 90 trading days from the date of allotment of Equity Warrants.

**(k) Principle terms of assets charged as securities**

Not applicable

**(l) Valuation for consideration other than cash**

Not applicable

**(m) The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:**

Not applicable

**(n) Practicing Company Secretary Certificate**

A copy of the certificate of the Practicing Company Secretary, M/s Nitin Gupta, Practicing Company Secretary, certifying that the issue is being made in accordance with the requirements of the SEBI ICDR Regulations shall be available for inspection at the registered office of the Company on all working days upto the date of AGM. Further, the same is available on the website of the Company at [www.paramountcables.com](http://www.paramountcables.com).

**(o) Disclosure with regard to the names of issuer, its promoter or any of its directors not appearing in the list of willful defaulter as issued by RBI.**

The Company, its promoters and its directors are not categorized as wilful defaulter(s) or a fraudulent borrower by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by Reserve Bank of India.

**(p) Disclosure with regard to the outstanding dues to SEBI, Stock Exchanges and Depositories.**

The Company do not have any outstanding dues to SEBI, Stock Exchanges (on which its Equity Shares are listed) and Depositories.

The provisions of Section 62 of the Companies Act, 2013 (as amended from time to time) and the SEBI ICDR Regulations provide, inter alia, that when it is proposed to increase the issued capital of the Company by allotment of further shares, such shares are required to be first offered to the existing members of the Company for subscription unless the members decide otherwise through a Special Resolution.

The Board of Directors of the Company recommends passing of the resolution as set out at Item No. 6 relating to issue of Equity warrants in the notice as Special Resolution.

Mr. Sanjay Aggarwal, Whole time Director and Mr. Sandeep Aggarwal, Managing Director and their relatives, being part of promoter / promoter group, are concerned or interested in the above referred resolution to the extent of their shareholding in the Company.

None of the directors or Key Managerial Personnel of the Company or their relatives other than specified above, are in any way concerned or interested, financially or otherwise, in the above referred resolution except to the extent of their individual shareholding in the Company.

**Item No. 7**

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, 2023.

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 ₹ 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, 2023 by passing an Ordinary Resolution as set out at Item No. 7 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. 7 of the Notice for ratification by the Members.

By Order of the Board  
**Paramount Communications Limited**

Sd/-  
**(Rashi Goel)**

Dated: 09.08.2022

Place: New Delhi

Company Secretary

M. No.: FCS9577

CIN : L74899DL1994PLC061295

Regd. Office: C-125, Naraina Industrial Area,  
Phase-I, New Delhi-110028

Information required under Section II, Part II of Schedule V of the Companies Act, 2013:

I. GENERAL INFORMATION

S. No	Particulars	Details																																		
1.	Nature of industry	Manufacturers of wires and cables.																																		
2.	Date or expected date of commencement of commercial production	The Company was incorporated on September 5, 1994 under the Companies Act, 1956. Since then, the Company had commenced its business.																																		
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable																																		
4.	Financial performance based on given indicators (as per Audited statement for the year ended 31.03.2022)	<table border="1"> <thead> <tr> <th>Particulars</th> <th>Year ended 31.03.2022 (Standalone &amp; Consolidated) ₹ lakhs</th> </tr> </thead> <tbody> <tr> <td>Revenue from Operations</td> <td>58,094</td> </tr> <tr> <td>Other income</td> <td>374</td> </tr> <tr> <td><b>Total Income</b></td> <td><b>58,468</b></td> </tr> <tr> <td><b>Expenses</b></td> <td></td> </tr> <tr> <td>Operating expenditure</td> <td>56,052</td> </tr> <tr> <td>Depreciation and amortisation expense</td> <td>954</td> </tr> <tr> <td><b>Total expenses</b></td> <td><b>57,006</b></td> </tr> <tr> <td>Profit before finance costs, exceptional item and tax</td> <td>1,462</td> </tr> <tr> <td>Finance costs</td> <td>641</td> </tr> <tr> <td><b>Profit before exceptional item and tax</b></td> <td><b>821</b></td> </tr> <tr> <td>Exceptional item</td> <td>-</td> </tr> <tr> <td><b>Profit before tax</b></td> <td><b>821</b></td> </tr> <tr> <td>Tax expense</td> <td>-</td> </tr> <tr> <td><b>Profit for the year</b></td> <td><b>821</b></td> </tr> <tr> <td><b>Other Comprehensive Income</b></td> <td><b>58</b></td> </tr> <tr> <td><b>Total Comprehensive Income for the year (Comprehensive profit and other comprehensive income for the year)</b></td> <td><b>879</b></td> </tr> </tbody> </table>	Particulars	Year ended 31.03.2022 (Standalone & Consolidated) ₹ lakhs	Revenue from Operations	58,094	Other income	374	<b>Total Income</b>	<b>58,468</b>	<b>Expenses</b>		Operating expenditure	56,052	Depreciation and amortisation expense	954	<b>Total expenses</b>	<b>57,006</b>	Profit before finance costs, exceptional item and tax	1,462	Finance costs	641	<b>Profit before exceptional item and tax</b>	<b>821</b>	Exceptional item	-	<b>Profit before tax</b>	<b>821</b>	Tax expense	-	<b>Profit for the year</b>	<b>821</b>	<b>Other Comprehensive Income</b>	<b>58</b>	<b>Total Comprehensive Income for the year (Comprehensive profit and other comprehensive income for the year)</b>	<b>879</b>
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5.	Foreign investments or collaborations, if any.	The Company has not entered into any material foreign collaboration. Foreign investors, mainly comprising of NRIs, FIIs and Foreign Nationals are investors in the Company on account of past issuances of securities/secondary market purchases.																																		

## II. INFORMATION ABOUT THE APPOINTEE

S. No	Particulars	Mr. Sanjay Aggarwal	Mr. Sandeep Aggarwal
1.	Background details	Mr. Sanjay Aggarwal is one of the Promoter Director and is associated with the Company since inception. He has been an integral part of the growth story of the Company, from a small-scale industrial unit to one of the largest cable manufacturers in India. He has been the recipient of numerous prestigious awards over the past 34 years. He was the President of PHD Chamber of Commerce and Industry (PHDCCI), one of the Premier Chambers in India for FY 2020-21.	Mr. Sandeep Aggarwal is one of the Promoter Director and is associated with the Company since inception. He plays an important role in successful management of Company's operational, production and technical affairs. He has received numerous awards from social, cultural and industry organizations over the past 30 years.
2.	Past remuneration	Basic Pay of ₹ 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 ₹ 15,00,000/-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.	Basic Pay of ₹ 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 ₹ 15,00,000/-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.
3.	Recognition or awards	National Entrepreneurship Award 1984 given away by the President of India, Entrepreneur of the Year Award 1994 by All India Manufacturers Organization, Niryat Shree Award 2008-09 by FIEO and Major Donor Award 2017 by Rotary Foundation of Rotary International.	The Valuable contribution to Rotary Foundation & Rotary Delhi Central Charitable Trust fund raiser 2016-17; Appreciation Certificate for Swachh Bharat Abhiyan; Honorary Professorship Award.
4.	Job profile and his suitability	Mr. Sanjay Aggarwal, Whole time Director of the Company is entrusted with substantial powers of management in relation to whole Business and operational affairs of the Company.	Mr. Sandeep Aggarwal, Managing Director of the Company plays an important role in successful management of Company's operational, production, quality control and product development.
5.	Remuneration proposed	As per resolution under item No. 4	As per resolution under item No. 5
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and Person (in case of expatriates the relevant details would be with respect to the country of his origin)	Taking into consideration the size and operations of the Company, the profile of the MD & CEO, the responsibilities handled by them and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior levels in other companies.	
7.	Pecuniary relationship directly or indirectly with the company, relationship with the managerial personnel, if any.	Besides the remuneration proposed, Mr. Sanjay Aggarwal does not have any pecuniary relationship with the Company. Mr. Sandeep Aggarwal is the brother of Mr. Sanjay Aggarwal. No other managerial personnel are concerned or interested in the above resolution. As on date of this notice, he holds 14,061,013 shares in the Company.	Besides the remuneration proposed, Mr. Sandeep Aggarwal does not have any pecuniary relationship with the Company. Mr. Sanjay Aggarwal is the brother of Mr. Sandeep Aggarwal. No other managerial personnel are concerned or interested in the above resolution. As on date of this notice, he holds 1,40,03,533 shares in the Company.



### III OTHER INFORMATION

S. No	Particulars	Details
1.	Reasons of loss or inadequate profits	Owing to the outbreak of the COVID-19 pandemic and rising commodity prices, the Company's performance has remained subdued in the last two years. While the lifting of COVID-19 restrictions and an increase in the demand attributed to a better performance, the challenges relating to surging input cost and supply side constraint continued to affect the Company this year. This has resulted in the Company reporting inadequate profits (as per Section 198 of the Companies Act, 2013) for the FY 2021-22.
2.	Steps taken or proposed to be taken for improvement	The global market for wires and cables is estimated to grow from \$335.0 billion in 2021 to reach \$426.8 billion by 2026, at a compound annual growth rate (CAGR) of 5% during the forecast period of 2021-2026. For Paramount, 2022 will therefore be about expanding its exports and domestic capacity and adapting to the growing needs of its customers, controlling its supply chains, and remaining ready to deliver on time. The Company's exports business also grew substantially. Consequent to the recent initiatives taken by Government of India for infrastructure sector will led to improved demand for the whole cable industry and are expected to improve the profits of your Company.
3.	Expected increase in productivity and profits in measurable terms	In view of the steps taken by the Company as stated above, the Company believes that there will be significant increase in productivity and profitability in the years to come.

### IV. DISCLOSURES

- (i) The Shareholders of the Company shall be informed of the remuneration package of Mr. Sanjay Aggarwal and Mr. Sandeep Aggarwal as per the provisions of applicable laws.
- (ii) Requisite disclosure regarding remuneration, share warrants etc. has been disclosed as a part of Directors' Report under the heading "Corporate Governance" attached to the Annual Report of the Company

#### Annexure to the Notice Dated August 09, 2022:

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. Sandeep Aggarwal (DIN:00002646)
Date of Birth	08-05-1964
Qualification	B.A. (Hons.) in Economics from Shri Ram College of Commerce, Delhi University
Nature of Expertise	Vast experience in Cable Industry. Please refer Company's website: <a href="http://www.paramountcables.com">www.paramountcables.com</a> for detailed profile.
Terms and conditions of Re-appointment	In terms of Section 152(6) of the Companies Act, 2013, Sh. Sandeep Aggarwal who was re-appointed as a Managing 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	1,40,03,533 equity shares of ₹2/- each.
Directorships	2
Memberships/ Chairmanship of Committees of other companies	Membership- 2 Chairmanship- 1
Inter-se relationship between Directors and other Key Managerial Personnel	Brother of Mr. Sanjay Aggarwal, Chairman & CEO and not related to any other Director/Key managerial Personnel

Number of Meetings of the Board attended during the financial year (2021-2022)	5
Past Remuneration Drawn (FY 2021-2022)	Basic Pay of ₹ 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 ₹ 15,00,000/-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

Dated: 09.08.2022  
Place: New Delhi

CIN : L74899DL1994PLC061295  
Regd. Office: C-125, Naraina Industrial Area,  
Phase-I, New Delhi-110028









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