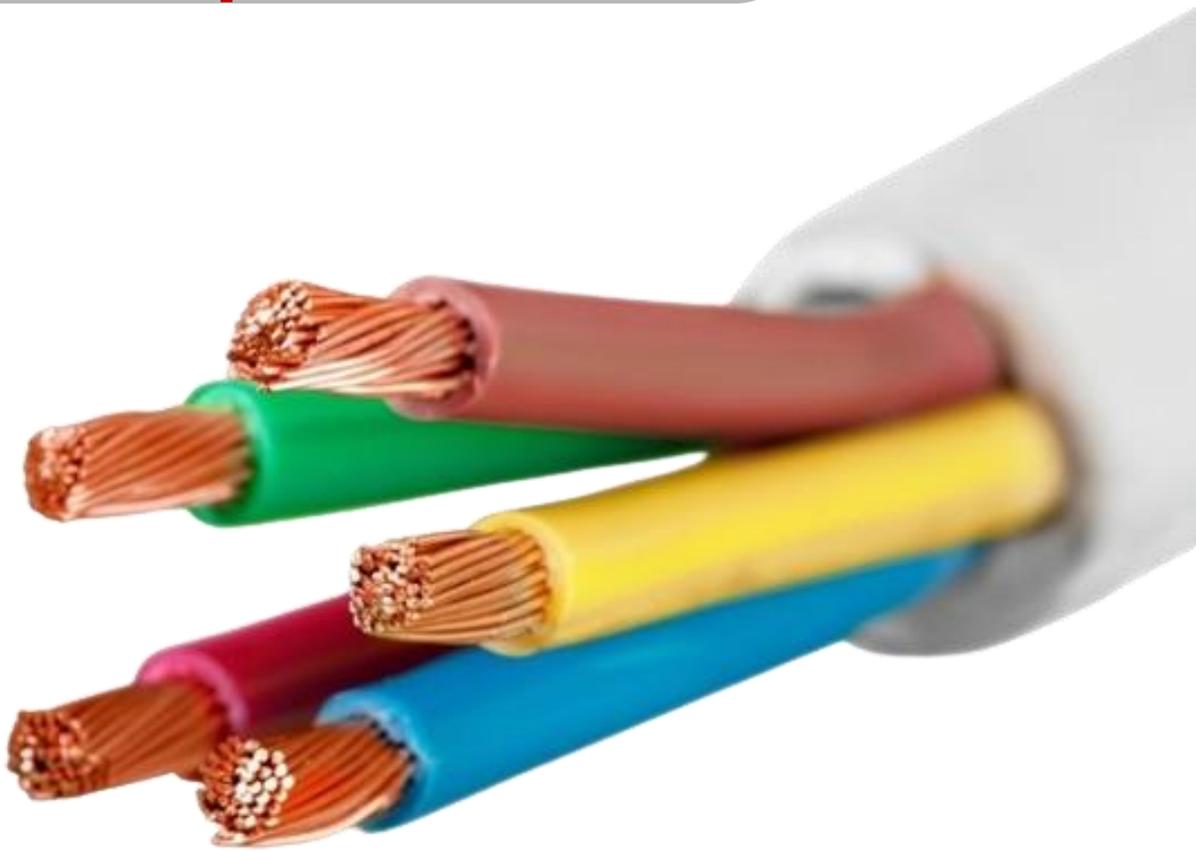




EARNINGS RELEASE & SHAREHOLDERS' LETTER

Q2 & H1 FY25 | October 28, 2024



Wiring The World With The **Best**

Consolidated Income Statement:

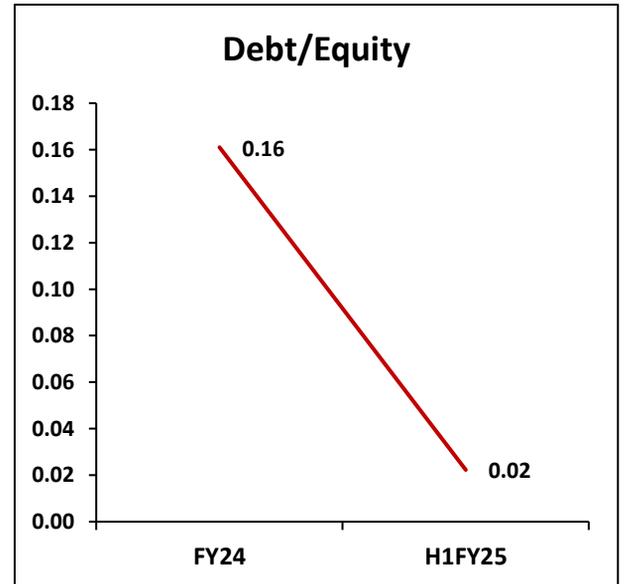
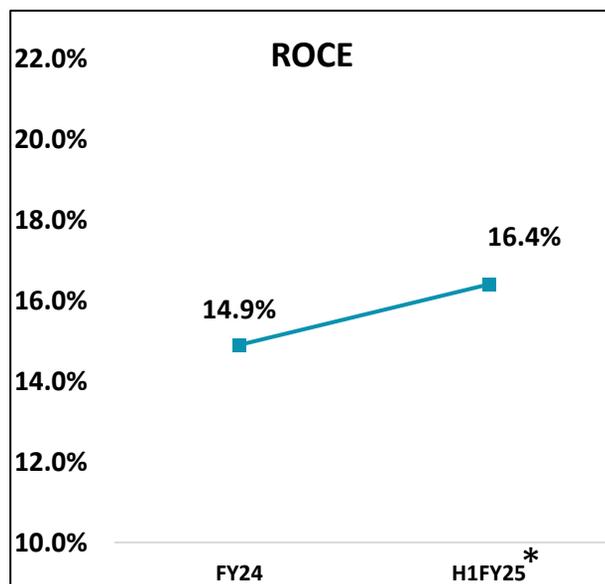
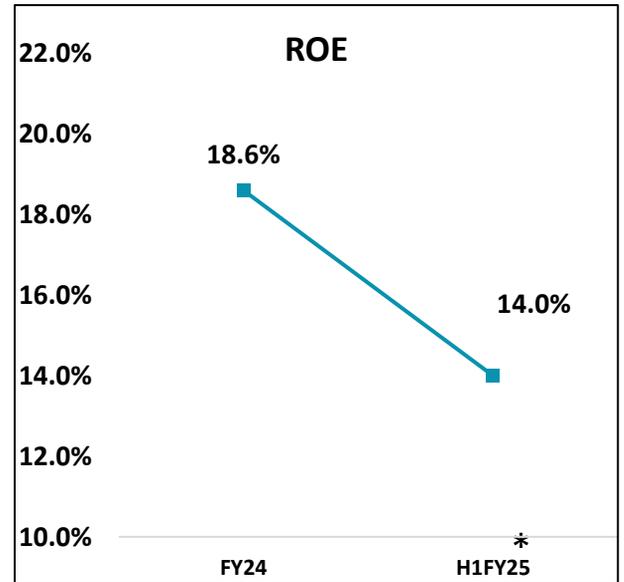
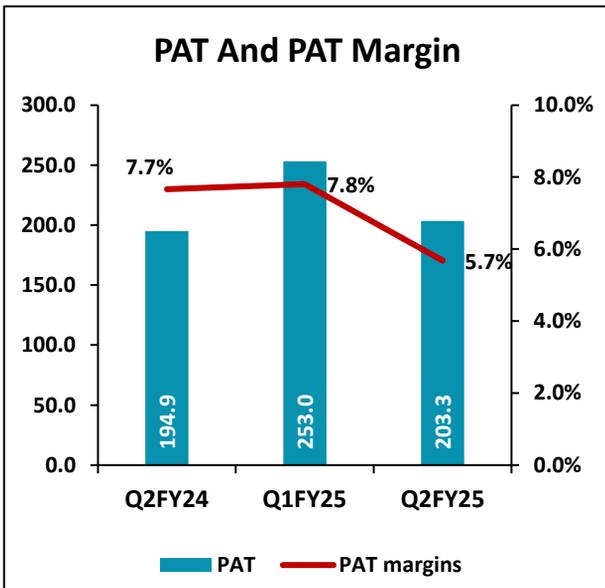
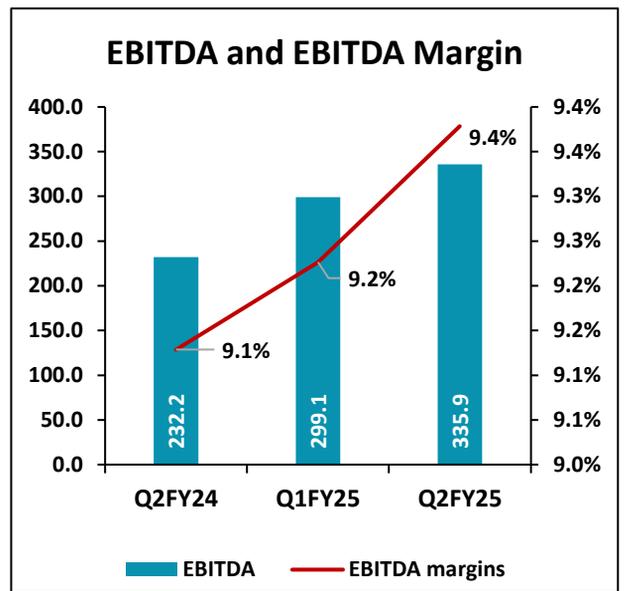
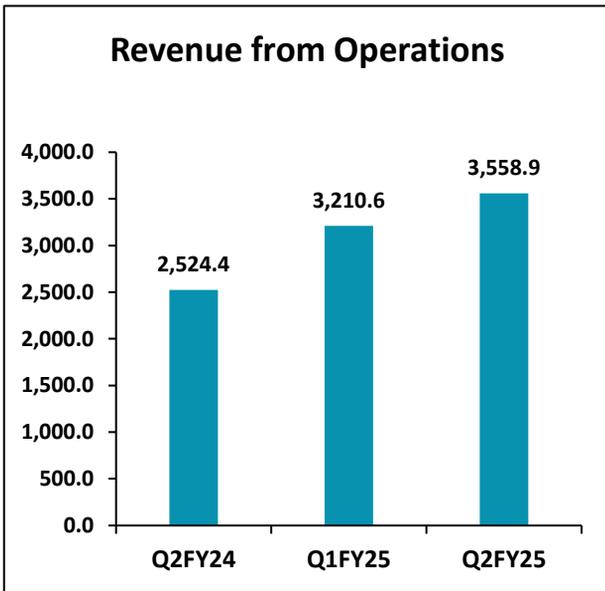
Particulars (Rs. Mn)	Q2 FY25	Q2 FY24	Q1 FY25	H1 FY25	H1 FY24
Revenue from operations	3,558.9	2,524.4	3,210.6	6,769.5	4,629.8
Other income	22.8	18.9	31.4	54.3	36.2
Total revenue	3,581.7	2,543.3	3,242.0	6,823.8	4,666.0
Total expenses excluding depreciation, amortization, and finance cost	3,245.8	2,311.1	2,942.9	6,188.8	4,248.7
EBITDA (Inc. Other Income)	335.9	232.2	299.1	635.0	417.3
EBITDA Margin %	9.4%	9.1%	9.2%	9.3%	8.9%
Depreciation & Amortization	27.8	22.3	27.5	55.3	44.0
Finance Cost	17.0	14.9	12.6	29.6	33.0
PBT	291.1	195.0	259.0	550.1	340.3
Tax Expense	87.8	0.1	6.0	93.8	0.1
PAT	203.3	194.9	253.0	456.3	340.2
PAT Margin %	5.7%	7.7%	7.8%	6.7%	7.3%
Diluted EPS	0.7	0.9	0.8	1.5	1.6

*EBITDA is calculated including Other Income.

Consolidated Balance Sheet:

Particulars (Rs. Mn)	As at 30.09.24	As at 31.03.24	Particulars (Rs. Mn)	As at 30.09.24	As at 31.03.24
Assets			Equity & Liabilities		
Non-Current Assets			Shareholder's Funds		
Property, Plant & Equipment	1,626.8	1,402.4	Equity Share Capital	609.9	606.9
Capital work in progress	10.5	14.9	Other Equity	6,139.6	5,654.7
Right of Use Asset	331.5	283.7			
Intangible Assets	5.6	7.7	Total Shareholder's Funds	6,749.5	6,261.6
Loans	0.9	0.5			
Other Non Financial Assets	188.3	190.8	Non-Current Liabilities		
Other Non-Current Assets	88.3	99.0	Long-Term Borrowings	18.1	134.1
Deferred Tax Assets	-	37.2	Lease Liabilities	67.6	21.7
Total Non-Current Assets	2,251.9	2,036.2	Provisions	18.6	15.2
			Deferred Tax Liabilities	27.5	0.00
Current Assets			Total Non-Current Liabilities	131.8	171.0
Inventories	2,937.8	2,342.8	Current Liabilities		
Investments	0.00	557.4	Short-term Borrowings	132.7	873.7
Trade Receivables	2,257.4	2,522.5	Lease Liability	5.7	0.9
Cash & Cash Equivalents	67.4	45.6	Total Outstanding dues of Micro Enterprises and Small Enterprises	88.7	119.4
Bank Balance other than Cash	173.4	180.8	Total Outstanding dues of Creditors other than micro and small enterprises	1,044.3	728.1
Loans	6.6	4.9	Other Financial Liabilities	84.7	53.6
Other Current Financial Assets	46.0	43.6	Other Current Liabilities	65.0	56.1
Current Tax Assets (Net)	1.1	24.1	Provisions	1.7	1.3
Other Current Assets	562.5	508.6	Current Tax Liabilities	-	0.8
Total Current Assets	6,052.2	6,230.3	Total Current Liabilities	1,422.8	1,833.9
Total Assets	8,304.1	8,266.5	Total Equity & Liabilities	8,304.1	8,266.5

Key Metrics:



Note: EBITDA includes other income
*Annualized

Consolidated Cashflow Statement:

Particulars (Rs. Mn.)	H1 FY25	H1 FY24
Net Cashflow from Operations Activities	568.7	(349.2)
Net Cashflow from Investing Activities	315.2	(231.3)
Net Cashflow from Financing Activities	(862.1)	567.5
Net Change in Cash and Cash Equivalents	21.8	(13.0)

Management Commentary:

Commenting on Paramount Communications Limited Performance, Management team stated:

*In our analysis of the quarterly and half-yearly performance for Q2 FY25 and H1FY25, we achieved a revenue growth of **41%**, reaching **₹ 3558.9 Mn** in Q2FY25 compared to **₹ 2524.4 Mn** in Q2 FY24. This change can be largely attributed to execution of order book.*

*Our EBITDA (including Other Income) mirrored this performance, increasing by **44.7%** to **₹ 335.9 Mn** in Q2 FY25, compared to **₹ 232.2 Mn** in the same quarter last year with margins increased to **9.4%** in Q2FY25 from **9.1%** in the same period last year. On a positive note, our PAT for Q2 FY25 increased to **₹ 203.3 Mn**, up from **₹ 194.9 Mn** in Q2 FY24.*

*When assessing our half-year performance, we observed a revenue increase of **46.2%**, totalling **₹ 6,769.5 Mn** in H1 FY25 compared to **₹ 4,629.8 Mn** in H1 FY24. Our EBITDA improved by **52.2%**, amounting to **₹ 635.0 Mn** in H1 FY25 versus **₹ 417.3 Mn** in H1 FY24, with margins recorded at **9.3%** in H1FY25 as against **8.9%** in H1FY24.*

*The cables and wires sector is projected to grow at a CAGR of approximately **12% to 13%** between FY23 and FY27.*

*In recent years, India has become a net exporter of cables and wires, with organized players increasing their market share from **61%** in FY14 to **74%** in FY23. This shift toward the organized sector is driven by technological advancements, brand building, and growing consumer awareness regarding safety and quality. We expect this trend to continue, with organized players projected to capture **80%** market share by FY27. Government initiatives such as "Housing for All," "Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY)," and "24 x 7 Power for All" have significantly boosted demand for housing wires, positioning us well to capitalize on these opportunities.*

*We are pleased to report that with an investment of **INR 525.1 million** in capital expenditure for FY 2023-24, our debottlenecking plans are progressing well, aimed at increasing our production capacity to approximately **33,000 MT** annually. Additionally, our strategy to onboard more dealers will enhance product availability and improve our market penetration.*

Our unwavering commitment to manufacturing excellence, technological innovation, and customer satisfaction continues to bolster our global brand reputation. Operating in both domestic and international markets, we recognize the U.S. as our largest export destination. We are determined to replicate our domestic success internationally, driven by our dedication to delivering superior product quality.

As part of our growth strategy, we are focusing on telecom and power sector projects to create sustainable revenue streams. The recent acquisition of Valens Technologies Private Limited positions Paramount to offer comprehensive turnkey services, enhancing our capabilities in the market.

We are also expanding our retail business, concentrating on products with higher profit margins and lower capital expenditure. Our efforts to distribute fire-retardant and lead-free home wiring solutions across India reflect our commitment to safety and innovation.

For further information on The Company, please visit: <https://paramountcables.com>

Disclaimer:

Certain statements in this document may be forward looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local political or economic developments, technological risks, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Paramount Communications Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstance.

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