

Paramount Communications Limited

यद्यदाचरति श्रेष्ठस्तत्तरेदेवेतरो जनः।
सं यत्प्रमाणं कुरुते लोकस्तदनुवर्तते।।



LATE SHRI SHYAM SUNDER AGGARWAL

Founder - Paramount Communications Limited
(6.10.1936 - 6.12.1999)

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

Bhagwad Gita, 3.21

IMPORTANT COMMUNICATION TO MEMBERS

As part of your Company's endeavour to participate in the "Green Initiative in Corporate Governance" taken by Ministry of Corporate Affairs(MCA) vide its Circular No. 17/2011 dated 21.04.2011, allowing paperless compliances by service of documents like notices, Company's Annual Reports etc. through electronic mode (e-mail), the members are once again requested to register/update their email addresses if holding shares in Electronic form with your Depository Participant (DP) or you can email us at investors@paramountcables.com, if holding in physical form or you can write to us directly.

In the good cause of protection of environment and in the interest of public at large, we are sure that you would welcome and support this "Green Initiative".

Save Paper, Save Trees, Go Green!

Corporate Information

BOARD OF DIRECTORS

Mr. Sanjay Aggarwal, Chairman & CEO
Mr. Sandeep Aggarwal, Managing Director
Mr. Satya Pal, Director
Mr. S.P.S. Dangi, Director
Mr. Vijay Bhushan, Director
Mrs. Malini Gupta, Director

CHIEF FINANCIAL OFFICER

Mr. Shambhu Kumar Agarwal

CHIEF COMPLIANCE OFFICER

Ms. Tannu Sharma

REGISTERED OFFICE

C-125 Naraina Industrial Area, Phase-1,
Naraina, New Delhi-110028, India
Phone(s): +91-11-45618800/900,
Fax: +91-11-25893719/20
E-mail: pcl@paramountcables.com
Website: www.paramountcables.com

WORKS

Unit 1: SP-30A, SP-30B, E-31,
Khushkhera Industrial Area,
Distt. Alwar, Rajasthan, India

Unit 2: Plot No. 37, Industrial Estate,
Dharuhera, District Rewari, Haryana, India

AUDITORS

Jagdish Chand & Co.
Chartered Accountants,
New Delhi, India

COST AUDITORS

Jain Sharma & Associates,
Cost Accountants,
New Delhi, India

BANKERS

State Bank of India State Bank of Patiala
Dena Bank Standard Chartered Bank
ICICI Bank Limited IDBI Bank Limited

REGISTRAR & SHARE TRANSFER AGENTS

M/s. Link Intime India Private Limited
44, IInd Floor, Community Centre,
Naraina Industrial Area, Phase-1,
New Delhi-110028, India
Phone No: +91-11-41410592, 93,94
Fax No: +91-1141410591

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NOTICE

Notice is hereby given that the **21st ANNUAL GENERAL MEETING** of the Members of **PARAMOUNT COMMUNICATIONS LIMITED** will be held at **SHAH AUDITORIUM, SHREE DELHI GUJARATI SAMAJ MARG, NEAR INTERSTATE BUS TERMINAL, DELHI-110054** on Thursday, the 24th day of September, 2015 at 11:30 A.M. to transact the following businesses:

ORDINARY BUSINESSES:

1. To receive, consider and adopt the Audited Profit and Loss Account of the Company for the year ended 31st March, 2015 and the Balance Sheet as on that date, and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Sanjay Aggarwal (DIN: 00001788), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s Jagdish Chand & Co., Chartered Accountants (Firm Registration No. 000129N) as Statutory Auditors of the Company, who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on such remuneration as the Board may decide, based on the recommendations of Audit Committee.

SPECIAL BUSINESSES:

4. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:
“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable rules, if any, and the Articles of Association of the Company, Mrs. Malini Gupta (DIN: 03464410) who was appointed as an Additional Director w.e.f 30th January, 2015 and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director on the Board of the Company to hold office up to 5 (five) consecutive years i.e. up to 31st March, 2020”.
5. To consider and, if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**:
“**RESOLVED THAT** pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), and in supersession of all earlier resolution passed in this regard under the Companies Act, 1956, the consent of the Company be and is hereby accorded to the Board of Directors to borrow at its discretion, either from the Company's Bank(s) or any other Indian or Foreign Bank(s), Financial Institution(s) and / or any other Lending Institutions or Persons from time to time such sum(s) of money(s), with or without security, on such terms and conditions as the Board may think fit, and the sum(s) to be borrowed, together with the money(s) already borrowed by the Company (*apart from temporary loans obtained from the Company's bankers / FIs in the ordinary course of business*) shall not exceed the sum of ` 1,000 Crore (Rupees One Thousand Crore only) at any one time.”
6. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:
“**RESOLVED THAT** pursuant to Section 180(1)(a) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), and in supersession of all earlier resolution passed in this regard under the Companies Act, 1956, the consent of the Company be and is hereby accorded to the creation by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include any committee thereof for the time being exercising the powers conferred on the Board by this Resolution) of such mortgages, charges and hypothecations as may be necessary on such of the assets of the Company, both present and future, in such manner as the Board / Committee of the Board may direct, to or in favour of financial institutions, investment institutions and their subsidiaries, banks, mutual funds, trusts, other bodies corporate (hereinafter referred to as

the “Lending Agencies”) and Trustees for the holders of debentures/ bonds and/or other instruments which may be issued on private placement basis or otherwise, to secure rupee term loans/foreign currency loans, debentures, bonds and other instruments of an outstanding aggregate value not exceeding ₹ 1,000 Crore (Rupees One Thousand Crore only) together with interest thereon at the agreed rates, further interest, liquidated damages, premium on pre-payment or on redemption, costs, charges, expenses and all other moneys payable by the Company to the Trustees under the Trust Deed and to the Lending Agencies under their respective Agreements / Loan Agreements / Debenture Trust Deeds entered / to be entered into by the Company in respect of the said borrowings.

7. To adopt new Memorandum of Association of the Company in conformity with the Companies Act, 2013 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** pursuant to the provisions of Section 13 and other applicable provisions, if any, of the Companies Act, 2013 (including any amendment or re-enactment thereof) read with applicable rules, if any, and subject to necessary registrations, approvals, consents, permissions and sanctions required, if any, by the jurisdictional Registrar of Companies, and any other appropriate authority and subject to such terms, conditions, amendments or modifications as may be required or suggested by any such appropriate authorities, which terms, conditions, amendments or modifications, the Board of Directors is authorized to accept as it may deem fit, the existing set of Memorandum of Association of the Company be and is hereby replaced, altered, modified and revised as per the new set of Memorandum of Association, and the new set of Memorandum of Association be and is hereby approved and adopted as the Memorandum of Association of the Company in the place and in exclusion and substitution of the existing Memorandum of Association of the Company as follows:

1. By deleting the heading of Clause III(B), “B. OBJECTS INCIDENTAL OR ANCILLIARY TO THE ATTAINMENT OF MAIN OBJECTS ARE:” and replacing it with the heading “MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III(A) ARE:”;
2. By deleting the heading of Clause III(C), “C. OTHER OBJECTS”;
3. By deleting existing Clause III(C) (1) to (50) and renumbering the same as Clause III(B) (27) to (77).
4. By amending existing Clause IV and replacing the same to read as “The liability of the member(s) is limited and this liability is limited to the amount unpaid, if any, on the shares held by them.”

RESOLVED FURTHER THAT the Board of Directors and the Company Secretary of the Company be and is hereby severally authorized to take all such steps and actions for the purpose of making all such filings and registrations as may be required in relation to the aforesaid amendment to the Memorandum of Association and further to do all such acts, deeds, matters and things as may be deemed necessary for the purpose of giving effect to the aforesaid resolution.”

8. To adopt new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013 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** pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and subject to the necessary registrations, approvals, consents, permissions and sanctions required, if any, by the jurisdictional Registrar of Companies, and any other appropriate authority and subject to such terms, conditions, amendments or modifications as may be required or suggested by any such appropriate authorities, which terms, conditions, amendments or modifications, the Board of Directors is authorized to accept as it may deem fit, the existing set of Articles of Association of the Company be and is hereby replaced, altered, modified and revised as per the new set of Articles of Association, and the new set of Articles of Association be and is hereby approved and adopted as the Articles of Association of the Company in the place and in exclusion and substitution of the existing Articles of Association of the Company.

RESOLVED FURTHER THAT the Board of Directors and the Company Secretary of the Company be and is hereby severally authorized to take all such steps and actions for the purpose of making all such filings and registrations as may be required in relation to the aforesaid amendment to the Articles of Association and further to do all such acts, deeds, matters and things as may be deemed necessary for the purpose of giving effect to the aforesaid resolution.”

9. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to Section 181 and other applicable provisions, if any, of the Companies Act, 2013, the Board of Directors of the Company be and is hereby authorized to contribute, in any financial year, to bona fide charitable and other funds, any amount the aggregate of which, may exceed five percent of its average net profits for the three immediately preceding financial year, subject to a limit of `25 Lac (Rupees Twenty five Lac only).”

10. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Clause 49 of the Listing Agreement, and other applicable provisions (if any), the consent, sanction, or approval of the members of the company be and is hereby accorded to the Board of Directors to enter into any contract or arrangements with related party viz. Paramount Wires & Cables Limited with respect to sale, purchase or supply of any goods or materials not exceeding value of `100 Crore (Rupees One Hundred Crore only) in one Financial Year, subject to such conditions as may be imposed by the Audit Committee or the Board of Directors.

RESOLVED FURTHER THAT the Board of Directors and the Company Secretary of the Company be and is hereby severally authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for the purpose of giving effect to this Resolution.”

11. To approve the remuneration of the Cost Auditors for the financial year 2015-2016 and in this regard to consider and if thought fit, pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 148(3) and any other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), consent of the members of the Company be and is hereby accorded for the payment of remuneration of `50,000 (Rupees Fifty Thousand Only) plus Taxes thereon and reimbursement of out of pocket expenses, if any, to M/s. Jain Sharma & Associates (Firm Registration No. 000270), Cost Accountants, who are appointed as the Cost Auditors of the Company, to conduct the audit of the cost records of the Company, for the financial year from April 1, 2015 till March 31, 2016.

RESOLVED FURTHER THAT the Board of Directors and the Company Secretary of the Company be and are hereby severally authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

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

Place : New Delhi
Dated : 12.08.2015

**(Tannu Sharma)
Company Secretary**

NOTES:

- 1 A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM IN ORDER TO BE EFFECTIVE SHOULD BE DULY STAMPED, COMPLETED AND SIGNED AND MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE AFORESAID MEETING. PROXY FORM IS ATTACHED HEREWITH.**
- 2 The Register of Members and Share Transfer Book of the Company shall remain closed from Thursday, the 17th September, 2015 to Thursday, the 24th September, 2015 (both days inclusive).
- 3 Members/proxies should bring the attendance slip duly filled in for attending the meeting.
- 4 Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendee at the meeting.

- 5 The Company is pleased to offer e-voting facility as an alternate, for all its members to enable them to cast their vote electronically in terms of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force). Accordingly, a member may exercise his vote at the general meeting by electronic means and the Company may pass any resolution by electronic voting system in accordance with the provisions of this rule.
- 6 Members are requested to note that all correspondence related to share transfer should be addressed to the Company's Registrars and Share Transfer Agents, M/s Link Intime India Pvt. Ltd., 44, IInd Floor, Community Centre, Naraina Industrial Area, Phase-I, New Delhi-110028.
- 7 The members of the Company who hold shares in physical form are intimated that SEBI has made it mandatory for the transferee(s) to furnish a copy of PAN card to the Company/RTAs for registration of transfer of shares held in physical form.
- 8 Shareholders are requested to bring their copy of the Annual Report to the meeting.
- 9 Pursuant to Section 205A of the Companies Act, 1956 read with the Investors Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001, all unclaimed/ unpaid dividend up to the financial year ended 31st March, 2007 has been transferred to the Investor Education and Protection Fund set up by the Central Government and no claim can be admitted in respect of dividend upto the said financial year. The unclaimed dividend declared in the year 2007-08 is due to be transferred in the Investor Education and Protection Fund in current financial year. Members are therefore requested to en-cash their dividend warrants immediately for subsequent financial years. Members are requested to write to the Company and/or share transfer agents, if any dividend warrant is pending to be paid so that fresh warrants could be issued by the Company.
- 10 At the ensuing Annual General Meeting, Mr. Sanjay Aggarwal, retires by rotation and being eligible, offers himself for reappointment. The information/ details pertaining to Mr. Sanjay Aggarwal in terms of Clause 49 of the Listing Agreement with the Stock Exchanges are annexed herewith.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM No. 4

The Nomination & Remuneration Committee has recommended and the Board of Directors of the Company at their meeting held on 30th January, 2015, approved the appointment of Mrs. Malini Gupta as an Additional Director in terms of Section 161 of the Companies Act, 2013, who holds office upto the date of this Annual General Meeting. The Company has received notice in writing pursuant to Section 160 of the Companies Act, 2013 from a member along with a deposit of ₹ 1,00,000/- (Rupees One Lac only) proposing the candidature for appointment of Mrs. Malini Gupta as a Director.

Pursuant to Sections 149, 152, 160 and Schedule IV of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, it is proposed to appoint Mrs. Malini Gupta as an Independent Director of the Company for 5 (five) consecutive years up to 31st March, 2020.

The Board considers that her association would be of immense benefit to the Company and it is desirable to continue to avail services of Mrs. Malini Gupta as an Independent Director. Accordingly, keeping in view her expertise and management skills, the Board recommends her appointment as an Independent Director.

Except Mrs. Malini Gupta, being an appointee, none of the Directors or Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 4.

ITEM No.5 & 6

At the Extra-ordinary General Meeting of the Company held on October 23, 2006, the shareholders had authorized the Board of Directors: - to borrow monies up to ₹ 1,000 Crore (Rupees One Thousand Crore only) under Section 293(1)(d) of the Companies Act, 1956, and to secure the same by suitable mortgage/ charge on all or any of the moveable and/ or immovable properties, regarded as disposal of the Company's undertakings under Section 293 (1)(a) of the Companies Act, 1956. However, as per the corresponding provisions of Section 180(1)(c) and 180(1)(a) of the Companies Act, 2013, the resolution(s) passed u/s 293 of the Companies Act, 1956 prior to 12.09.2013 with

reference to borrowings (subject to the limits prescribed) and/ or creation of security on assets of the company shall also be approved by the shareholders under the new Companies Act. Further, the provisions of the Companies Act, 1956 required consent of the shareholders as an ordinary resolution for both borrowing and creation of security; however, the provisions of the 2013 Act stipulate consent of members by way of a Special Resolution. Hence, in order to remain compliant with the relevant provisions on borrowings and creation of security under the new Act, consent of the members is hereby requested by way of proposed Special Resolution(s) set out in Item Nos. 5 and 6. The Board of Directors of your Company has approved these matters in their meeting held on 12th August, 2015 and recommends the resolutions as set out in the accompanying Notice for the approval of members of the Company as Special Resolutions.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested in the Resolutions except to the extent of their shareholding in the Company, if any.

The resolution mentioned in Item no. 5 & 6 of the Notice is recommended for your approval as a Special Resolution.

Item No 7 & 8

The existing Memorandum and Articles of Association (“MOA & AOA”) were based on the Companies Act, 1956 and several clauses / regulations in the existing MOA & AOA contain references to specific sections of the Companies Act, 1956 which are no longer in force. The Existing regulations of the Articles of Association are replaced by the new set of regulations and adopted as new set of Articles of Association as per the requirements of Table F of First Schedule in the Companies Act, 2013. The modifications in Memorandum of Association and Articles of Association are carried out to give effect to provisions of the Companies Act, 2013. Consent of the shareholders by way of a Special Resolution is required in this regard.

None of the Directors, Key Managerial Personnel and their relatives are in any way concerned or interested in the said resolution.

The Directors recommend the aforesaid resolution for the approval by the members as a Special Resolution

Item No 9

As per the provisions of Section 181 of the Companies Act, 2013, the Board of Directors of the Company is authorized to make contributions to charitable and other funds, provided that prior permission of the Members is required for such contribution during a financial year exceeding five percent of its average net profits during the three immediately preceding financial years. The approval of the members is being sought, pursuant to Section 181 of the Act, for authorizing the Board of Directors of the Company to make contribution to bona fide charitable and other funds, in a financial year, exceeding five percent of the Company's average net profits during the three immediately preceding financial year subject to a limit of ₹ 25 Lac (Rupees Twenty Five Lac only) in any Financial year.

The Directors recommend the resolution at item no. 9 of the accompanying Notice for the approval of the Members of the Company.

None of the Directors or Key Managerial Personnel and/or their relatives, are in any way, financially or otherwise, interested or concerned in the said resolution.

Item No 10

Section 188 of the Companies Act, 2013 read with rules 15 and 16 of Companies (Meetings of Board and its Powers) Rules, 2014 prescribe certain procedure for approval of related party transactions. The revised Clause 49 of the Listing Agreement has also prescribed seeking of shareholders' approval for material related party transactions. The proviso to Section 188 also states that nothing in Section 188(1) will apply to any transaction entered into by the company in its ordinary course of business and at arm's length basis. All the proposed transactions concluded between Paramount Communications Limited and Paramount Wires & Cables Limited, which are put up for approval before the shareholders are in ordinary course of business and at arm's length basis. Though the companies are not related party under the provisions of the Companies Act, 2013, however they are considered related as per Clause 49 VII(B)(ii) of the Listing Agreement. Accordingly, pursuant to the provisions of revised Clause 49, the contracts / arrangements / transactions are material in nature and require the approval of the shareholders of the Company by way of special resolution.

The resolution mentioned in Item no. 10 of the Notice is recommended for your approval as a Special Resolution.

None of the Directors, except Mr. Sanjay Aggarwal and Mr. Sandeep Aggarwal, are in any way, concerned or interested in the passing of this resolution.

Item No 11

The Board of Directors at their meeting held on 27th May, 2015, based on the recommendations of the Audit Committee, had appointed M/s. Jain Sharma & Associates, a firm of Cost Accountants as Cost Auditors of the Company for the purpose of auditing the cost records maintained by the company for the financial year 2015-16 and also fixed their remuneration for the said purpose at the rate of ₹ 50,000 (Rupees Fifty Thousand Only) and out of pocket expenses plus Taxes thereon.

Pursuant to the provisions of Section 148 and any other applicable provisions of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), remuneration payable to the Cost Auditors is required to be ratified by the members of the Company.

Therefore, the Board of Directors recommends the proposed resolution for your approval.

None of the Directors, Key Managerial Personnel or any of their relatives is concerned or interested, financially or otherwise, in this resolution.

E-Voting

E-Voting for the Twenty First Annual General Meeting of Paramount Communications Limited

In terms of the requirements of Section 108 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, the Company is pleased to provide facility of e-Voting, through CDSL, to the shareholders for casting their vote electronically at the Twenty first Annual General Meeting of the Company.

The instructions for members for voting electronically are as under:-

- 1) If you are holding shares in demat form and had logged on to **www.evotingindia.com** and voted on an earlier voting of any company, then your existing password are to be used.
- 2) Log on to the e-voting **website www.evotingindia.com**
- 3) Click on “Shareholders” tab.
- 4) Now, select the Electronic Voting Sequence Number (EVSN) along with “Paramount Communications Limited” from the drop down menu and click on “SUBMIT”.
- 5) Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form	For Members holding shares in Physical Form
USER ID	a) For account holders in CDSL :- Your 16 digit beneficiary ID b) Your 8 Character DP ID followed by 8 Digit Client ID	Folio Number registered with the Company
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)	
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.	
Dividend Company Details#	Enter the Dividend Company Details as recorded in your demat account or in the company records for the said demat account or folio.	

*Members who have not updated their PAN with the Company/Depository Participant are requested to use the Sequence Number which is printed on Postal Ballot/Attendance Slip indicated in the PAN field.

Please enter the DOB or Dividend Company Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Company details field.

- 6) After entering these details appropriately, click on “SUBMIT” tab.
- 7) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field.
- 8) Click on the EVSN on which you choose to vote.
- 9) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- 10) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- 11) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- 12) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

Other Instructions:

- Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves, link their account which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution in PDF format in the system for the scrutinizer to verify the vote.
- The electronic voting period commences on 21st September, 2015 (9:00 A.M.) and ends on 23rd September, 2015 (5:00 P.M). The electronic voting facility will be disabled by CDSL for voting thereafter. During this period the shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 7th August, 2015, may cast their vote electronically.
- The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 17th September, 2015;
- Members may cast their votes separately for each business to be transacted in the Annual General Meeting. For example, a member may cast his vote in favour of some resolution and may cast not in favour/ against some resolution. A member may also elect not to vote on some resolution.
- Once the vote on a resolution is casted by the member, he shall not be allowed to change or modify it subsequently;
- Member can log in any number of times till he has voted on all the resolutions or till the end of the voting period (i.e. till the last date of receipt of e-votes), whichever is earlier.
- Members can opt only one mode for voting i.e. either by Physical Ballot or e-voting. If member opts for e-voting, then he does not vote by Physical Ballot also and vice versa. However, in case member(s) cast their vote both via Physical Ballot and e-voting, then voting done through e-voting shall prevail and voting done by Physical Ballot will be ignored.
- Mr. Anil Kumar Popli of M/s A.K. Popli & Co., Practicing Company Secretary (Membership No: 3387; CP No. 2544) has been appointed as the scrutinizer to the electronic voting process, who shall prepare and submit their report of the votes cast in favour or not in favour/ against, to the Chairman of the Annual General Meeting.
- The results declared along with the scrutinizer’s report shall be placed on the website of the Company and on the website of CDSL.
- Subject to receipt of the sufficient votes, the resolution shall be deemed to be passed on the date of the Annual General Meeting;
- Notice of the meeting is also displayed at www.paramountcables.com

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com or call CDSL Toll Free No. 022-30249561 or to the Registrar & Share Transfer Agent, Link Intime India Pvt. Ltd. at 011-41410592, 41410593 or write an email to delhi@linkintime.co.in.

Name of the Director alongwith DIN	Mr. Sanjay Aggarwal (DIN: 00001788)	Mrs. Malini Gupta (DIN: 03464410)
Relationship with other Directors <i>inter-se</i>	Brother of Mr. Sandeep Aggarwal	None
Date of Appointment	01/11/1994	31/01/2015
Expertise in specific functional areas	<ul style="list-style-type: none"> • Creative Thinker and future oriented industrialist. • Eminent Businessman with vast knowledge in cable and telecom industry. 	<ul style="list-style-type: none"> • Dynamic personality having an aggregate experience of 22 years across consulting and teaching; • Diverse work experience including in the areas of business strategy, performance improvement, market intelligence, supply chain re-engineering and ERP selection and project management.
Qualification	B.Com (H) from Shri Ram College of Commerce, University of Delhi.	<ul style="list-style-type: none"> • Masters in Management Studies from BITS Pilani • CPIM (Certified in Production and Inventory Management) by APICS, USA
No. of Equity Shares held in the Company	5,826,100 Equity Shares	NIL
List of other companies in which Directorships are held	NIL	NIL
List of Committees of the Board of Directors (across all companies) in which Chairmanship / Membership	NIL	NIL

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.

DIRECTORS' REPORT

To,
The Members,

Your directors hereby present the 21st Annual Report along with audited statement of accounts of the Company for the year ended 31st March, 2015.

1. FINANCIAL RESULTS

The financial performance of the Company for the year ended 31st March, 2015 is summarised below:

(₹/Lac)

	Year ended 31.03.2015	Year ended 31.03.2014
Gross Turnover including Other Income	49,856.26	45,397.83
Profit/ (Loss) before Interest, Depreciation and Tax	(3,544.94)	(2,269.39)
Interest	5,829.13	3,593.49
Depreciation & Amortisation of FCMITDA	929.70	1,092.73
Profit/(Loss) before Tax	(10,303.77)	(6,954.61)
Exceptional Items	(10.07)	(3,391.28)
Provision for Taxation	-	-
Profit/(Loss) after Tax and Exceptional Items	(10,313.84)	(10,345.89)
Taxation for earlier years	-	2.55
Net Profit/(Loss) for the year	(10,313.84)	(10,343.34)

The Company achieved gross turnover including other income of ₹ 49,856.26 Lac and incurred a net loss of ₹ 10,313.84 Lac for the financial year 2014-2015 as against gross turnover including other income of ₹ 45,397.83 Lac and net loss of ₹ 10,343.34 Lac in financial year 2013-2014. Losses before exceptional items have been ₹ 10,303.77 Lac as against net loss of ₹ 6,954.61 Lac during previous year 2013-2014.

2. DIVIDEND

In view of losses incurred by the Company during the current financial year, your directors do not recommend declaration of any dividend for the year 2014-2015.

3. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company which the financial statement relates and the date of the report.

4. FOREIGN CURRENCY CONVERTIBLE BONDS (FCCBs)

Outstanding FCCBs amounting to US\$ 7.5 million were due for redemption on 23rd November, 2011 at a premium equal to 145.54% of the outstanding principal amount i.e. @ US\$ 7,277. Pending redemption, a winding up petition has been filed against the Company by the trustees on behalf of FCCB holders. However, in the hearing held on 16.12.2014, the High Court of Delhi and Hon'ble Company Court set aside the liquidation orders pronounced by the same court, in view of reference of the Company registered with BIFR. The Company Court also directed the petitioner viz. Bank of New York (BONY) to take any further action, as may be deemed fit by them, only after seeking prior permission of the BIFR for initiation of such proceedings. Therefore, the winding up petition preferred by trustees on behalf of FCCB holders was set aside. Status quo is being maintained as no further action has been initiated by BONY for any further proceedings.

The Bonds are listed at Luxembourg Stock Exchange.

5. GLOBAL DEPOSITORY RECEIPTS (GDRs)

The Global Depository Receipts issued by the Company during the financial year 2006-2007 are listed at Luxembourg Stock Exchange. There are GDRs outstanding which represents 301,750 equity shares of ₹ 2/- each as on 31st March, 2015.

6. FUTURE OUTLOOK

During the year under review, your Company consolidated its position further in the industry through optimum capacity utilisation and new products launches as per evolving industrial standards. To keep abreast with the latest trends in the industry, your Company was also vigilant about technological upgradation of its production facilities, with the aim of improving assets performance and cost competitiveness.

The domestic Optical Fibre Cables industry is expected to grow at a good pace but competitive conditions are likely to persist over the medium-term in the Power Cable segment. The Company's focus in future, shall be to sustain momentum in the business segments namely, Optical Fibre and Copper Telecom Cables, power cables and railway signalling cables, etc. by leveraging its inherent strength of products development as per evolving industrial standards and superior project execution capabilities to drive both the short term and long term growth.

7. TRANSFER TO RESERVES

In view of losses incurred by the Company during the current financial year, your Company do not proposes to transfer funds to the General Reserves.

8. PUBLIC DEPOSITS

During the financial year 2014-2015, your Company has not accepted any deposits within the meaning of Sections 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

9. BOARD OF DIRECTORS

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, Mr. S.P.S. Dangi, Mr. Satya Pal and Mr. Vijay Bhushan were appointed as Independent Directors on the Board of Directors of your Company at the 20th Annual General Meeting held on 26th September, 2014, to hold office upto 5 (Five) consecutive years i.e. upto 31st March, 2019.

Further, in accordance with the provisions of the Section 152 of the Companies Act, 2013 read with Articles of Association of the Company, Mr. Sanjay Aggarwal, is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment. The Board recommends his re-appointment as a Director.

The Board of Directors of the Company in their meeting held on 30th January, 2015 appointed Mrs. Malini Gupta as an Additional Director. Pursuant to Section 161(1) of the Companies Act, 2013, she will hold the office as Director up to the date of the ensuing Annual General Meeting. The Company has received notice under Section 160 of the Companies Act, 2013 proposing her candidature as Director.

In terms 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 will have to be appointed by the members for a term upto five years, and no independent director shall be liable to retire by rotation. Mrs. Malini Gupta has given declaration to the Company under Section 149(6) of the Companies Act, 2013 that she qualifies the criteria of independence. Accordingly, it is proposed to appoint her as an Independent Director not liable to retire by rotation for a term of five years upto 31st March, 2020.

In compliance with Clause 49 of the Listing Agreement, brief resume(s) of the director proposed to be appointed/reappointed, the nature of their expertise in specific functional areas, names of the companies in which they hold directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se, are forming part of the Notice of Annual General Meeting.

10. DECLARATION OF INDEPENDENCE

Your Company has received declarations from all the Independent Directors confirming that they meet the criteria

of independence as prescribed under the provisions of Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as Clause 49 of the Listing Agreement.

11. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements of Section 134(3)(c) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, your Directors hereby confirm that:

- i) In the preparation of the annual accounts for the financial year ended 31st March, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departure, if any;
- ii) They had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review;
- iii) They had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) They had prepared the annual accounts for the financial year ended 31st March, 2015 on a 'going concern' basis;
- v) They had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi) They had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

12. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has formed a policy to carry out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit Committee, Nomination & Remuneration Committee, Stakeholders'/Investors' Grievance Committee, Risk Management Committee and Share Transfer & Transmission Committee.

13. REMUNERATION POLICY

The Nomination and Remuneration Committee recommend the appointment of Director, and their appointment or re-appointment, based on their qualifications, professional experience, positive attributes, view points, skills and area of expertise and independence.

14. KEY MANAGERIAL PERSONNEL

Mr. Sanjay Aggarwal, Chairman & CEO, Mr. Sandeep Aggarwal, Managing Director, Mr. Shambhu Kumar Agarwal, Chief Financial Officer and Ms. Tannu Sharma, Company Secretary 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.

15. DISCLOSURE OF RATIO OF REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL ETC.

As required under Section 197(12) read with Rule 5 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-A", which is attached hereto and forms a part of the Directors' Report.

16. NUMBER OF MEETINGS OF THE BOARD AND AUDIT COMMITTEE

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year, 6 (Six) Board Meetings and 5 (Five) 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.

17. AUDITORS

M/s Jagdish Chand and Co., Chartered Accountants, New Delhi, (Firm Registration No. 000129N) the statutory auditors of the Company retire at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. The Audit Committee had recommended their re-appointment. The certificate from the Auditors have been received to the effect that their appointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013.

18. AUDITORS REPORT-CLARIFICATIONS AND EXPLANATIONS

Auditors Report point No. 9 (a): Preparation of financial statements on going concern basis.

The accompanying financial statements have been prepared on a going concern basis despite negative net worth, overdue in redemption of Foreign Currency Convertible Bonds (FCCBs).

Your Company is confident that the Company will be able to generate profits in future years and meet its financial obligations. The management is also exploring inducting financial investor(s) in the Company and/or joint venture with foreign companies. The accompanying financial statements have been prepared on a going concern basis based on cumulative impact of the following mitigating factors:

- Company has no over dues in payment of statutory dues or its trade creditors etc.
- Company has again proposed the banks to reschedule term loans repayments.
- Company and promoters have undertaken to raise and had raised adequate finances by way of disposal of assets and induction of fresh funds by promoters and/or promoter group companies. The management is also exploring inducting financial investors in the Company and/or joint venture with foreign companies.
- Company has good order book position.

Auditors Report point No. 9 (b): Payment of interest on borrowings.

Interest on borrowing from banks has been provided based upon information available from banks and as per best estimates of the management.

19. COST AUDITORS

The Board of Directors had appointed M/s. Jain Sharma & Associates, Cost Accountants as the Cost Auditor of your Company for the financial year 2014-2015 to conduct the audit of the cost records of your Company.

As per Section 148 read with Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013, the Board of Directors of the Company has appointed M/s. Jain Sharma & Associates, Cost Accountants as the Cost Auditor of the Company for the financial year 2015-2016 on the recommendations made by the Audit Committee. The remuneration proposed to be paid to the Cost Auditor, would be ` 50,000/- (Rupees Fifty Thousand only) and out of pocket expenses, plus taxes.

The Company has received a letter from their firm to the effect that their re-appointment would be within the limits prescribed under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for such re-appointment within the meaning of Section 141 of the Companies Act, 2013.

The Cost Audit involves audit of the cost records relating to 'Electric Cables and Conductors' maintained by the Company.

20. SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. A.K. Popli & Co., a firm of Company Secretaries in Practice, was appointed to conduct the secretarial audit of the Company for the financial year 2014-2015. The Secretarial Audit report for financial year 2014-2015 forms an integral part of the Annual Report as "Annexure-B" to the Board's Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

21. SUBSIDIARIES

The Company does not have any Indian subsidiary Company. However, the Company has the following direct/indirect wholly owned foreign subsidiaries:

1. Paramount Holdings Limited, Cyprus;
2. AEI Power Cables Limited, United Kingdom and
3. "06196375 Cables Limited" (formerly AEI Cables Limited), United Kingdom*

Consolidated financials include audited financials of Paramount Holdings Limited, Cyprus and AEI Power Cables Ltd., United Kingdom for the year ended 31st March, 2015.

*"06196375 Cables Limited" (formerly AEI Cables Limited), United Kingdom, a step down subsidiary of the Company, is under Administration w.e.f. 28th February, 2014.

The details pertaining to subsidiaries are mentioned under the statement made pursuant to Section 129 of the Companies Act, 2013, which forms a part of this Annual Report.

22. REPORTING TO BOARD FOR INDUSTRIAL AND FINANCIAL RECONSTRUCTION {BIFR}

Your Company has been registered with the Board for Industrial and Financial Reconstruction (BIFR) under Section 15(1) of Sick Industrial Companies (Special Provisions) Act, 1985 vide case no. 77/2013, order dated 31st October, 2013. BIFR has restrained Company from disposing of or alienating in any manner any fixed assets of the Company without consent of BIFR.

23. MEASURES TAKEN FOR REVIVAL AND REHABILITATION OF THE COMPANY

The Company has approached its bankers with restructuring request to convert the substantial part of loan into convertible securities. Apart from this the Company is exploring possibilities of new investors and joint venture with foreign companies.

The Company is also taking several measures to reduce its cost.

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

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as per the requirements of Section 134(3)(m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, are annexed hereto and forms an integral part of the 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.

25. ISO CERTIFICATION

The Company holds ISO 9001:2008 and ISO 14001:2004 certifications for both of its plants at Khushkhera, Rajasthan and Dharuhera, Haryana.

26. PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, names and other particulars in respect of employees of the Company are required to be attached to the Directors' Report. In terms of Section 136 of the Act, the reports and accounts are being sent to the members and other entitled thereto, excluding the information on employees' particulars as there are no employees whose particulars are required to be disclosed in this report.

27. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the Company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the Company at large.

During the year 2014-2015, pursuant to Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, 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 Related Party Transactions as approved by Board is uploaded on the Company's website www.paramountcables.com.

The Form AOC-2 pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 is set out as "Annexure-C" to this report.

28. LOANS, GUARANTEES OR INVESTMENTS

The Company has not given any loans or guarantees covered under the provisions of Section 186 of the Companies Act, 2013.

The details of the investments made by the Company are given in the notes to the financial statements.

29. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee and to the Chairman and Managing Director of the Board.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee and the Board.

30. PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

All Directors and the designated employees have confirmed compliance with the Code.

31. EXTRACT OF ANNUAL RETURN

In accordance with Sections 134(3)(a) and 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as "Annexure-D".

32. RISK MANAGEMENT

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. Your Company periodically assesses the risks in the internal and external environment, along with the cost of treating risks and incorporates risk treatment plans in its strategy, business and operational plans.

As per the requirements of Section 134(3)(n) of the Companies Act, 2013 and Clause 49 of the Listing Agreement, your Company has constituted a Risk Management Committee to oversee the risk management efforts in the Company. The details of the committee along with its charter are set out in the Corporate Governance Report forming part of this report.

There are some of the risks which may pose challenges are set out in the Management Discussion and Analysis which forms part of this report.

33. CODE OF CONDUCT

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the Company. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings/behaviours of any form and the Board has laid down the directives to counter such acts. The Code has been posted on the Company's website www.paramountcables.com.

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practice and in dealing with shareholders.

All the Board Members and the Senior Management Personnel have confirmed compliance with the Code. All Management staff were given appropriate training in this regard.

34. CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

The Company is not required to make expenditure on CSR, hence no CSR committee as per the prescribed format under Companies (Corporate Social Responsibility Policy) Rules, 2014, has been formulated.

35. VIGIL MECHANISM/WHISTLE BOWLER POLICY

The Company has vigil mechanism policy to deal with instances of fraud and mismanagement, if any.

In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the most respected companies in India, the Company is committed to high standards of Corporate Governance and shareholders responsibility.

The policy ensures that strict confidentiality is maintained while dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern. Accordingly, the Board of Directors have formulated a Vigil Mechanism/Whistle Blower Policy which is in compliance with the provisions of Sections 177(9) and 177(10) of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The policy is also available on the website of the Company www.paramountcables.com.

36. INSURANCE

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

37. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of Section 125 of the Companies Act, 2013 {Erstwhile Section 205C of the Companies Act, 1956} read with Companies (Declaration and Payment of Dividend) Rules, 2014, the Company has transferred ₹ 4,67,296/- to the Investor Education and Protection Fund. This amount was lying unclaimed/unpaid with the Company for a period of seven years after declaration of Dividend for the financial year ended 2006-2007.

38. LISTING OF SHARES

The equity shares of the Company are listed at The Bombay Stock Exchange Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE). The BSE & NSE have nation-wide trading terminals and therefore provide full liquidity to investors. The Global Depository Receipts (GDRs) and Foreign Currency Convertible Bonds (FCCBs) issued by the Company in the international market are listed at Luxembourg Stock Exchange. Equity shares of the Company had also been listed with the Calcutta Stock Exchange Ltd. However, the Company has applied for delisting on 03.03.2004 and the application is still pending for disposal at the exchange.

39. INDUSTRIAL RELATIONS

Paramount is an equal opportunities employer. The Company do not discriminate on grounds of age, gender, colour, race, ethnicity, language, caste, creed, economic or social status or disability. The global workforce spreads across the continents forms the backbone of the entity. We handle global preferences and mindsets of both internal and external customers.

The Company humbly acknowledge 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. The enthusiasm and unstinting efforts of employees have enabled the Company to improve its position.

40. CORPORATE GOVERNANCE & MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In compliance with the provisions of Clause 49 of the Listing Agreement, a separate section on Corporate Governance along with a certificate from the Auditors on its compliance, forms an integral part of this report. Further, Management Discussion and Analysis which includes detailed review of operations, performance and future outlook of the Company and its businesses forms a part of this report.

41. 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) Issue of equity shares with differential rights as to dividend, voting or otherwise.
- b) Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- c) Neither the Managing Director nor the Whole Time Director of the Company receives any remuneration or commission from any of its subsidiaries.
- d) 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.
- e) During the year under review, there were no cases filed or reported pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

42. ACKNOWLEDGEMENT AND APPRECIATION

Your Directors convey their thanks to customers, vendors, investors and banks for their continued support during the year. They also thank the various Central and State Government Departments, Organisations and Agencies for their continued help and all the co-operation extended by them.

Your Company has been able to operate efficiently because of the culture of professionalism, creativity, integrity and continuous improvement in all functions and areas as well as the efficient utilisation of the Company's resources.

The Directors wish to place on record their appreciation of the efficient and loyal services rendered by each and every employee, without whose whole-hearted efforts, the overall satisfactory performance would not have been possible.

Your Directors look forward to a long term future with confidence.

For and on behalf of the Board

Place: New Delhi
Date : 12.08.2015

(Sanjay Aggarwal)
Chairman & CEO

ANNEXURE I TO THE DIRECTORS' REPORT

Disclosures of particulars with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo as per section 134(3)(m) of the Companies Act, 2013 and the rules made there under and forming part of the Directors' Report for the year ended 31st March, 2015.

A. CONSERVATION OF ENERGY:

(a) Energy conservation measures taken

In view of the measures already taken in earlier years no fresh measure were required to be taken during the year under review; however power consumption is continuously being monitored and controlled.

(b) Additional investments and proposal, if any, being implemented for conservation of energy

No major additional investment is required.

(c) Impact of the measures at (a) & (b) above for reduction of energy consumption and consequent impact on the cost of production of goods

Not Applicable.

(d) Total energy consumption & energy consumption per unit of production as per Form A of the Annexure

Not Applicable.

B. TECHNOLOGY ABSORPTION:

I. Research and Development (R&D)

1. Specific areas in which R&D carried out by the Company

A team of Engineers, Industry Experts with very wide & vast experience ranging from 15 years to 50 years has been dedicated to provide cost effective and high performance cable solutions.

2. Benefits derived as a result of the above R & D

a) Products meeting international quality, application and acceptance.

b) Opportunity to compete in domestic and international markets.

3. Future plan of action

Continue to develop products based on industry needs and become globally competitive in terms of design, quality and cost through operational efficiency and technological betterment.

4. Expenditure on 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 the manufacture of cables is developed by in-house efforts and is at par with industry norms.

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

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

3. In case of imported technology imported during the last 5 years reckoned from the beginning of the financial year, following information may be furnished

(a) Technology imported: The Company has not imported any technology in the last five financial years.

(b) Year of Import: Not Applicable

(c) Has technology been absorbed? : Not Applicable

- (d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action:
Not Applicable

III. Foreign Exchange Earnings and Outgo

(a) Activities relating to export initiatives taken to increase exports, developments of new export markets for products and export plans

With the sound reputation that is gradually being built in international markets, the Company hopes to improve export business performance regularly in the coming years. Products as per the requirements of international markets have been developed; the Company has also obtained various international accreditations and approvals to this end.

(b) Total Foreign exchange used and earned

Earnings	:	` 1,551.62 Lac
Outgo	:	` 6,043.50 Lac

For and on behalf of the Board

Place : New Delhi
Date : 12.08.2015

(Sanjay Aggarwal)
Chairman & CEO

Annexure-A

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 2014-15, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-15.

Sl. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for financial year 2014-15 (₹ in Lac)	% increase in Remuneration in the financial year 2014-15	Ratio of remuneration of each Director/to median remuneration of employees
1.	Mr. Sanjay Aggarwal (Whole Time Director)	15.96	NIL	5.16
2.	Mr. Sandeep Aggarwal (Managing Director)	15.18	NIL	4.91
3.	*Mr. Shambhu Kumar Aggarwal (Chief Financial Officer w.e.f. 01.10.2014)	<i>Employed for the part of the year, hence, the figures are not comparable.</i>		
4.	*Ms. Tannu Sharma (Company Secretary w.e.f. 01.10.2014)			

*Employed for the part of the year.

Note: No other Director except the Managing Director and Whole Time Director received any remuneration other than sitting fees during the financial year 2014-2015.

- B. There were 247 permanent employees on the rolls of Company as on 31st March, 2015.
- 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 percentage increase in the salaries of employees other than managerial personnel in the financial year 2014-2015 was 11.50%.
- 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 and 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 Managing Director is the highest paid Director. No employee received remuneration higher than the Managing Director.*
- G. It is hereby affirmed that the remuneration paid during the year ended 31st March, 2015 is as per the Remuneration Policy of the Company.

SECRETARIAL AUDIT REPORT

(For the financial year ended 31st March, 2015)

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
Paramount Communications Limited,
Regd. Office: C-125, Naraina Industrial Area
Phase-I, New Delhi - 110028.

I 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 my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also 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, the Company has, during the audit period ended on 31st March, 2015, 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the period ended on 31st March, 2015 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; - *During the year under review there was no Foreign Direct Investment, overseas Direct Investment and External Commercial borrowings.*
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-
 - 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, 1992;
 - c. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999: *(Not applicable to the Company during the year under review)*
 - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009: *(Not applicable to the Company during the year under review)*
 - e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009: *(Provisions thereof not applicable to the Company during the year under review. However, company's application for voluntary de-listing of equity shares at the Calcutta Stock Exchange Association Ltd. Kolkata during the year 2003-04 is still pending disposal); and*

- g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998: *(Provisions thereof not applicable to the Company during the year under review)*;
- h. the Company has complied with the requirements under the Equity Listing Agreements entered into with Bombay Stock Exchange Limited and National Stock Exchange of India Limited; and
- i. The Memorandum and Articles of Association.

I have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards issued by The Institute of Company Secretaries of India. *(Not notified hence not applicable to the Company during the year under review)*.
- ii) The Listing Agreements entered into by the Company with the Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc mentioned above.

2. I further report that the Company has, in my opinion, complied with the provisions of the Companies Act, 1956 and the Rules made under that Act and the provisions of Companies Act, 2013 as notified by Ministry of Corporate Affairs and the Memorandum and Articles of Association of the Company, with regard to:

S. No.	Description	Observation
a)	Maintenance of various statutory registers and documents and making necessary entries therein;	The Company has maintained statutory registers as required under the Act.
b)	Closure of the Register of Members	Done.
c)	Forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government	The Company has duly filed forms, returns with Registrar of Companies, Delhi and wherever there is delay the Company has paid the additional fee.
d)	Service of documents by the Company on its Members, Auditors and the Registrar of Companies	Duly complied
e)	Notice of Board meetings and Committee meetings of Directors	Duly sent
f)	The meetings of Directors and Committees of Directors including passing of resolutions by circulation	Duly complied
g)	The 20 th Annual General Meeting held on 26 th September 2014;	Duly convened
h)	Minutes of proceedings of General Meetings and of the Board and its Committee meetings;	Duly entered and signed
i)	Approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;	Duly obtained
j)	Constitution of the Board of Directors/Committee(s) of Directors, appointment, retirement and reappointment of Directors including the Managing Director and Whole-time Directors;	Duly constituted, with proper balance of Executive, Non Executive and Independent Directors.
k)	Payment of remuneration to Directors including the Managing Director and Whole-time Directors,	Duly made in accordance with the approval of shareholders and Central Government
l)	Appointment and remuneration of Auditors and Cost Auditors;	Duly made as per applicable provisions
m)	Transfers and transmissions of the Company's shares and issue and dispatch of duplicate certificates of shares;	Duly made within prescribed time period.
n)	Declaration and payment of dividends;	No dividend was declared during the year under review
o)	Transfer of certain amounts as required under the Act to the Investor Education and Protection Fund and uploading of details of unpaid and unclaimed dividends on the websites of the Company and the Ministry of Corporate Affairs;	Duly complied

S. No.	Description	Observation
p)	Borrowings and registration, modification and satisfaction of charges wherever applicable;	Duly complied
q)	Investment of the Company's funds including investments and loans to others;	Duly complied
r)	Form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule VI to the Act;	Duly complied
s)	Directors' report;	Duly complied
t)	Contracts, common seal, registered office and publication of name of the Company; and	Duly complied
u)	Generally, all other applicable provisions of the Act and the Rules made under the Act.	Duly complied

3. I further report that:

- i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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.
 - ii) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
 - iii) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
 - iv) The Company has obtained all necessary approvals under the various provisions of the Act; and
 - v) There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.
 - vi) The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;
4. The Company has complied with the provisions of the Securities Contracts (Regulation) Act, 1956 and the Rules made under that Act, with regard to maintenance of minimum public shareholding.
5. I further report that the Company has complied with the provisions of the Depositories Act, 1996 and the Byelaws framed thereunder by the Depositories with regard to dematerialization/rematerialisation of securities and reconciliation of records of dematerialized securities with all securities issued by the Company.
6. The Company has complied with the provisions of the FEMA, 1999 and the Rules and Regulations made under that Act to the extent applicable.
7. I further report that:
- a. the Company has complied with the requirements under the Equity Listing Agreements entered into with The Bombay Stock Exchange Limited and National Stock Exchange of India Limited;
 - b. the Company has complied with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;
 - c. the Company has complied with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;
 - d. the Company has complied with the provisions of the Securities and Exchange Board of India (Employee Stock Option Scheme) Guidelines, 1999 with regard to implementation of Employee Stock Option Scheme;

8. I further report that based on the information received and records maintained there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that

- a) There are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- b) Complied with the following laws specifically applicable to the Company:
 - i) Factories Act, 1948
 - ii) Pollution laws including Environment Protection Act and rules made thereunder.
 - iii) Labour laws
 - iv) The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has constituted an internal complaints system.
- c) The following are other observations
 - i) The company has been registered with BIFR under Section 15 of Sick Industrial Companies (Special Provisions) Act, 1985 and rules made thereunder vide Registration No. 77/2013.
 - ii) The Global Depository Receipts (GDRs) and the Foreign Currency Convertible Bonds (FCCBs) issued by the Company in the international market are listed at Luxembourg Stock Exchange, Luxembourg and we do not comment on the compliances as may be prescribed by Luxembourg Stock Exchange as it is outside the purview of audit
 - iii) As per the information, the outstanding US\$ 7.5 Million Foreign Currency Convertible Bonds (FCCB's) of the company were due for repayment on 23rd November, 2011. However, these bonds were not redeemed on their redemption date and are still outstanding.
- d) Legal cases

As per the information available, following is the status of legal cases pending in various Courts

Sl. No.	Name of case	Court	Amount involved (₹ in Lac)	Status
1	Escorts Ltd. V. PCL	Civil Court Faridabad	26.25	Case has been stayed sine die till reference is pending with BIFR
2	PCL V. Mass Media	High Court, New Delhi	35.98	The Company is hopeful to get favourable order.
3	PCL V. Oriental Containers Ltd.	City Court, Mumbai	28.40	The Company is hopeful to get favourable order

**For A.K. POPLI & CO.
Company Secretaries**

**A. K. Popli
Proprietor
CP No.2544**

Place : Delhi
Date : 12.08.2015

Annexure-C

Form No. AOC-2

(Pursuant to Clause (h) of Sub Section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

- Details of contracts or arrangements or transactions not at arm's length basis.
There were no contracts or arrangements or transactions entered in to during the year ended 31st March, 2015, which were not at arm's length basis.
- Details of material contracts or arrangement or transactions at arm's length basis.
The details of material contracts or arrangement or transactions at arm's length basis for the year ended 31st March, 2015 are as follows:

Name of Related Party	Nature of Relationship	Duration of Contracts/ Arrangements/ Transactions	Salient terms	Amount (₹ in Lac)
Rent Paid Paramount Telecables Limited	Common Control	1 st April, 2014-31 st March, 2015	As per the Agreement	206.67
S.S. Aggarwal (HUF)	Common Control	1 st April, 2014-31 st March, 2015	As per the Agreement	2.40
Purchase of Shares Paramount Holdings Limited	Subsidiary	1 st April, 2014-31 st March, 2015	Based on book value	0.00076
Sales Paramount Wires and Cables Limited	Associate (upto 26 th May, 2014)	1 st April, 2014-26 th May, 2014	Based on Arm's Length price	873.20
Paramount Wires and Cables Limited	Relatives of KMP have significant influence (w.e.f. 27 th May, 2014)	27 th May, 2014-31 st March, 2015	Based on Arm's Length price	5584.87
Surya Laboratories Private Limited (w.e.f. 1 st April, 2014)	Relatives of KMP have significant influence	1 st April, 2014-31 st March, 2015	Based on Arm's Length price	3.52
Purchase of Raw Material Paramount Wires and Cables Limited	Relatives of KMP have significant influence (w.e.f. 27 th May, 2014)	27 th May, 2014-31 st March, 2015	Based on Arm's Length price	856.69
Surya Laboratories Private Limited (w.e.f. 1 st April, 2014)	Relatives of KMP have significant influence	1 st April, 2014-31 st March, 2015	Based on Arm's Length price	409.02
Donation S.S. Aggarwal Foundation	Common Control	1 st April, 2014-31 st March, 2015	Not Applicable	13.50

- Date of Approval of Board of Directors: 13th August, 2014.

Form MGT-9
EXTRACT OF ANNUAL RETURN

 As on the financial year ended on 31st March, 2015

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i) CIN : L74899DL1994PLC061295
- ii) Registration Date : 5th September, 1994
- iii) Name of the Company : Paramount Communications Limited
- iv) Category/Sub-Category of the Company : Company Limited by Shares
- v) Address of the Registered office and contact details : C-125, Naraina Industrial Area, Phase-1, Naraina, New Delhi-110028
Tel No. : 011-45618800
E-mail : pcl@paramountcables.com
- vi) Whether listed company : Yes
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any : Link Intime India Private Limited
44, IInd Floor, Community Centre,
Naraina Industrial Area, Phase-I,
New Delhi-110028
011-41410592/93/94

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

Sl. No.	Name and Description of main products/services	NIC Code of the Product/Service	% to total turnover of the Company
1.	Wires and Cables	85447000; 85440000; & 85444110	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
1.	Paramount Holdings Limited	204297	Subsidiary	100.00	2(87)(ii)
2.	AEI Power Cables Limited	07234061	Step Down Subsidiary	100.00	2(87)(ii)
3.	06196375 Cables Limited (formerly known as AEI Cables Limited)	06196375	Step Down Subsidiary	100.00	2(87)(ii)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	22181155	-	22181155	17.71	22181155	-	22181155	17.71	NIL
b) Central Government	-	-	-	-	-	-	-	-	NIL
c) State Government	-	-	-	-	-	-	-	-	NIL
d) Bodies Corporate	42344802	-	42344802	33.81	42344802	-	42344802	33.81	NIL
e) Banks/FI	-	-	-	-	-	-	-	-	NIL
f) Any Other...	-	-	-	-	-	-	-	-	NIL
Sub-Total (A) (1)	64525957	-	64525957	51.52	64525957	-	64525957	51.52	NIL
(2) Foreign									
a) NRIs-Individuals	-	-	-	-	-	-	-	-	NIL
b) Other-Individuals	-	-	-	-	-	-	-	-	NIL
c) Bodies Corporate	-	-	-	-	-	-	-	-	NIL
d) Banks/FI	-	-	-	-	-	-	-	-	NIL
e) Any Other...	-	-	-	-	-	-	-	-	NIL
Sub-Total (A) (2)	-	-	-	-	-	-	-	-	NIL
Total shareholding of Promoter (A)=(A)(1) + (A)(2)	64525957	-	64525957	51.52	64525957	-	64525957	51.52	NIL
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	NIL
b) Banks/FI	1000000	-	1000000	0.80	1000000	-	1000000	0.80	NIL
c) Central Government	-	-	-	-	-	-	-	-	NIL
d) State Government	-	-	-	-	-	-	-	-	NIL
e) Venture Capital Fund	-	-	-	-	-	-	-	-	NIL
f) Insurance Companies	-	-	-	-	-	-	-	-	NIL
g) FII's	100000	-	100000	0.08	100000	-	100000	0.08	NIL
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	NIL
i) Others (specify)	-	-	-	-	-	-	-	-	NIL
Sub-Total (B) (1)	1100000	-	1100000	0.88	1100000	-	1100000	0.88	NIL

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corporate									
i) Indian	17535400	15805	17551205	14.01	17662674	15805	17678479	14.12	+0.11
ii) Overseas	-	-	-	-	-	-	-	-	NIL
b) Individuals									
i) Individual shareholders holding nominal share capital upto ` 1 Lac	27901171	1084265	28985436	23.15	26716033	1076518	27792551	22.19	-0.96
ii) Individual shareholders holding nominal share capital in excess of ` 1 Lac	8803640	16500	8820140	7.04	9463749	16500	9480249	7.57	+0.53
c) Others (specify)									
i) Trusts	1747	-	1747	0.00	1747	-	1747	0.00	NIL
ii) Non-Resident Indians	1086270	117000	1203270	0.96	1049615	117000	1166615	0.93	-0.03
iii) Clearing Members	49348	-	49348	0.04	21025	-	21025	0.02	-0.02
iv) Hindu Undivided Family	2693212	1400	2694612	2.15	3163692	1400	3165092	2.53	+0.38
Sub-Total (B) (2)	58070788	1234970	59305758	47.36	58078535	1227223	59305758	47.36	NIL
Total Public Shareholding (B)=(B)(1)+(B)(2)	59170788	1234970	60405758	48.23	59178535	1227223	60405758	48.23	NIL
C. Shares held by Custodian for GDRs & ADRs	301750	-	301750	0.24	301750	-	301750	0.24	NIL
Grand Total(A+B+C)	123998495	1234970	125233465	100.00	124006242	1227223	1254233465	100.00	NIL

ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1.	Sanjay Aggarwal	5826100	4.65	100.00	5826100	4.65	100.00	NIL
2.	Sandeep Aggarwal	5732300	4.58	100.00	5732300	4.58	100.00	NIL
3.	Kamla Aggarwal	2903600	2.32	100.00	2903600	2.32	100.00	NIL
4.	Kamla Aggarwal	2828000	2.26	100.00	2828000	2.26	100.00	NIL

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	
5.	Shyam Sunder Aggarwal (HUF)	42000	0.03	100.00	42000	0.03	100.00	NIL
6.	Sanjay Aggarwal (HUF)	700000	0.56	100.00	700000	0.56	100.00	NIL
7.	Sandeep Aggarwal (HUF)	325000	0.26	100.00	325000	0.26	100.00	NIL
8.	Shashi Aggarwal Jtly with Archana Aggarwal	1900000	1.52	100.00	1900000	1.52	100.00	NIL
9.	Shashi Aggarwal	409800	0.33	100.00	409800	0.33	100.00	NIL
10.	Archana Aggarwal	417855	0.33	100.00	417855	0.33	100.00	NIL
11.	Parul Aggarwal	274125	0.22	100.00	274125	0.22	100.00	NIL
12.	Tushar Aggarwal	274125	0.22	100.00	274125	0.22	100.00	NIL
13.	Dhruv Aggarwal	274125	0.22	100.00	274125	0.22	100.00	NIL
14.	Parth Aggarwal	274125	0.22	100.00	274125	0.22	100.00	NIL
15.	April Investment and Finance Pvt. Ltd.	13040172	10.41	100.00	13040172	10.41	100.00	NIL
16.	Worth Finance and Leasing Pvt. Ltd.	4424330	3.53	100.00	4424330	3.53	100.00	NIL
17.	Ekta Ayat Niryat Pvt. Ltd.	10750	0.01	100.00	10750	0.01	100.00	NIL
18.	Hertz Electricals (International) Pvt. Ltd.	18050	0.01	100.00	18050	0.01	100.00	NIL
19.	Paramount Telecables Ltd.	24851500	19.84	100.00	24851500	19.84	100.00	NIL
	Total	64525957	51.52	100.00	64525957	51.52	100.00	NIL

iii) Change in Promoters' Shareholding (please specify, if there is no change)

Promoter's Shareholding	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
At the beginning of the year	No change during the year			
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	No change during the year			
At the end of the year	No change during the year			

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Life Secured. Com Pvt. Ltd.	3375000	2.70	3375000	2.70
2.	Orelon Enterprises Pvt. Ltd.	2960000	2.36	706519	0.56
3.	Abhinav Goyal	1375020	1.09	1375020	1.09
4.	General Insurance Corporation of India	1000000	0.79	1000000	0.79
5.	KDS Corporation Pvt. Ltd.	930005	0.74	930005	0.74
6.	Ratnamani Food Products Pvt. Ltd.	905500	0.72	905500	0.72
7.	Scotia Enterprises Pvt. Ltd.	797559	0.63	782559	0.63
8.	Him Realty Pvt. Ltd.	752631	0.60	752631	0.60
9.	Spot Light Securities Pvt. Ltd.	564141	0.45	564141	0.45
10.	Monarch Project & Finmarkets Ltd.	434532	0.34	432782	0.34
11.	Mithun Securities Pvt. Ltd.	117207	0.09	1484002	1.18

v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Sanjay Aggarwal	5826100	4.65	5826100	4.65
2.	Sandeep Aggarwal	5732300	4.58	5732300	4.58
	Total	11558400	9.23	11558400	9.23

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(` in Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	34153.76	6581.33	-	40735.09
ii) Interest due but not paid	1253.52	138.66	-	1392.17
iii) Interest accrued but not due	7.70	16.23	-	23.93
Total (i+ii+iii)	35414.78	6736.22	-	42151.19
Change in Indebtedness during the financial year				
Addition	9698.59	344.48	-	10043.07
Reduction	-	-	-	-
Net Change	9698.59	344.48	-	10043.07

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the end of the financial year				
i) Principal Amount	39690.64	6850.96	-	46541.60
ii) Interest due but not paid	5421.83	212.85	-	5634.68
iii) Interest accrued but not due	1.10	16.89	-	17.99
Total (i+ii+iii)	45113.57	7080.70	-	52194.27

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole Time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount (' in Lac)
		Mr. Sanjay Aggarwal (Whole Time Director)	Mr. Sandeep Aggarwal (Managing Director)	
1.	Gross salary			
(a)	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	39.00	39.00	78.00
(b)	Value of perquisites u/s 17(2) of Income Tax Act, 1961	2.04	2.39	4.43
(c)	Profits in lieu of salary under Section 17(3) of Income Tax Act, 1961	0	0	0
2.	Stock Option	0	0	0
3.	Sweat Equity	0	0	0
4.	Commission - As % of profit - Other, specify...	0	0	0
5.	Others, please specify	0	0	0
	Total (A)	41.04	41.39	82.43

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount (' in Lac)
		Mr. S.P.S. Dangi	Mr. Satya Pal	Mr. Vijay Bhushan	Mrs. Malini Gupta	
1.	Independent Directors					
	Fees for attending board/committee meetings	1.34	1.84	1.93	0.25	5.36
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	1.34	1.84	1.93	0.25	5.36

2.	Other Non-Executive Directors	Mr. Ram Kumar Sharma	-	-	-	-
	Fees for attending board/ committee meetings	0.17	-	-	-	0.17
	Commission	-	-	-	-	-
	Other, please specify	-	-	-	-	-
	Total (2)	0.17	-	-	-	-
	Total (B)=(1+2)					5.53

C. Remuneration to Key Managerial Personnel other than MD/WTD/Manager

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Mr. Shambhu Kumar Agarwal (Chief Financial Officer)	Ms. Tannu Sharma (Company Secretary)	Total (₹ in Lac)
1.	Gross Salary			
(a)	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	4.02	0.80	4.81
(b)	Value of perquisites u/s 17(2) of Income Tax Act, 1961	0	0	0
(c)	Profits in lieu of salary under Section 17(3) of Income Tax Act, 1961	4.32	0.89	5.21
2.	Stock Option	0	0	0
3.	Sweat Equity	0	0	0
4.	Commission - As % of profit - Others, specify....	0	0	0
5.	Others, please specify	0	0	0
	Total	8.34	1.68	10.02

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES- NOT APPLICABLE

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding Fees imposed	Authority [RD/NCLT/ COURT]/	Appeal made, if any (give Details)
A. COMPANY Penalty Punishment Compounding					
B. DIRECTORS Penalty Punishment Compounding					
C. OTHER OFFICERS IN DEFAULT Penalty Punishment Compounding					

MANAGEMENT DISCUSSION AND ANALYSIS

Paramount Communications Limited (PCL) is one of India's leading cable manufacturing Companies, having valuable experience of over half a century. Over the years, the Company has widened its portfolio and has attained a reputable name in the cable industry. The Company caters to a wide span of industries including Power, Railways, Telecom & IT, Petrochemicals, Construction, Defence and Space Research projects etc. Paramount has a prestigious clientele that includes government, institutional and private sector organisations, both domestic and international.

Paramount is emerging as a 'One Stop Provider' for all cable products by providing complete cabling solutions to its customers. The wide product base includes Low Tension & High Tension Power Cables, Aerial Bunch Cables (ABC), Control & Instrumentation Cables, Thermocouple Extension & Compensating Cables, Fire Performance Cables, Signalling Cables, Axle Counter Cables, Jelly Filled Telephone Cables (JFTC), Optical Fibre Cables (OFC), Installation Cables for Electronic Exchanges, Hook-up/ Jumper/ Drop wire, House wiring and Cables for Submersible Pumps, amongst others.

PCL is an eminent player in the Indian Cable Industry and is renowned for its quality products and strong business ethics, always laying a great emphasis on manufacturing excellence, technological advancement and customer satisfaction.

ECONOMIC OVERVIEW

Global Economic Overview & Prospects

Global Economic activity remains subdued amidst signs of diverging growth paths across major economies. Economic growth was tepid in many advanced economies but far more robust in most emerging and developing economies. The Global economy continued to expand during 2014 at a moderate and uneven pace, as the prolonged recovery process from the global financial crisis was still saddled with unfinished post crisis adjustments. In spite of number of uncertainties and downside risks, the global economy is expected to strengthen with WGP projected to grow by 3.1% and 3.3% in 2015 and 2016 respectively. The global economy is expected to grow 2.8% in 2015, slightly lower than anticipated in January, before strengthening moderately to 3.2% in 2016-2017, broadly in line with previous forecasts.

Looking ahead, global economic activity has broadly strengthened and is expected to improve further in 2015-2016, with much of the impetus coming from advanced economies. However, downside risk remains significant, especially in the euro area and Japan, which have seen renewed weakness in 2014.

Among the developed countries, the economy of United States, after some erratic fluctuation in 2014, is expected to improve in 2015 and 2016, with GDP projected to expand by 2.8% and 3.1% respectively, compared with an estimate of 2.3% for 2014. The policy interest rates are set to rise gradually after mid-2015, but the monetary policy stance will continue to be accommodative. The contribution from the external sector will be limited, as export growth is expected to be curbed by the strong appreciation of the dollar. From 2014 onwards, global growth prospects are projected to improve over the medium term at a gradual pace.

The Indian Perspective

The Indian Economy has overcome varied challenges in its resolve to sustain its economic success. The major challenges faced by Indian Economy are unsupportive external environment, domestic structural constraints, growth slowdown and inflationary pressure. The Economy has recorded a GDP growth of 7.8% for the fiscal year 2015-2016. The industry sector is estimated to grow by 6.5% in 2015-2016 and the service sector by 10.3%.

According to Economic Outlook Survey, inflation is expected to ease somewhat compared to last year and the annual average CPI inflation rate is projected at 7.8% in financial year 2015. Further, the macroeconomic fundamentals are gradually strengthening and the overall health of the economy is set to improve going ahead. The confidence amongst investors is slowly returning and going ahead the momentum on implementation will build up.

Manufacturing sector has been one of the weakest links in India's growth story. The share of the sector in Indian's GDP has been around 15% on an average for almost three decades now. While the sector has merited attention in the government policies over the years, once again it was clearly highlighted that the government should seek to get the basics right to assure a more conducive environment for manufacturing activities, thereby focusing on to realise the vision of "Make in India", inviting companies to come and invest in India.

For the Indian Economy, the outlook for the growth and price stability at this juncture looks more promising. There are signs from some high frequency indicators that the weakness in economic activity has bottomed out and a gradual upswing is imminent. With the change in Government, there is widespread optimism with regards to economic revival, with forecast for a discernible impact being felt only by 2015-2016.

Industry Development & Trends

The Industrial Sector is one of the main sectors that contribute to the Indian GDP. The country ranks 14th in the factory output in the world. The industrial sector is made up of manufacturing, mining and quarrying, and electricity, construction, water supply and gas sectors. The industrial sector accounts for around 27.6% of the Indian GDP.

The moderation in industrial growth, particularly in the manufacturing sector, is largely attributed to sluggish growth of investment, squeezed margins of the corporate sector, deceleration in the rate of growth of credit flows and the fragile global economic recovery.

Government's recent steps to uplift overall business sentiment and boost investment, several specific initiatives have been initiated to strengthen industry and in particular the manufacturing sector in the Country. Some of major initiatives that can change the manufacturing landscape of the Country are introduction of *Make in India*, *Digital India*, *Smart Cities*, *National Manufacturing Policy (NMP)*, *implementation of the Dedicated Freight Corridor Project*, *an e-Biz projects* etc.

OPPORTUNITIES & THREATS

Opportunities

Cable and wire industry has established itself as one of the backbones of modern information age. The increasing importance for power, light and communication has kept demand high for wire and cable. This trend will continue as demand for reliable, efficient energy and data communications will strengthen the wire and cable industry. The industry is a volume-driven product and has evolved from the unorganised to organised sector.

About 40% of the entire electrical industry is composed by wire and cable industry, and is expected to be double in the next 5 years. As the new government is focusing on "*Make in India*", the industry can grow at similar rate for the next 5 years.

Paramount is concentrating in the core sectors of infrastructure, optical fibre networks, power generation and distribution projects and railways sectors which are witnessing brisk traction, growth and investment. The broad vision and aspirations which the 12th Plan seeks to fulfil are reflected in the subtitle: "*Faster, Sustainable and More Inclusive Growth*".

Investment in Railways and Optical Fibre Broadband networks are being seen as the major drivers for growth of the Company.

Threats

Slow Down and Macro Economic Scenario

A slowdown of the World Economy, mainly due to the European economy, is quite possible for the short term due to current global developments. Due to the strong linkage of the manufacturing industry to the economy, such an event would adversely impact growth in the short term of the Company. Despite the macro economic challenges, the Company has been striving to perform as best as is possible, bagging large, prestigious orders.

Foreign Exchange Fluctuation

The business is exposed to foreign currency risk due to import of raw material and export of finished goods involving exchange fluctuations. Significant fluctuation in the currencies could impact the Company's financial performance.

Competition

Paramount takes Competition, whether domestic or international, as a challenge, considering the potential of the industry. Transforming challenges into opportunities has been a practice at Paramount and the Company only undertakes orders where quality is not compromised due to short term gains.

Paramount is largely focused on the following sectors for demand of its products. The future prospects of the respective sectors are as follows:

Power Sector

Power or electricity is one of the most critical components of infrastructure affecting economic growth and well being of nation. The existence and development of adequate power infrastructure is essential for sustained growth of the Indian economy. The Indian power sector is one of the most diversified in the world. The Indian power sector is undergoing significant change that is redefining the industry outlook. The Government of India's focus to attain "Power For All" has accelerated capacity addition in the country. The 17th electric power survey of India report claims, the electrical energy demand for 2016-2017 is expected to be at least 1,392 terawatt hours (TWh), with a peak electric demand of 218 GW.

In India, the power sector is currently at a crucial juncture of its evolution from a dominantly public sector environment to a more competitive power sector, with many private producers. The performance of the power sector shows many positive features, especially relating to the pace of addition to power generation.

Power Generation

Power generation is not only the fundamental base of an infrastructure but also a continuous requirement and basic need of any nation. With immense dependence on technology and machinery, today a world without power is unimaginable, thus growth in power generation is inevitable. As per the 18th Electric Power Survey, the peak demand on all India basis is projected to grow.

With direct correlation between growth in power segment and power cables, this increase would bring about similar growth in transmission lines. Further, with offshore wind power projects set to play an important role in the Indian renewable energy sector, submarine cable technology could become an area of focus.

Power Transmission

The transmission segment is one of the most important segments for transmitting power continuously to various distribution entities across the country. The larger expansion in production and consumption of electricity has to be supported by a significant expansion and strengthening of the transmission network. The power transmission business could soon see an influx of private players, with the Centre readying to award projects worth ` 26,000 Crore under the Tariff-Based Competitive Bidding (TBCB) route.

Power Distribution

Power distribution is the final and most crucial link in the supply of electricity, reaching end consumers such as residential, commercial, agricultural and industrial segments and completing the activity. Recognising need to fill gap of requirement and availability, various plans by Government are being introduced to strengthen power distribution throughout the Country. Thus power projects are expected to give rise to substantial demand for power cables.

Railways

The transport sector plays a vital role in the growth of the Power Sector. The development of different transport sectors like Railways is the key to achieve capacity addition targets of the 12th Five Year Plan. Indian Railway is the backbone of the socio-economic growth in India. It is the fourth largest railway network in the world in terms of route kilometres with the total route length of 65,808 km as on 31st March, 2015, out of which 21,614 km is electrified.

Some ongoing Dedicated Freight Corridor projects have already been completed whereas 55 km section of Eastern Dedicated Freight Corridor is expected to be completed in the current year. Further, some future freight corridors are also under consideration. Apart from the above, the government has selected six corridors for development of High Speed Rail Corridors out of which the Mumbai-Ahmedabad High Speed Rail are expected by the mid of this year with an estimated cost of ` 90,000 Crore.

In view of above operational and upcoming railways and metro projects, good business is expected from this sector as demand of signalling cables and axle counter cables shall rise significantly.

Telecommunications

The telecom sector has grown as essential infrastructure for socio-economic development in an increasingly knowledge intensive world. The reach of telecom services to all parts of the country has become integral part to innovation and technologically driven society. The Indian Telecom Sector has grown exponentially and has become the second largest network in the world, next to China, while the overall teledensity in the country, which was 75.23% as on 1st April, 2014, increased to 77.59% at the end of December, 2014. The National Telecom Policy (NTP) 2012 has targeted 100% tele-density and 600 million broadband connections by the year 2020.

The Government of India with an objective to connect 2.5 Lac Gram Panchayats across the country with Optical Fibre Cable (OFC) for offering broadband services came up with the National Optical Fibre Project. The NOFN project is targeted to be completed by December, 2016.

The OFC market in India is projected to reach US \$ 424 million by 2020 on account of growing adoption of smartphones, broadband services and upcoming 4G rollout. Indian consumers are increasingly shifting towards internet driven application, which is boosting investments towards OFC network expansion throughout the country.

There are multi-billion opportunities within telecom. With the Government's piloted *NOFN, NFS, State Fiber Grid, and Smart Cities*, over US\$ 2 billion in mobile backhaul strengthening, intra-city fiberisation and FTTH.

Digital India is an initiative of Government of India to integrate the government departments and the people of India. Within "*Digital India*" program, which is an umbrella, an investment worth US\$ 30 billion is planned for various projects including the one to create a national level broadband network.

In view of above, with daily increasing subscriber base, government's favourable regulations policies and 4G services hitting the market, rapid growth is expected in the Indian telecommunication sector and therefore, the demand of Optical Fibre Cables (OFC) business is expected to be at its highest levels with the help of government projects.

Building, Construction and Real Estate

The real estate sector in India has come a long way by becoming one of the fastest growing markets in the world. Cables and wires demand in construction sector is directly related to growth in construction capex. With the government's continued focus on urban development, the real estate industry is also poised for tremendous growth. The expected growth in housing projects shall increase demand of building wires.

PRODUCT WISE BUSINESS ANALYSIS AND PERFORMANCE

Power & Railway Cables

The Company supplies various kinds of electric cables such as LT/HT Power Cables, Control Cables, Instrumentation Cables, Thermocouple Cables, Railway Signalling Cables, Copper Flexible & Industrial Wires. During the year the Company sold power cables amounting to ` 328.20 Crore as compared to ` 369.33 Crore in the previous year.

Power and railway cables constitute approximately 66.07% of gross turnover of the Company for the financial year 2014-2015.

Jelly Filled Telephone Cables (JFTC)

The Company sold Jelly Filled Telephone Cables amounting to ` 43.76 Crore against ` 64.24 Crore in the previous year.

Jelly Filled Telephone Cables segment comprises 8.81% of Company's gross turnover for the financial year 2014-2015.

Optical Fibre Cables (OFC)

The growth in this segment has been long foreseen, the turnover of the Company in OFC has risen in the fiscal 2014-2015. The Company sold Optical Fibre Cables amounting to ` 110.36 Crore as compared to ` 11.67 Crore in the previous year.

Optical Fibre Cables comprises of 22.22% of gross turnover of the Company for the financial year 2014-2015. The Company needs to focus in this segment as the demand of OFC is likely to rise at a rapid pace in future.

COMPETITIVE BUSINESS STRATEGY & OUTLOOK

Paramount is known for the quality of its cables and the Company's research team is fully committed to develop tailor made and innovative cables in order to suit the requirements of the customers. Paramount is sure to continually improve its performance with its following key strengths:

1. The Company stands amongst a few with the widest spectrum of cables and wires serving virtually all industrial sectors and with an unrivalled presence in three of the five core infrastructure sectors.
2. Its diversified and de-risked business model enhances its revenue enhancing ability from multiple sectors.
3. Paramount is known for the quality of its cables and Company's research team is fully committed to develop custom-made, innovative cables to the satisfaction of its customers.
4. The Company serves the core and prime infrastructure sectors including power, telecom, real estate, railways and domestic building wires. The Company is an approved supplier of cables to Government and public sector enterprises along with major players in the private sector and derives its major revenues from government and institutional sales.
5. The Company's products meet the technological parameters and specifications of national and international agencies and holds major accreditations and approvals from its clients.
6. Swing capability (ability to use the same manufacturing infrastructure to manufacture different varieties of cables) has made your Company capable of offering the widest product basket.

Exports

Due to the global economic meltdown, recession and poor economic conditions in the UK market, the Company's export business decreased from `25.15 Crore during previous year to `15.52 Crore during the year under review.

Financial Performance

The gross turnover (standalone) including other income of the Company is `498.56 Crore for the year ended 31st March, 2015 as compared to `453.57 Crore during the previous year. The Company has incurred a net loss of `103.14 Crore as against net loss of `103.43 Crore during previous year.

Besides the aforesaid, the Company incurred losses on account of adverse market conditions resulting in significant reduction in demand for cables. The Company has been facing a challenging business environment, heavy debt and interest burden and intense volatility in prices of basic inputs affecting its financial position adversely. However, the Company is optimistic about a change in the country's economic scenario in the coming fiscal.

Total financial costs during the year have increased to `61.01 Crore as against `41.55 Crore during previous year.

The consolidated gross turnover of the Company (including other income) is `499.53 Crore and the Company incurred net loss of `100.96 Crore for the year ended 31st March, 2015 as compared to `458.57 Crore and net loss of `100.76 Crore respectively during the previous year.

Borrowing position

Borrowings excluding working capital facilities as at 31st March, 2015 are `182.17 Crore as compared to `193.76 Crore during the previous year. These borrowings include term loans from banks of `178.43 Crore and loans from financial institutions of `3.74 Crore.

The liability against FCCBs amounting to `68.51 Crore as against `65.81 Crore in the previous year has not been included in Borrowings as already accrued and due for payment and has been classified as Current Liabilities. However, the Company has not issued fresh FCCBs during the period under review but the Company has provided premium and interest on these bonds amounting to `23.90 Crore and `2.13 Crore respectively.

Fixed Assets

Gross Fixed Assets as at 31st March, 2015 are `184.03 Crore as compared to `180.49 Crore as at 31st March, 2014.

Inventories

Level of Inventories as at 31st March, 2015 is `75.78 Crore as compared to `148.86 Crore as at 31st March, 2014.

Sundry Debtors

Sundry Debtors as at 31st March, 2015 are ` 157.22 Crore as compared to ` 138.97 Crore as at 31st March, 2014. These are considered good and realizable.

Earnings per Share

Basic Earnings per Share for the year ended 31st March, 2015 is `(8.24) as compared to `(8.26) for the year ended 31st March, 2014 and Diluted Earnings per Share for the year ended 31st March, 2015 is `(8.24) as compared to `(8.26) for the year ended 31st March, 2014.

Internal Control System

The Company has adequate internal control procedures commensurate with the nature and size of its business. The Company has a well-defined organizational structure, well documented policies, guidelines and clearly defined authority levels.

Risk Management

Business Risk

The state of the Indian economy and the development in infrastructure, power and industrial projects and expansion have a direct bearing on the performance of the cable industry and therefore the Company. The instability in key raw material prices especially of metals such as Copper and Aluminium used for manufacturing cables can also have an adverse impact on the performance of the Company.

Technology Risk

There is no significant change in the basic technology for the manufacture of cables. Ongoing improvements aim to improve performance of products and carve a niche in an otherwise commoditised sector. The Company closely monitors the latest global trends in the cable industry.

Financial Risk

A portion of the Company's revenue comes from exports and it also imports raw materials for the manufacture of cables, both of which need currency exchange. Hence, excessive volatility in currency rates can significantly affect profitability.

Human Resources

Human Resource Capital is the most valuable asset of the Company as it holds the key to the success of the organization. The Company has low labour turnover and has an adequate system to reward and recognize employee contribution towards the growth of the Company.

Cautionary Statement

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations are "*forward-looking statements*" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied.

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PERSPECTIVE ON CORPORATE GOVERNANCE

Paramount Communications Limited looks upon good Corporate Governance practices as a key driver of sustainable corporate growth and long-term stakeholder value creation. Good Corporate Governance practices maximize long-term stakeholder value, while preserving the interests of multiple stakeholders, including the society at large. In the conduct of your Company's business and its dealings, it abides by the principles of honesty, openness and doing what is right and fair. Your Company is committed to doing things the right way, which means taking business decisions and acting in a way that is ethical and is in compliance with the applicable legislations. These principles guide our behavior at all times.

Following are the salient features of your Company's Corporate Governance Philosophy:

- Act in the spirit of law and not just the letter of law;
- Do what is right and not what is convenient;
- Provide complete transparency in our operations; and
- Follow openness in our communication to all our stakeholders.

The Company has complied with all the regulations stipulated by the Securities Exchange Board of India (SEBI) in the Listing Agreement. This report, along with the Management Discussion and Analysis, constitutes Paramount's compliance with Clause 49 of the Listing Agreement.

2. BOARD OF DIRECTORS

➤ Composition of the Board

In accordance with the requirements of Clause 49 of the Listing Agreement of Stock Exchanges (Clause 49), more than one-half of the Board of Directors comprises of Non-Executive Directors. Our Company also complies with the requirement of one-half of the Board to comprise of Independent Directors. The independent and non-executive directors do not have any material pecuniary relationship or transaction with the Company or its executive directors, promoters, or management which may affect their judgments in any manner.

The Board consists of eminent persons with considerable professional expertise and experience in the Cable Industry, Finance, Capital Market and allied fields. The Board's actions and decisions are aligned with the Company's best interests. The Board critically evaluates the Company's strategic direction, management policies and their effectiveness. In terms of the requirements of the Listing Agreement, brief resume and the profile of director(s) seeking appointment/reappointment at the ensuing Annual General Meeting of the Company is annexed with the Notice for the Annual General Meeting. The composition of the Board of Directors is as follows -

EXECUTIVE PROMOTER DIRECTORS

Name of the Director and Current Designation	Date of appointment as Director	Relationship with other Directors	Director Identification Number (DIN)
Mr. Sanjay Aggarwal (Chairman & CEO)	01/11/1994	Brother of Mr. Sandeep Aggarwal	00001788
Mr. Sandeep Aggarwal (Managing Director)	01/11/1994	Brother of Mr. Sanjay Aggarwal	00002646

NON-EXECUTIVE INDEPENDENT DIRECTORS

Name of the Director	Date of appointment	Relationship with other Directors	Director Identification Number (DIN)
Mr. S.P.S.Dangi	08/11/1994	None	00236827
Mr. Satya Pal	08/11/1994	None	00287845
Mr. Vijay Bhushan	22/07/2000	None	00002421
Mrs. Malini Gupta*	30/01/2015	None	03464410

*Mrs. Malini Gupta was inducted on the Board as an Additional Director with effect from 30th January, 2015. None of the Non-Executive Director holds any share/convertible instrument in the Company.

➤ **Directors' attendance record and Directorships held**

During the financial year ended on 31st March, 2015, 6 (Six) Board meetings were held. The details are as follows:

Sl. No.	Date of Board Meeting	Board Strength	Total Number of directors Present	Number of independent directors Present
1.	14 th April, 2014	6	6	4
2.	29 th May, 2014	6	5	4
3.	13 th August, 2014	5	5	3
4.	26 th September, 2014	5	5	3
5.	12 th November, 2014	5	4	2
6.	30 th January, 2015	6	6	4

Attendance record of the Directors at the above Board Meetings and at the last Annual General Meeting (AGM) held on 26th September, 2014, along with the number of other Directorships/Committee positions held by them in other Indian Public companies during the year, are as follows:

Name of the Director	Board meetings attended during FY 2014-15	Attendance at the last AGM	No. of Directorships held in other companies*	Committee position held in other companies**	
				Chairperson	Member
Mr. Sanjay Aggarwal	6	Yes	0	0	0
Mr. Sandeep Aggarwal	5	Yes	0	0	0
Mr. S.P.S.Dangi	5	Yes	0	0	0
Mr. Satya Pal	6	Yes	0	0	0
Mr. Vijay Bhushan	6	No	4	2	1
Mrs. Malini Gupta	1	NA	0	0	0
Mr. Ram Kumar Sharma@	2	NA	0	0	0

*Excludes directorship in Paramount Communications Limited. Also excludes directorship in Private Limited Companies, Foreign Companies, Section 8 Companies (erstwhile Section 25 companies) and Alternate Directorships.

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

@Mr. Ram Kumar Sharma, a nominee director appointed by the State Bank of India, resigned from the Company w.e.f 31.07.2014

As stipulated by Clause 49(II)(D)(2), none of the Director was a member of more than 10 committees or chairperson of more than 5 committees, across all companies in which he serves as a director.

➤ **Details of remuneration paid to Executive Directors (Key Managerial Personnel) during the year 2014-2015**

Aggregate value of salary, perquisites and commission paid during the financial year 2014-15 to the executive directors (Key Managerial Personnel) are as follows:-

(Amount in `)

Name	Salary and perquisites	Company's Contribution to P.F.	Sitting Fees	Total
Mr. Sanjay Aggarwal	40,64,850	4,68,000	Nil	45,32,850
Mr. Sandeep Aggarwal	40,99,440	4,68,000	Nil	45,67,440

The appointment of Mr. Sanjay Aggarwal as Whole Time Director (designated as Chairman & CEO) and Mr. Sandeep Aggarwal, Managing Director of the Company for a period of five years w.e.f. 01.03.2013 has been made at a remuneration of ` 4,00,000/- (Rupees Four Lac) per month (all inclusive). The said appointment has been duly approved by the members of the Company and the Central Government.

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

The Non-executive Directors were paid a sitting fee at the rate of ` 8,500/- (Rupees Eight Thousand Five Hundred only) per meeting, for attending meetings of the Board/Committee(s) thereof, which was subsequently revised to ` 25,000/- (Rupees Twenty Five Thousand only) per meeting, w.e.f 14th August, 2014. The independent directors are also paid a lump sum for conveyance and out of pocket expenses at the rate of ` 4,000/- (Rupees Four Thousand only), which was subsequently increased to ` 8,000/- (Rupees Eight Thousand only), for each committee meeting or meeting of the Board of Directors attended by them.

The details of sitting fee paid to the directors for attending the Board and Committee meetings for the year ended 31st March, 2015 are as follows:

(Amount in `)

Sr. No.	Name of the Director	Sitting Fee paid
1.	Mr. S.P.S Dangi	134,500
2.	Mr. Satya Pal	184,500
3.	Mr. Vijay Bhushan	193,000
4.	Mrs. Malini Gupta	25,000
5.	Mr. Ram Kumar Sharma	17,000

➤ **Code of Conduct**

The Board of Directors of the Company has laid down a code of conduct for all Board members and senior management of the Company. All the directors and senior management have affirmed compliance with this code for the year ended 31st March, 2015. The Code of conduct has been posted on the website of the Company viz. www.paramountcables.com. A declaration of compliance of this code, duly signed by the Chairman & CEO is annexed as Annexure-A to this report.

3. BOARD COMMITTEES

The Board has established five Committees to discharge its responsibilities in an effective manner, and they meet as often as required. These committees are as follows –



The role and composition of the above committees, including the number of meetings held during the financial year ended on 31st March, 2015 and attendance of Directors thereat, are given hereunder.

(a) AUDIT COMMITTEE

Qualified and Independent Audit Committee

The Board has constituted an Audit Committee, comprising of three independent non executive directors. Mr. S. P. S. Dangi - Chairman of the Committee is a well known Finance & Management Consultant. He is a fellow member of the Institute of Cost Accountants of India and has expertise in accounting & finance matters. Mr. S.P.S. Dangi was present at the last Annual General Meeting of the Company held on 26th September, 2014. Ms. Tannu Sharma, Company Secretary of the Company acts as the Secretary of the Committee.

The attendance of the members at the Audit Committee Meetings held during the financial year under reporting are as under:-

Name of the Director	Category of Directorship	No. of Meetings attended
Mr. S. P. S. Dangi	Non-executive Independent Director	04
Mr. Satya Pal	Non-executive Independent Director	05
Mr. Vijay Bhushan	Non-executive Independent Director	05

Meetings of Audit Committee held during the financial year 2014-15.

During the financial year ended on 31st March, 2015, five meetings of the Audit Committee were held. The composition of Audit Committee, date on which the meetings were held and attendance of Directors at the above meetings is as follows:

Name of the Director	Position in the Committee	Presence of directors at the meetings				
		14 th April, 2014	29 th May, 2014	13 th August, 2014	12 th November 2014	30 th January, 2015
Mr. S. P. S. Dangi	Chairman	✓	✓	✓	Leave of Absence	✓
Mr. Satya Pal	Member	✓	✓	✓	✓	✓
Mr. Vijay Bhushan	Member	✓	✓	✓	✓	✓

Proper quorum was present at the afore mentioned meetings of the Audit Committee.

The Internal Auditor and the Statutory Auditors are invitees to the meetings of 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 as stipulated under Clause 49 of the Listing Agreement and as per Section 177 of the Companies Act, 2013.

Review of information by Audit Committee

The audit committee reviews the following information:

1. Management Discussion and Analysis of the Company's financial condition and results of operations.

2. Statement of significant related party transactions (as defined by the audit committee), submitted by the management.
3. Management letters/letters of internal control weaknesses issued by the statutory auditors.
4. Internal Audit Reports relating to internal control weaknesses.
5. The appointment, removal and terms of remuneration of the internal auditors.

Terms of reference of Audit Committee

- (i) The recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- (ii) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- (iii) Examination of the financial statement and the auditors' report thereon;
- (iv) Approval or any subsequent modification of transactions of the Company with related parties;
- (v) Scrutiny of inter-corporate loans and investments;
- (vi) Valuation of undertakings or assets of the Company, wherever necessary;
- (vii) Evaluation of internal financial controls and risk management systems;
- (viii) Monitoring the end use of funds raised through public offers and related matters.

(b) NOMINATION & REMUNERATION COMMITTEE

The Board has constituted a Nomination & Remuneration Committee, comprising of three independent non-executive directors viz. Mr. Satya Pal - Chairman of the Committee, Mr. S.P.S. Dangi and Mr. Vijay Bhushan. Meeting of the Nomination & Remuneration Committee are held as and when required to review/revise or modify the remuneration of the executive directors. Ms. Tannu Sharma, Company Secretary acts as the Secretary of the Committee. The present remuneration of the executive directors is in consonance with the existing industry practice.

Two meetings of the Nomination & Remuneration Committee were held during the period under review and attendance of Directors at the meetings is as follows:

Name of the Director	Position in the Committee	Presence of directors at the meetings	
		13 th August. 2014	30 th January. 2015
Mr. Satya Pal	Chairman	✓	✓
Mr. SPS Dangi	Member	✓	✓
Mr. Vijay Bhushan	Member	✓	✓

The Terms of reference are as follows:

- To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and to recommend to the Board their appointment and removal,
- To carry out evaluation of every director's performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a director and
- To recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

Further, the Nomination and Remuneration Committee also ensures that—

1. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
2. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
3. 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.

(c) STAKEHOLDERS’ /INVESTOR’S GRIEVANCE COMMITTEE

At present Stakeholders’/Investors’ Grievance Committee, comprises of Mr. Vijay Bhushan, Mr. Sanjay Aggarwal and Mr. Sandeep Aggarwal.

Mr. Vijay Bhushan, non-executive and independent director has been appointed as the Chairman of the Committee. The Committee, inter alia, overlooks:

- issue of duplicate share certificates;
- revalidation of dividend warrants;
- investigates and redresses shareholders’ complaints like non receipt of Annual Report/ Balance Sheet, non receipt of declared dividends, etc;
- oversees and reviews all matters connected with the delay in transfer of securities;
- oversees the performance of the Registrar and Share Transfer Agents; and
- recommends measures for overall improvement in the quality of investor services.

The Board has delegated the power of approving transfer of shares to the Share Transfer & Transmission Committee. The Stakeholders’ and Investors’ Grievance Committee of the Company meets as and when necessary and/or to review the transfer effected by the Share Transfer & Transmission Committee of the Company. The Committee meets atleast once in a year to review the overall status of the requests/complaints received during the year. The Board has designated Ms. Tannu Sharma, Company Secretary as the Secretary.

Meetings

During the financial year ended on 31st March, 2015, one meeting of the Stakeholders’/Investors’ Grievance Committee was held. The composition of Stakeholders’/Investors’ Grievance 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 meetings
		29 th May, 2014
Mr. Vijay Bhushan	Chairman	✓
Mr. Sanjay Aggarwal	Member	✓
Mr. Sandeep Aggarwal	Member	Leave of absence

No investor complaint was received during the year under review. Total number of requests received was 18 and all of them were replied to the satisfaction of the shareholders. All the investors’ grievances and complaints have been resolved as and when received and there were no outstanding complaints/requests as on 31.03.2015.

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.

(d) SHARE TRANSFER AND TRANSMISSION COMMITTEE

The Share Transfer & Transmission Committee is constituted by the Company specifically for making the share transfer process smooth and speedy. The committee meets periodically to approve share transfers/transmission etc. All the transfers/transmissions affected by Share Transfer & Transmission Committee are placed before & reviewed by the Stakeholders’/Investors’ Grievance Committee. Mr. Sanjay Aggarwal and Mr. Sandeep Aggarwal, are the members of the Committee.

During the year ended 31st March, 2015, the committee met 6 times and 2 transfer requests for transfer of 1400 shares were approved thereafter. The Committee also approved re-mat requests for 311 equity shares during the year under reporting.

There were no outstanding complaints/requests and no transfer was pending as on 31st March, 2015.

(e) RISK MANAGEMENT COMMITTEE

The Risk Management Committee has been constituted by the Company to analyze/monitor Foreign exchange risk, forecast the risk involved in forward and option contract/derivatives transactions, to take necessary steps in

order to minimize risk on account of foreign currency rate fluctuation and to deal with other incidental matters. The committee consists of Mr. Sanjay Aggarwal and Mr. Sandeep Aggarwal. Ms. Tannu Sharma acts as the Secretary to the Committee. Further, the Audit Committee and the management regularly review the risk management strategy of the Company. No meeting of the Risk Management Committee was held during the period under review.

(f) MEETING OF INDEPENDENT DIRECTORS

The Company's Independent Directors meet at least once in every financial year without the presence of Executive Directors or management personnel. All the information sought by the directors was provided to them for perusal. One meeting of Independent director was held during the year, in the absence of Executive members of the Board and other senior managerial personnel of the Company.

Name of the Director	Presence of directors at the meetings
	30 th January, 2015
Mr. Satya Pal	✓
Mr. SPS Dangi	✓
Mr. Vijay Bhushan	✓

4. GENERAL BODY MEETINGS

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

Date & Time	26 th September, 2014 at 02.30. P.M	20 th September, 2013 at 12.00. P.M	21 st September, 2012 at 10.00 A.M.
Financial year	2013-2014	2012-2013	2011-2012
Venue	Shah Auditorium, Shree Delhi Gujarati Samaj Marg, Near ISBT, Delhi.	Shah Auditorium, Shree Delhi Gujarati Samaj Marg, Near ISBT, Delhi.	Shah Auditorium, Shree Delhi Gujarati Samaj Marg, Near ISBT, Delhi.
Special Resolution(s) passed	For appointment of Mr. S.P.S Dangi as an Independent Director of the Company to hold office up to 31 st March, 2019; For appointment of Mr. Satya Pal as an Independent Director of the Company to hold office up to 31 st March, 2019; For appointment of Mr. Vijay Bhushan as an Independent Director of the Company to hold office up to 31 st March, 2019; For alteration of Articles of Association thereby enabling an individual to act as Chairman & Chief Executive Officer of the Company.	-None-	For increase in authorized share capital of the Company from ` 35 Crore to ` 50 Crore For report on erosion of more than 50% of peak net worth as per provisions of Sick Industrial Companies (Special Provisions) Act, 1985.

5. POSTAL BALLOT

During the financial year ended 31st March, 2015, no special resolution was passed by the Company, which required the use of postal ballot process.

6. DISCLOSURES

i. **Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, subsidiary or the relatives of the directors, etc. that may have potential conflict with the interest of the Company at large.**

Members may refer to the disclosures of transactions with the related parties as given under Note no. 30 of the notes to accounts. The Audit Committee and the Board of Directors of the Company have formulated the Policy on dealing with Related Party Transactions, which is uploaded on the website of the Company

ii. **Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchanges or SEBI, or any other statutory authority, on any matter related to the capital markets, during the last three year(s)**

The Company has fully complied with the requirements of the regulatory authorities in capital markets. There have been no instances of non-compliance by the Company with any matters whatsoever relating to the requirements as stipulated by the regulatory authorities on capital markets or are for the time being in force. No penalty or strictures have been imposed on the Company by the Stock Exchanges, SEBI or any other statutory authority.

iii. **Whistle Blower policy and affirmation that no personnel have been denied access to the Audit Committee.**

The Vigil Mechanism Policy/ Whistle Blower Policy was approved by the Board of Directors and was duly adopted by the Company. No personnel of the Company had approached the Audit Committee during the year under reporting. The Company has never denied access to any personnel to approach the Audit Committee. A copy of the said policy is also available on the Company's website.

iv. **Audit and Internal Checks and balances**

M/s B.L. Gupta & Associates, Chartered Accountants, have been appointed as the Internal Auditors, for an independent check on the internal control, systems and procedures adopted by the Company.

v. **Familiarization Programs**

In order to comply with the provisions of the Listing Agreement, 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 new Companies Act, 2013, and revised Clause 49 of the Listing Agreement.

vi. **Compliance with the code of Corporate Governance.**

The Company regularly complies with the mandatory requirements of the code of Corporate Governance.

vii. **Accounting Standards**

The Company has followed the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

viii. **Subsidiary Companies**

The Company does not have any Indian Subsidiary Company. However, the Company has the following direct/indirect 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 AEI Cables Limited), which was a subsidiary Company as on 31st March, 2013, is "in Administration" (as per UK Laws) w.e.f 28th February, 2014.

ix. **CEO/CFO Certification**

The Chairman & CEO and CFO of the Company have furnished the requisite certificate to the Board of Directors under Clause 49V of the Listing Agreement with the Stock Exchanges, which is annexed hereto as Annexure B.

x. **Reconciliation of Share Capital Audit**

A qualified practicing Company Secretary carries out a quarterly reconciliation of share capital audit to

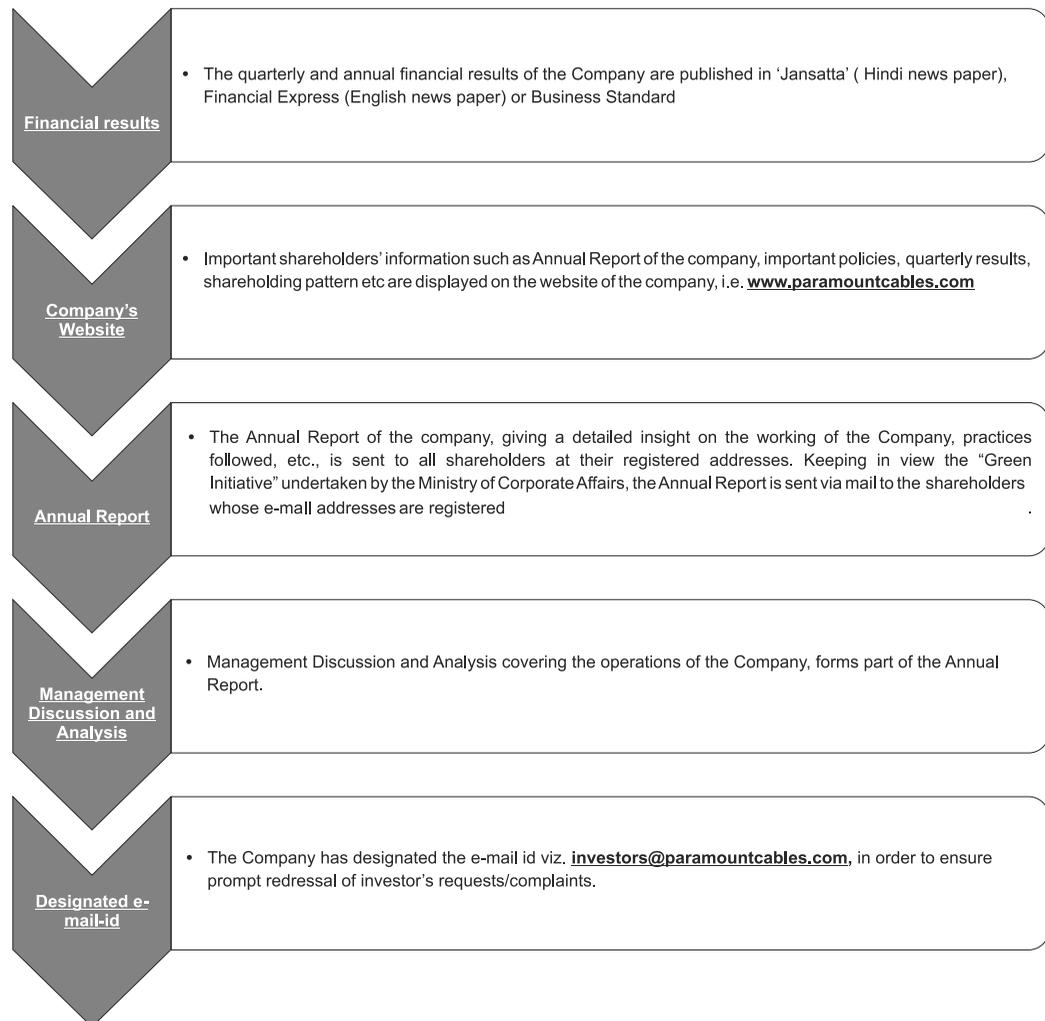
reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and certify the total issued and listed capital. The reconciliation of share capital audit report confirms that the total issued and paid up capital is in agreement with the total number of shares in physical form and the total number of shares held in dematerialized form with NSDL and CDSL.

xi. Code of Conduct for Prevention of Insider Trading

“Code of Conduct for Prevention of Insider Trading” (Insider Code) has been set in place by the Company, to prevent misuse of unpublished price sensitive information for individual benefit, by those who have access to such information by virtue of their employment or association with the Company. The Board of Directors at its meeting held on 27th May, 2015 approved and adopted the ‘Code of Conduct for Prevention of Insider Trading’ in line with SEBI (Prohibition of Insider Trading) Regulation, 2015. A copy of the Insider Code is available on the website of the Company.

7. MEANS OF COMMUNICATION

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



8. GENERAL SHAREHOLDER INFORMATION

CIN	L74899DL1994PLC061295
Registered Office	C-125, Naraina Industrial Area, Phase-1, New Delhi-110028
Compliance Officer	Ms. Tannu Sharma, Chief Compliance Officer and Company Secretary
Twenty First Annual General Meeting · Day, Date & Time · Venue	Thursday, the 24 th September, 2015 at 11.30 AM Shah Auditorium, Shree Delhi Gujarati Samaj Marg, Near ISBT, Delhi 110054, India.
Financial Year	1 st April of each year to 31 st March of the next year
Face Value per Equity share	₹ 2/-
Dividend Payment date	Not Applicable
Book Closure	Thursday, the 17 th September, 2015 to Thursday, the 24 th September, 2015 (both days inclusive).
ISIN Number	<ul style="list-style-type: none"> • Demat ISIN Number in NSDL and CDSL for Equity Shares is INE074B01023 • The ISIN of Global Depository Receipts and One Percent Unsecured Foreign Currency Convertible Bonds due 2011 are US69921M1027 and XS0276171823 respectively.

➤ Financial Calendar (Tentative)

Results for quarter ending 30 th June, 2015	Mid August, 2015
Results for quarter/ half-year ending 30 th September, 2015	Mid November, 2015
Results for quarter ending 31 st December, 2015	Mid February, 2016
Results for year ending 31 st March, 2016	End May, 2016
Annual General Meeting (i.e., next year)	September, 2016

➤ 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 disposal.

The Global Depository Receipts (GDRs) and the Foreign Currency Convertible Bonds (FCCBs) ** issued by the Company in the international market are listed at Luxembourg Stock Exchange, Luxembourg.

** The Outstanding US\$ 7.5 Million Foreign Currency Convertible Bonds (FCCB's) of the Company were due for repayment on 23rd November, 2011. However, these bonds were not redeemed on their redemption date and are still outstanding

➤ **Payment of Listing fee**

The annual listing fee for the financial year 2015-2016 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 2015-2016 will be paid by the Company to NSDL and CDSL on receipt of invoices.

➤ **Share Transfer System**

The Company has a sound share transfer process. The Company has appointed M/s Link Intime India Private Limited, as its share transfer agent. After the Share Transfer Agents complete the formalities of transfer/transmission, approval of transfer of shares in the physical form is done by the Share Transfer & Transmission Committee of the Company. As the Company's shares are traded in dematerialized form, transfers are processed and approved in the electronic form by NSDL/CDSL through their depository participants. As required under Clause 47(c) of Listing Agreement of Stock Exchanges, the Company obtains a certificate on half-yearly basis from a Company Secretary-in practice, regarding share transfer formalities, copy of which is filed with the Stock Exchanges.

➤ **Stock Price Data:**

a) NSE Scrip Code: PARACABLES (For the period: April, 2014 to March, 2015)

Value in `

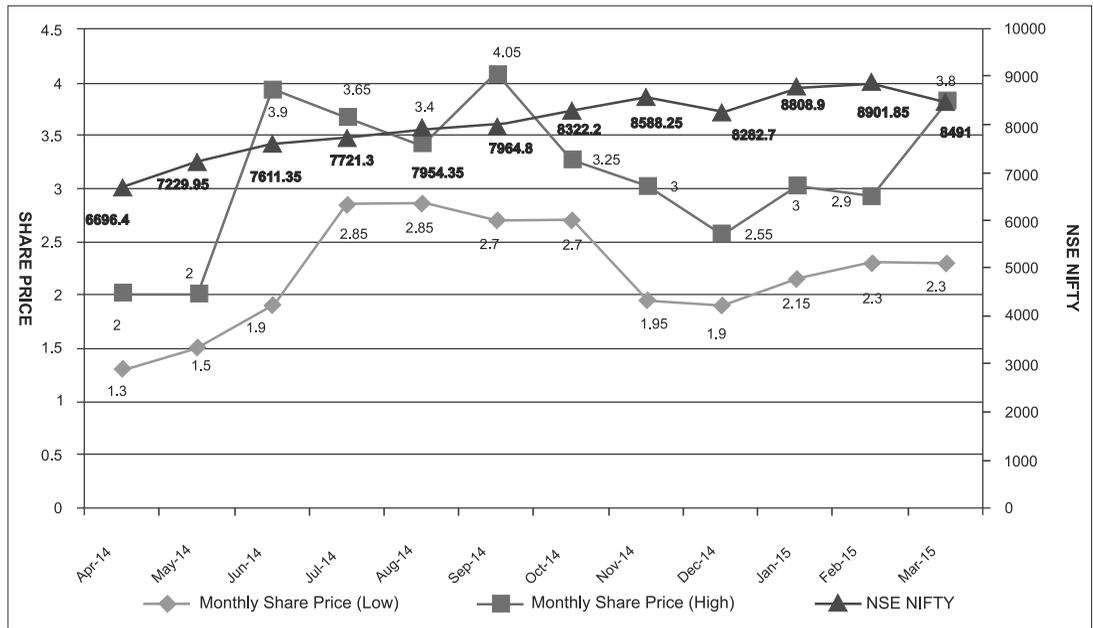
Month	Open Price	High Price	Low Price	Close Price	No. of Shares	Spread*		NSE NIFTY (closing prices)
						H-L	C-O	
April 2014	1.30	2.00	1.30	1.95	350256	0.70	0.65	6696.40
May 2014	1.85	2.00	1.50	2.00	384635	0.50	0.15	7229.95
June 2014	2.05	3.90	1.90	3.35	567316	2.00	1.30	7611.35
July 2014	3.50	3.65	2.85	3.20	397199	0.80	0.30	7721.30
August 2014	3.35	3.40	2.85	2.95	547758	0.55	0.40	7954.35
September 2014	3.05	4.05	2.70	3.05	889772	1.35	0.00	7964.80
October 2014	3.00	3.25	2.70	2.90	282601	0.55	-0.10	8322.20
November 2014	2.90	3.00	1.95	2.05	865343	1.05	-0.85	8588.25
December 2014	2.00	2.55	1.90	2.40	706183	0.60	0.40	8282.70
January 2015	2.50	3.00	2.15	2.90	441467	0.85	-0.40	8808.90
February 2015	2.85	2.90	2.30	2.55	518882	0.60	-0.30	8901.85
March 2015	2.55	3.80	2.30	2.80	2058274	1.50	0.25	8491.00

Spread

H - L -> High - Low

C - O -> Close - Open

Performance of equity shares in comparison with NSE NIFTY during the Financial Year 2014-2015



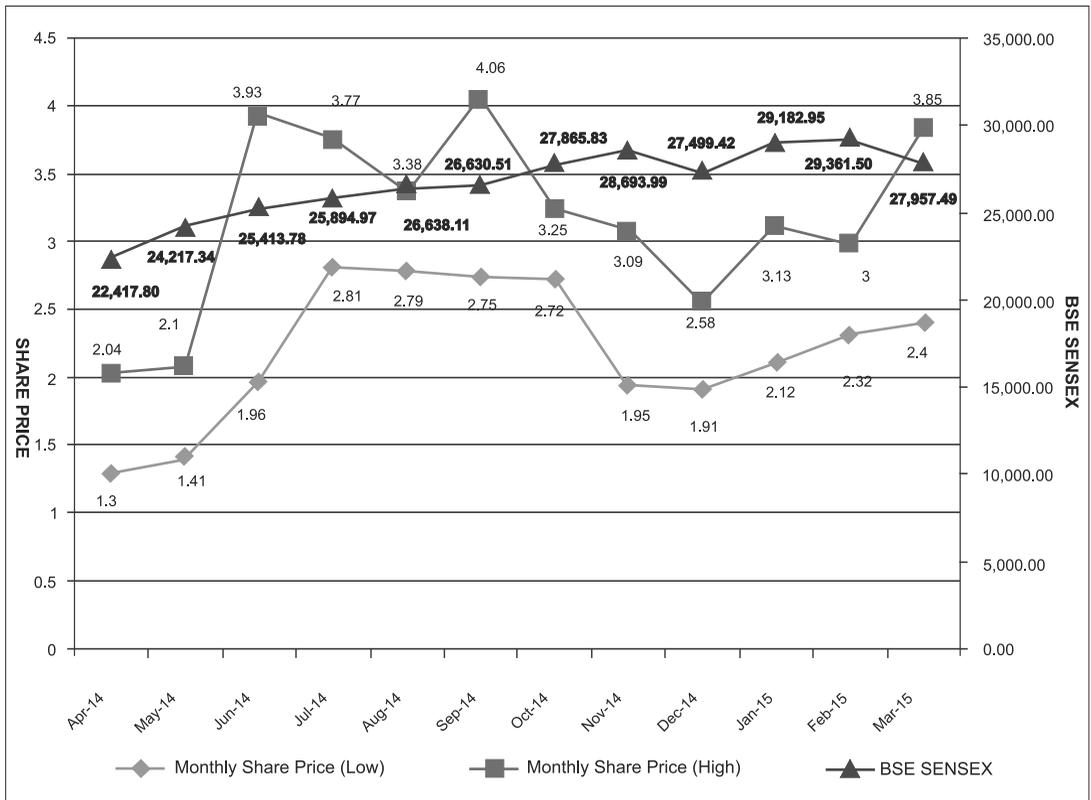
BSE Scrip Code: 530555

(For the period: April, 2014 to March, 2015)

Value in `

Month	Open Price	High Price	Low Price	Close Price	No. of shares	BSE (Closing Price)	Spread	
							H-L	C-O
April 2014	1.31	2.04	1.30	1.68	3,73,811	22,417.80	0.74	0.37
May 2014	1.76	2.10	1.41	2.04	4,86,929	24,217.34	0.69	0.28
June 2014	1.96	3.93	1.96	3.45	11,71,127	25,413.78	1.97	1.49
July 2014	3.62	3.77	2.81	3.25	4,12,477	25,894.97	0.96	-0.37
August 2014	3.30	3.38	2.79	2.88	4,56,668	26,638.11	0.59	-0.42
September 2014	2.89	4.06	2.75	2.99	6,19,700	26,630.51	1.31	0.10
October 2014	3.04	3.25	2.72	2.84	2,98,819	27,865.83	0.53	-0.20
November 2014	2.80	3.09	1.95	1.97	2,60,599	28,693.99	1.14	-0.83
December 2014	1.94	2.58	1.91	2.46	91,196	27,499.42	0.67	0.52
January 2015	2.57	3.13	2.12	2.96	3,88,643	29,182.95	1.01	0.39
February 2015	2.97	3.00	2.32	2.56	3,11,993	29,361.50	0.68	-0.41
March 2015	2.67	3.85	2.40	2.75	16,71,810	27,957.49	1.45	0.08

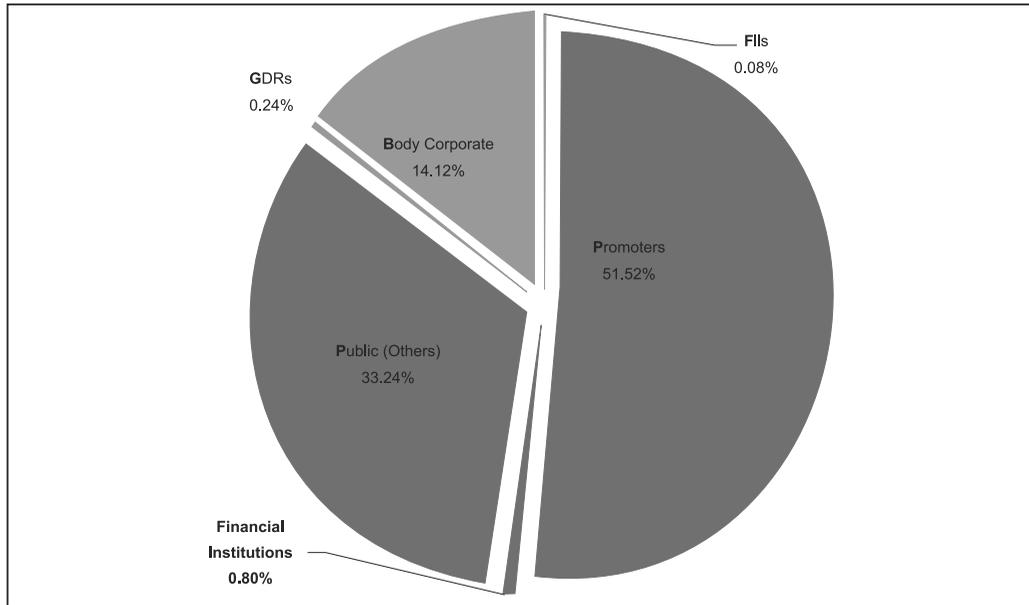
Performance of equity shares in comparison with BSE SENSEX during the Financial Year 2014-2015



Distribution of Shareholding and shareholding Pattern as on 31.03.2015.

Shareholding of nominal value of Rupees	No. of Shareholders		No. of Shares held	Amount	
	Number	% to total		In `	% to total
Upto 2,500	24,371	83.02	8391357	16782714	6.70
2,501 - 5,000	2,537	8.64	4585309	9170618	3.66
5,001 - 10,000	1,261	4.30	4770677	9541354	3.81
10,001 - 20,000	568	1.94	4286525	8573050	3.42
20,001 - 30,000	201	0.68	2510146	5020292	2.00
30,001 - 40,000	109	0.37	1946690	3893380	1.56
40,001 - 50,000	45	0.15	1043091	2086182	0.83
50,001 - 1,00,000	119	0.41	4443906	8887812	3.55
1,00,001 & Above	145	0.49	93255764	186511528	74.47
Total	29356	100.00	125233465	250466930	100.00

Shareholding Pattern of the Company as at 31st March, 2015



➤ **Steps taken by the management for company's revival: Reference made to BIFR**

The Company has been registered with the Board for Industrial and Financial Reconstruction (BIFR) under Section 15(1) of Sick Industrial Companies (Special Provisions) Act, 1985 vide order No. 77/2013 dated 31.10.2013. BIFR has restrained the Company from disposing of or alienating, in any manner, any fixed assets of the Company, without obtaining consent of BIFR.

➤ **Outstanding GDR/Warrants and Convertible Bonds, conversions date and likely impact on the equity.**

The Company raised US\$ 27 Million by way of allotment of 1% Unsecured Foreign Currency Convertible Bonds (FCCBs) due on 23rd November, 2011 in the financial year 2006-07. During the financial year 2009-10, the Company bought back 3,900 bonds of US\$ 5,000 each at a discount. Outstanding FCCBs amounting to US\$ 7.5 million were due for redemption on 23rd November, 2011 at a premium equal to 145.54% of the outstanding principal amount i.e. @ US\$ 7,277. Pending redemption, a winding up petition was filed against the Company by the trustees on behalf of FCCB holders. However, in the hearing held on 16.12.2014, the Winding up petition so filed was dismissed by the Hon'ble High Court of Delhi on the ground that the Company is registered under Section 15 (1) of Sick Industrial Companies (Special Provisions) Act, 1985. The Hon'ble Court also directed the Trustees that they can proceed further against the Company for recovery of the dues only after seeking prior approval from Board for Industrial and Financial Reconstruction (BIFR) under the provisions of Sick Industrial Companies (Special Provisions) Act, 1985. However, no further action has been initiated by the Trustees and status quo is being maintained.

➤ **Dematerialization of Shares**

At the end of the year 2014-2015 around 99.02% of the equity shares of the Company are held in dematerialized form.

The Reconciliation of Share Capital Audit Report from a Practicing Company Secretary confirming that the total issued capital of the Company is in aggregate with the total number of equity shares in physical form and the total number of dematerialized equity shares held with NSDL and CDSL, is placed before the Board on a quarterly basis. A copy of the Audit Report is periodically submitted to the stock exchanges where the equity shares of the Company are listed.

➤ **Liquidity**

The shares of the Company are actively traded at the Bombay Stock Exchange Limited (BSE) and National stock Exchange of India Limited (NSE) and thus considered a liquid security.

➤ **Plant Locations (as on 31st March, 2015)**

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

➤ **Address for correspondence:**

- Any query on Annual Report may be addressed to the Secretarial Department of the Company or to the Registrars at the following addresses.

The Chief Compliance Officer & Company Secretary
Paramount Communications Ltd.
C-125, Naraina Industrial Area, Phase-I,
New Delhi – 110028, India
E-mail : investors@paramountcables.com

- For Share transfer/ dematerialization of shares, payment of dividend, and any other query relating to the securities of the Company, please contact:

M/s Link Intime India Private Limited
44, IInd Floor, Community Centre,
Naraina Industrial Area, Phase-I,
New Delhi-110028
Phone(s) +91-11-4141 0592, 93, 94

AUDITOR'S CERTIFICATE

The Members,
Paramount Communications Limited

We have examined the compliance of the conditions of Corporate Governance by Paramount Communications Limited for the year ended 31st March, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in above mentioned Listing Agreement.

We further state that such compliance 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.

FOR JAGDISH CHAND & CO.
CHARTERED ACCOUNTANTS

(J.C. GUPTA)
Partner

M.No.:006107

Firm Registration No.: 000129N

Place : New Delhi

Date : 12.08.2015

Annexure – A

DECLARATION BY CHAIRMAN AND CEO ON COMPLIANCE OF CODE OF CONDUCT

The Members
Paramount Communications Limited

I, Sanjay Aggarwal, Chairman and CEO of the Company, do hereby confirm that all the Board members and the senior management personnel of the Company have complied with the 'Code of Conduct for Directors and Senior Management Personnel', during the financial year 2014-2015.

The declaration is based on and is in pursuance of the individual affirmations received in writing from the Board members and the senior management personnel of the Company.

For and on behalf of the Board
Paramount Communications Limited

Date: 12.08.2015

Place: New Delhi

(Sanjay Aggarwal)
Chairman & CEO

12.08.2015

The Board of Directors
Paramount Communications Limited
C-125, Naraina Industrial Area, Phase-I
New Delhi – 110028

**Sub: Certificate pursuant to Clause 49 (IX) of the Listing Agreement of
Stock Exchanges on 'Corporate Governance'**

Dear Sirs,

Pursuant to the requirements under Clause 49 (IX) of the Listing Agreement of Stock Exchanges on "Corporate Governance", we hereby certify that:

- a. We have reviewed the Financial Statements and the Cash Flow Statement of the Company for the year ended on 31st March, 2015 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).

Thanking you,

Yours Faithfully,

For **Paramount Communications Limited**

(Sanjay Aggarwal)
Chairman & Chief Executive Officer

(Shambhu Kumar Agarwal)
Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
PARAMOUNT COMMUNICATIONS LIMITED

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of Paramount Communications Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements to give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

8. 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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its loss and its cash flows for the year ended on that date.

Emphasis of Matter

9. We draw attention to
 - a. Note 36 to the financial statements. The accompanying financial statements have been prepared on a going concern basis despite negative net worth, overdue in repayment of loan installments, interest to banks, working capital facilities

from banks, overdue in redemption of Foreign Currency Convertible Bonds (FCCBs). The appropriateness of the said basis is inter-alia dependent on Company's ability to generate profit in future years and meet its financial obligations and also dependent on induction of financial investors in the company and/or joint venture with foreign companies.

- b. Wherever, interest on borrowings has not been applied by banks, interest on those borrowings has been provided as per best estimates of the management. (Refer Note 25.1)

Our opinion is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

10. As required by 'the Companies (Auditor's Report) Order, 2015', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. As required by Section 143 (3) of the Act, we report that:
- 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.
 - 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.
 - The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - The going concern matter described in sub-paragraph (a) under the Emphasis of Matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
 - On the basis of written representation received from the directors as on 31st March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - 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 knowledge and belief and according to the information and explanations given to us:
 - The Company has disclosed the impact of pending litigations as at 31st March, 2015 on its financial position in its standalone financial statements. (Refer Note No. 34.1& 34.3)
 - The Company did not have any long-term contracts including derivative contracts as at 31st March, 2015
 - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended on 31st March, 2015

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

(J.C. Gupta)
Partner

Membership Number: 06107

Place of signature : New Delhi

Date : 27th May, 2015

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Paramount Communications Limited on the standalone financial statements as of and for the year ended 31st March, 2015

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets of the Company have been physically verified by the Management during the year. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account. In our opinion, the frequency of verification is reasonable.
- ii. (a) The inventory has been physically verified by the Management during the year. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii. (a) There is one party covered in the register maintained under Section 189 of the Act, to which Company has given deposit as per contractual obligations. Since it is a security deposit no principal amount was due and no interest was charged. (Refer Note 13.1)
- (b) In respect of the aforesaid deposit, there is no overdue amount.
- iv. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed thereunder to the extent notified.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section(1) of Section 148 of the Act, and are of the opinion that, prime 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, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable to it with the appropriate authorities, We are informed there are no undisputed statutory dues as of March 31, 2015 outstanding for a period of more than six months from the date they become payable.
- (b) There are no dues in respect of income tax, sales tax, wealth tax, service tax, customs duty, excise duty and cess that have not been deposited with appropriate authorities on account of any dispute other than those mentioned below :-

Name of the Statute	Nature of the Due	Amount	Period to which the amount relates	Forum where dispute is pending
Central Excise Act	Excise Duty	74,807,281	Various years for 2002-03 to 2009-10	CESTAT
		10,261,496	Various years for 2007-08 to 2013-14	Commissioner (Appeals)

Name of the Statute	Nature of the Due	Amount	Period to which the amount relates	Forum where dispute is pending
Finance Act	Service Tax	21,927,668	Various years for 2005-06 to 2009-10	CESTAT
		181,206	2005-06 & 2006-07	Commissioner (Appeals)
Customs Act	Customs Duty	5,771,724	2005-06, 2006-07, 2010-11 & 2011-12	CESTAT
Income Tax Act, 1961	Income tax	44,298,650	2008-09 & 2009-10	Commissioner (Appeals)

- (c) The amounts required to be transferred to the Investor Education and Protection Fund have been transferred within the stipulated time in accordance with the provisions of the Act, and the rules made thereunder.
- viii. The company's accumulated losses at the end of the financial year 31st March, 2015 were more than fifty percent of its net worth. The company has incurred cash losses during the financial year ended 31st March, 2015 and in the immediately preceding financial year.
- ix. Based on our audit procedures and as per the information and explanations given by the management, the Company has defaulted in repayment of dues to banks and Foreign Currency Convertible Bond Holders (FCCBs) as per details given below. (Also refer Note 4.2, 7.2 & 9.1).

Nature of Payment	FY 2014-2015	Period
Rupee Loans from banks	202,451,703	Since June, 2013
Working Capital Loans from banks	880,409,943	Since November, 2014
Foreign Currency Loans	89,577,884	Since September, 2014
Interest on Loans/Working Capital Loans from banks	552,544,289	Since October, 2013
Principal amount of Foreign Currency Convertible Bonds (FCCBs)	470,700,000	Since December, 2011
Premium on redemption of FCCB's	214,936,015	Since December, 2011
Interest on FCCBs due up to 31 st December, 2014	21,284,901	Since January, 2012

- x. The company has given guarantee for loans taken by two corporates from banks. According to the information and explanations given to us, we are of the opinion that the terms and conditions thereof are not prime facie prejudicial to the interest of the company. (Refer Note 34.2).
- xi. The Company has not raised any term loans during the year. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company.
- xii. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

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

Place of signature : New Delhi
Date : 27th May, 2015

(J.C. Gupta)
Partner
Membership Number: 06107

BALANCE SHEET AS AT 31ST MARCH, 2015

Figures in `

	Note	As at 31 st March, 2015		As at 31 st March, 2014	
EQUITY AND LIABILITIES					
Shareholder's funds					
Share Capital	2	326,966,930		326,966,930	
Reserves and surplus	3	(2,468,151,806)	(2,141,184,876)	(1,436,183,902)	(1,109,216,972)
Non-Current Liabilities					
Long Term Borrowings	4	1,160,339,581		1,495,079,625	
Deferred Tax Liability (Net)	5	-		-	
Long Term Provisions	6	17,058,015	1,177,397,596	13,135,822	1,508,215,447
Current Liabilities					
Short Term Borrowings	7	2,147,401,707		1,477,993,406	
Trade Payables	8	334,499,371		819,361,265	
Other Current Liabilities	9	2,024,878,817		1,368,029,608	
Short Term Provisions	10	2,000,410	4,508,780,305	1,506,716	3,666,890,995
TOTAL			3,544,993,025		4,065,889,470
ASSETS					
Non - Current Assets					
Fixed Assets					
- Tangible assets	11.1	807,991,888		875,307,215	
- Intangible assets	11.2	1,703,897	809,695,785	1,611,239	876,918,454
Non-Current Investments	12		168,003		25,748,001
Long Term Loans and Advances	13		30,202,858		29,827,269
Current Assets					
Inventories	14	757,852,276		1,488,637,349	
Trade Receivables	15	1,572,222,402		1,389,733,215	
Cash and Bank Balances	16	174,242,178		118,265,856	
Short Term Loans and Advances	17	186,560,956		127,538,236	
Other Current Assets	18	14,048,567	2,704,926,379	9,221,090	3,133,395,746
TOTAL			3,544,993,025		4,065,889,470

Significant Accounting Policies and Notes on Financial Statements 1 to 39

As per our separate report of even date attached

For JAGDISH CHAND & CO.

Firm Registration Number : 000129N

Chartered Accountants

(J.C. Gupta)

Partner

Membership No. 6107

(Sanjay Aggarwal)

Chairman & CEO

(Sandeep Aggarwal)

Managing Director

(S K Agarwal)

Chief Financial Officer

(Tannu Sharma)

Company Secretary

Place of signing : New Delhi

Date : 27th May, 2015

Place : New Delhi

Date : 27th May, 2015

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

Figures in `

	Note	Year Ended 31 st March, 2015		Year Ended 31 st March, 2014	
Revenue from Operations (Gross)	19	4,966,944,088		4,515,266,789	
Less: Excise Duty		448,721,824	4,518,222,264	426,083,587	4,089,183,202
Other Income	20		18,681,633		24,516,046
Total Revenue			4,536,903,897		4,113,699,248
Expenses:					
Cost of Materials Consumed	21		3,543,357,691		3,624,621,604
Purchases of Stock in Trade	22		36,468,713		-
(Increase)/Decrease in Finished goods, Work-in-progress and Stock-in-Trade	23		667,417,208		798,778
Employee Benefits Expense	24		115,321,841		132,930,902
Finance Costs	25		610,101,678		415,538,242
Depreciation and Amortization Expense	26		92,969,989		109,272,959
Other Expenses	27		501,644,080		525,997,757
Total Expenses			5,567,281,200		4,809,160,242
Profit/(Loss) Before exceptional items and Tax			(1,030,377,303)		(695,460,994)
Exceptional Items	28		(1,006,915)		(339,127,888)
Profit/(Loss) Before Tax			(1,031,384,218)		(1,034,588,882)
Tax Expense					
— Current tax			-		-
— Deferred tax			-		-
Short/(Excess) Provision-Earlier Years					
— Current Tax			-		(254,713)
Profit / (loss) for the Year			(1,031,384,218)		(1,034,334,169)
Earnings per Equity Share:	29				
Equity Share of face Value of `2/- each					
— Basic (`)			(8.24)		(8.26)
— Diluted (`)			(8.24)		(8.26)

Significant Accounting Policies and Notes on Financial Statements 1 to 39

As per our separate report of even date attached

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

(Sanjay Aggarwal)
Chairman & CEO

(Sandeep Aggarwal)
Managing Director

(J.C. Gupta)
Partner
Membership No. 6107

(S K Aggarwal)
Chief Financial Officer

(Tannu Sharma)
Company Secretary

Place of signing : New Delhi
Date : 27th May, 2015

Place : New Delhi
Date : 27th May, 2015

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

Figures in `

S. No.	Particulars	Year Ended 31 st March, 2015	Year Ended 31 st March, 2014
A)	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit before taxation and extraordinary items	(1,030,377,303)	(695,460,994)
	Adjustment for:		
	Depreciation (Net)	92,969,989	109,272,959
	Financial Costs	610,101,678	415,538,242
	Loss on sale/disposal of fixed assets	132,513	82,470
	Exchange loss on FCCBs	9,633,000	22,152,000
	Amortisation of FCMITDA	25,681,183	23,429,280
	Provision for leave encashment/ Gratuity	638,833	(3,977,766)
	Operating profit before working capital changes	(291,220,106)	(128,963,809)
	Adjustment for:		
	Trade Receivables, Loans and Advances and Other Assets	(245,385,228)	434,182,376
	Inventories	730,785,073	210,184,117
	Trade Payables, Other Liabilities and Provisions	(65,302,407)	151,117,076
	Cash generated from operations	128,877,331	666,519,760
	Direct tax paid/ Refund	(1,377,693)	958,392
	Cash flow before exceptional items	127,499,638	667,478,152
	Exceptional items	(1,006,915)	(339,127,888)
	Net cash from operating activities	126,492,723	328,350,264
B)	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of fixed assets and other capital expenditure	(27,088,616)	(10,675,652)
	Diminution in the value of investment in Subsidiary Company	25,580,000	255,469,781
	Sale of fixed assets	-	18,000
	Net cash used in investing activities	(1,508,616)	244,812,129
C)	CASH FLOW FROM FINANCIAL ACTIVITIES		
	Proceeds from long term borrowings (Net of repayments)	(128,059,209)	(59,014,741)
	Premium on redemption of FCCBs adjusted against Securities		
	Premium Accounts	-	(229,607,788)

Figures in `

S. No.	Particulars	Year Ended 31 st March, 2015	Year Ended 31 st March, 2014
	Working capital facilities from Bank	669,408,301	152,531,246
	Hire purchase finance (Net of repayments)	(255,199)	(947,856)
	Financial Costs	(610,101,678)	(415,538,242)
	Net cash received/(used) from financial activities	(69,007,785)	(552,577,380)
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	55,976,322	20,585,013
	Cash and cash equivalents as at 31 st March, 2014 (Opening Balance)	118,265,856	97,680,843
	Cash and cash equivalents as at 31 st March, 2015 (Closing Balance)	174,242,178	118,265,856
1.	Note: The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 Cash Flow Statement.		
2.	Cash and cash equivalents includes:		
	Cash and bank balances	7,284,536	16,784,375
	Fixed Deposits under lien/ custody with banks/sales tax department	166,490,346	100,640,157
	Unclaimed Dividend Accounts	467,296	841,324
	Total cash and cash equivalents as per balance sheet	174,242,178	118,265,856
3.	Figures in brackets represent cash outflow		

As per our separate report of even date attached
For JAGDISH CHAND & CO.
 Firm Registration Number : 000129N
Chartered Accountants

(J.C. Gupta)
 Partner
 Membership No. 6107

Place of signing : New Delhi
 Date : 27th May, 2015

(Sanjay Aggarwal)
 Chairman & CEO

(S K Aggarwal)
 Chief Financial Officer

Place : New Delhi
 Date : 27th May, 2015

(Sandeep Aggarwal)
 Managing Director

(Tannu Sharma)
 Company Secretary

1. SIGNIFICANT ACCOUNTING POLICIES

a Basis of Preparation

- i. In compliance with the accounting standards referred to in Section 133 and the other relevant provisions of the Companies Act, 2013 to the extent applicable, the company follows the accrual system of accounting in general and the historical cost convention in accordance with the Generally Accepted Accounting Principles (GAAP), except where otherwise stated.
- ii. The preparation of accounting statements in conformity with GAAP requires the management to make assumption and estimates that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statement and the amounts of income and expenses during the period reported under the financial statements. Any revision to the accounting estimates are recognised prospectively when revised.
- iii. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current-non current classification of assets and liabilities.

b Fixed Assets, intangible assets and capital work-in-progress

- i. Construction period expenses directly attributable to projects are capitalised. Financing cost during the construction period on loans raised for/allocated to qualifying projects is capitalised. Financing cost incurred on general borrowings used for projects is capitalised. The amount of such borrowing is determined after setting off the amount of internal accruals.
- ii. Fixed Assets are stated at cost including allocated costs or valuation less accumulated depreciation.
- iii. The cost of any software purchased initially along with the computer hardware is being capitalised along with the cost of the hardware. Any subsequent acquisition/upgradation of software is being capitalised as an asset.

c Depreciation and Amortisation

- i. The cost of capitalised software is amortised over a period of five years from the date of its acquisition.
- ii. Depreciation on Fixed Assets is calculated on Straight line method in accordance with the provisions of Schedule II of the Companies Act, 2013 keeping 5% of cost as residual value. The useful life of fixed assets as defined in the Part C of Schedule II of the Companies Act, 2013 has been taken for all tangible assets other than plant & machineries, which useful life is estimated 20 years based on internal assessment by the management and independent technical evaluation carried out by external valuers. Addition/deletion in the cost of the fixed assets due to exchange fluctuation in long term foreign currency monetary items arising due to difference in exchange rate vis a vis initial recording and reporting date are depreciated over the balance life of the assets.
- iii. Fixed Assets costing upto ` 5,000/- each are fully depreciated in the year of its acquisition
- iv. No write off is being made in respect of leasehold land, as the lease is a long lease.

d Investments

Long term investments are stated at cost. Provision for diminution in the value of long term investments is made only if, such decline is other than temporary in the opinion of the management. Current investments are stated at lower of cost or market value.

e Inventories

- i. Inventories are valued as follows :
 - Finished Goods are valued at lower of cost or net realisable value.
 - Raw materials are valued at lower of cost or net realisable value.
 - Work-in-Progress is valued at lower of cost or net realisable value.
 - Packing materials, Stores & Spares are valued at cost.
 - Scrap is valued at estimated realisable value.
- ii. Cost of Raw Material is determined on weighted average basis. Cost of Packing Materials and Stores & Spares is determined on weighted average basis. Work-in-Progress includes raw material costs and allocated production overheads on estimated basis. Cost of Finished Goods is determined by taking derived material costs and other overheads.

f Foreign Currency Transactions

- i. Foreign currency transactions remaining unsettled at the year end are translated at year end rate. Premium in respect of forward contracts is accounted over the period of contract. Exchange differences arising on foreign currency transactions are recognized as income or expense in the period in which they arise.
- ii. Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing on the date of transaction.
- iii. Exchange difference arising on reporting of long term foreign currency monetary items:-
 - In so far as they relate to the acquisition of a depreciable capital assets are adjusted in the cost of assets.
 - In other cases are accumulated in a 'Foreign Currency Monetary Item Translation Difference Account (FCMITDA)' and are amortised over period of foreign currency monetary item or up to 31st March, 2020, whichever is earlier.
- iv. Non monetary foreign currency items are carried at cost.

g Revenue Recognition

- i. Sales are accounted for on dispatch of goods from the factory to the customers. Sales are net of returns and include excise duty wherever directly chargeable from customers, but exclude sales tax/VAT.
- ii. Other items of revenue are recognised in accordance with the Accounting Standard on 'Revenue Recognition' (AS-9). Accordingly, wherever there are uncertainties in the ascertainment/ realisation of income, the same is not accounted for.

h Excise Duty

Excise Duty has been accounted on the basis of both payments made in respect of goods cleared as also provision made for goods lying in factory premises. CENVAT credit is accounted on accrual basis on purchases of materials and capital goods.

i Employees Benefits

- i. Liability in respect of Gratuity, a defined benefit plan, is being paid to a fund maintained by SBI life insurance company Limited under Group Gratuity Scheme. Difference between the fund balance and accrued liability at the end of the year based on actuarial valuation is charged to Profit & Loss Account.
- ii. Liability in respect of employees who are entitled to leave compensatory & encashment, a terminal employee benefit, being defined benefit plan, is recognized on the basis of actuarial valuation.
- iii. Contributions with respect to Provident Fund, is recognized as an expense in the profit and loss account of the year in which the related service is rendered.

j Reserves

- i. The difference between depreciation on the revalued value of the asset and depreciation on their historical cost is transferred from Revaluation Reserve to General Reserve.
- ii. Project subsidy from State Government is credited to Capital Reserve.

k Preliminary Expenses

Public Issue expenditure and premium on redemption of FCCBs / Preference Shares are being written off against securities premium.

l Taxes on Income

Current tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

m Impairment of Fixed Assets

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor. Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the asset no longer exist or have decreased. However, the increase in carrying amount of an asset due to reversal of an impairment loss is recognised to the extent it does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised for the assets in prior years.

2 Share Capital

Figures in `

Particulars	As At 31 st March, 2015		As At 31 st March, 2014	
	Nos.	Amount	Nos.	Amount
Authorised:				
250,000,000 (Previous Year 250,000,000) Equity Shares of `2/- each		500,000,000		500,000,000
1,000,000 (Previous Year 1,000,000) Redeemable Preference Shares of `100/- each		100,000,000		100,000,000
		600,000,000		600,000,000
Issued, Subscribed & Paid up				
125,233,465 (Previous Year 125,233,465) Equity Shares of `2/- each fully paid		250,466,930		250,466,930
765,000 (Previous Year 765,000) 0% Non-Convertible Redeemable Preference Shares (NCRPS) of `100/- each		76,500,000		76,500,000
Total		326,966,930		326,966,930

2.1 Rights, preferences and restrictions attached to Equity Shares

Equity Shares : The company has one class of equity shares having a face value of `2/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders 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.

Rights, preferences and restrictions attached to 0% Non-Convertible Redeemable Preference Shares (NCRPS)

Rate of Dividend: 0% rate of dividend. NCRPS are not convertible in equity shares. Redeemable on day and date falling next to date of expiry of a period of 10 years calculated from the date of allotment of these shares. Option of an earlier redemption after expiry of period of 6 months shall be open to Board and can be made by a Board resolution to this effect passed in a duly convened meeting and when consented by the NCRPS shareholders, where the premium payable on redemption shall be adjusted proportionately. Redemption Value & Premium: The redemption premium shall be @ 50% of par value and thereby the redemption value shall be 150% of face value after 10 (Ten) years term. There is no right to vote in general. The voting rights shall be restricted to the matters concerning their interest only. Right to share of Assets: In the event of winding up of the Company, the NCRPS shareholders shall be entitled to share of assets of the Company in proportion of the preference share capital to aggregate of total paid up capital after settlement of all the liabilities of the Company. The NCRPS shareholders shall have a preferential right on the assets of Company over the Equity shareholders while distribution of assets among shareholders in the event of winding up of Company.

2.2 Reconciliation of Number of Equity Shares

Figures in `

Particulars	As At 31 st March, 2015		As At 31 st March, 2014	
	Nos.	Amount	Nos.	Amount
Balance as at the beginning of the year	125,233,465	250,466,930	125,233,465	250,466,930
Add: Issued during the year	-	-	-	-
Balance as at the end of the year	125,233,465	250,466,930	125,233,465	250,466,930

Reconciliation of Number of Preference Shares

Figures in `

Particulars	As At 31 st March, 2015		As At 31 st March, 2014	
	Nos.	Amount	Nos.	Amount
Balance as at the beginning of the year	765,000	76,500,000	765,000	76,500,000
Add: Issued during the year	-	-	-	-
Balance as at the end of the year	765,000	76,500,000	765,000	76,500,000

2.3 List of Shareholders holding more than 5% of the aggregate Shares:
Figures in `

Name of Shareholder	As At 31 st March, 2015		As At 31 st March, 2014	
	Nos.	%age	Nos.	%age
Equity Shareholders				
M/s Paramount Telecables Limited	24,851,500	19.84	24,851,500	19.84
M/s April Investment and Finance Pvt. Ltd.	13,040,172	10.41	13,040,172	10.41
Preference Shareholder				
M/s Paramount Telecables Limited	765,000	100.00	765,000	100.00

3 Reserves & Surplus
Figures in `

Particulars	As At 31 st March, 2015		As At 31 st March, 2014	
Capital Reserve				
- Capital Investment Subsidy				
Balance at the beginning of the year	3,000,000		3,000,000	
- Profit on Issue of forfeited shares				
Balance at the beginning of the year	31,100	3,031,100	31,100	3,031,100
Securities Premium Account				
Balance at the beginning of the year	685,929,437		919,362,225	
Less : Premium on redemption of FCCBs (Refer Note 3.1)	-		229,607,788	
Less : Provision for Premium on redemption of Preference Shares (Refer Note 3.2)	3,825,000	682,104,437	3,825,000	685,929,437
Revaluation Reserve				
Balance at the beginning of the year	8,958,739		9,069,493	
Less : Transfer to Profit & Loss Account	-		110,754	
Less : Transfer to General Reserve	60,111	8,898,628	-	8,958,739
General Reserve				
Balance at the beginning of the year	25,282,886		25,282,886	
Add : Transfer from Revaluation Reserve (Refer Note 3.5)	60,111	25,342,997	-	25,282,886
Surplus				
Balance at the beginning of the year	(2,123,195,108)		(1,088,860,939)	
Add : Adjustment due to depreciation on fixed Assets whose useful life already exhausted as on 1 st April, 2014 (Refer note 3.6)	(10,100,787)		-	
Add : Transfer from Profit & Loss Statement	(1,031,384,218)	(3,164,680,113)	(1,034,334,169)	(2,123,195,108)
Foreign Currency Monetary Item Translation Difference Account (FCMITDA)				
Balance at the beginning of the year	(36,190,956)		(31,243,974)	
Add : Additions during the year	(12,339,082)		(28,376,262)	
Less : Written off during the year (Refer Note 3.4)	(25,681,183)	(22,848,855)	(23,429,280)	(36,190,956)
Total		(2,468,151,806)		(1,436,183,902)

- 3.1 Premium on redemption of FCCBs (Gross of tax) ` Nil (Previous Year ` 229,607,788/-) has been set off against Securities Premium Account.
- 3.2 During the year Redemption Premium payable on prorata basis ` 3,825,000/- (Previous Year ` 3,825,000/-) on 0% Non-Convertible Redeemable Preference share (NCRPS) has been charged to Securities Premium Account.
- 3.3 In view of losses Capital Redemption Reserve required under Section 55 of the Companies Act, 2013 has not been created.
- 3.4 Are amortised over period of foreign currency monetary item or up to 31st March, 2020, whichever is earlier.
- 3.5 Amount of Depreciation pertaining to revaluation in case of Buildings has been transferred from Revaluation Reserve.
- 3.6 During the current year, depreciation has been provided on fixed assets as per the useful life specified in Part C of Schedule II of the Companies Act 2013 and as per internal assessment by the management and independent technical evaluation carried out by external valuers. In case of existing assets, depreciation has been provided based on remaining useful life of the assets. Assets whose useful life is already exhausted as on 1st April, 2014, amounting to ` 10,100,787/- has been recognised in the opening balance of Profit & Loss Account (debit).

4 Long Term Borrowings

Figures in `

Particulars	As At 31 st March, 2015		As At 31 st March, 2014	
Secured				
Term Loans :				
— From Banks			215,131,079	
— Foreign Currency Loan	134,366,826		1,242,585,796	
— Rupee Loans	988,610,006		37,362,750	1,495,079,625
For Financial Institutions	37,362,750	1,160,339,581		
		1,160,339,581		1,495,079,625

4.1 Nature of Security :-

i. Term Loan from Banks:-

Term loans from banks are secured by 1st pari-passu charge on present and future fixed assets of the company and 2nd pari-passu charge on present and future current assets of the Company. Further they are secured through collateral by way of 2nd charge on a property owned by a Corporate, personal guarantees of Mr. Sanjay Aggarwal and Mr. Sandeep Aggarwal, Directors of the Company and pledge of 100% equity shares of the company held by Promoters/ Promoters Group Companies.

ii. 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.

4.2. Period and Amount of Default in Repayment :-

- 4.2.1 Due to continuing losses and delays in monetization of an asset stipulated in Corporate Debt Restructuring, EG approved Rework Package, Company is in default as per details given below:

Figures in `

Nature of Payment	FY 2014-2015	FY 2013-2014	Period of default
Rupee Loans from banks	159,601,380	225,424,887	Since June, 2013
Foreign Currency Loans	89,577,884	-	Since September, 2014
Interest on Loans	287,613,509	76,856,150	Since October, 2013

4.2.2 Rupee Loans from a bank are in default due to non repayment of recalled loan by a bank.

Nature of Payment	FY 2014-2015	FY 2013-2014	Period of default
Rupee Loans from banks	42,850,323	-	Since November, 2014
Interest on Loans	18,225,330	-	Since November, 2014

4.3 Maturity Profile and rate of interest of Secured Term Loans are as set out below :-

Figures in `

Rate of Interest	Maturity Profile			
	1-2 Years	2-3 Years	3-4 Years	Beyond 4 Years
11.5%	8,000,000	8,000,000	8,600,000	12,920,000
10%				37,362,750
10.5%	18,709,004	15,312,802	15,312,802	-
9%	85,632,159	73,200,159	181,734,430	272,627,664
8.50%	5,652,327	-	-	-
5.2%	89,577,884	44,788,941	-	-
1%	38,227,458	35,389,445	35,389,445	35,389,445
0%	30,573,979	41,782,794	45,264,694	20,891,399
Total	276,372,812	218,474,141	286,301,370	379,191,258

4.3.1 This information is as per Corporate Debt Restructuring, EG approved Rework Package.

5 Deferred Tax Liability (Net)

Figures in `

Particulars	As At 31 st March, 2015		As At 31 st March, 2014	
Deferred Tax Assets :				
- Leave Encashment	3,824,178		3,021,520	
- Unabsorbed Depreciation	102,704,363	106,528,541	112,822,597	115,844,117
Deferred Tax Liabilities :				
- Depreciation		106,528,541		115,844,117
Total				

5.1 As required by Accounting Standard-22 ('AS-22') in view of existence of Carried forward losses and unabsorbed depreciation under tax laws, Deferred Tax Assets have been recognised only to the extent they are virtually certain to be realised.

6 Long Term Provisions

Figures in `

Particulars	As At 31 st March, 2015	As At 31 st March, 2014
Employee Benefits (Refer Note 24.1)		
— Leave Encashment	9,067,324	7,871,730
— Gratuity	319,731	1,418,133
Provision for Premium on Redemption of Preference Shares (Refer Note 2.1 & 3.2)	7,670,960	3,845,959
Total	17,058,015	13,135,822

7 Short Term Borrowings

Figures in `

Particulars	As At 31 st March, 2015	As At 31 st March, 2014
Secured		
— Working Capital Loans from Banks	2,147,401,707	1,477,993,406
Total	2,147,401,707	1,477,993,406

7.1 Nature of Security :-

Working Capital facilities from Banks are secured by 1st Pari-Passu charge by way of hypothecation on the entire current assets including raw material, stocks in process, finished goods, consumable stores & spares and receivables of the Company, 1st Pari-Passu charge on company's property situated at Prahaladpur, Bawana Road, Delhi, 2nd Pari-Passu charge on other present and future fixed assets. Further they are secured through collateral by way of 2nd charge on a property owned by a Corporate, personal guarantees of Mr. Sanjay Aggarwal and Mr. Sandeep Aggarwal, Directors of the Company and pledge of 100% equity shares of the company held by Promoters/ Promoters Group Companies .

7.2 Period and amount of default:

- Working Capital Loans from banks are overdrawn to the extent of ` 598,744,744/- (Previous Year ` 97,434,093/-) due to devolvement of Letter of Credits since January, 2014.
- Working Capital Loans from a bank are in default ` 281,665,199/- (Previous Year ` NIL) due to non repayment of recalled loan by a bank since November, 2014.
- Interest on Working Capital Loans from banks are overdrawn to the extent of ` 246,705,450/- (Previous Year ` 46,675,155/-) due since October, 2013.

8. Trade Payables

Figures in `

Particulars	As At 31 st March, 2015		As At 31 st March, 2014	
Acceptances		234,600,771		590,532,137
Due to:				
- Micro, Small & Medium Enterprises	-		-	
- Others	99,898,600	99,898,600	228,829,128	228,829,128
Total		334,499,371		819,361,265

8.1 Disclosure under MSMED Act,2006

The details of amounts outstanding to Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), based on the available information with the Company are as under:

i. Principal amount due and remaining unpaid	-	-
ii. Interest due on (1) above and unpaid interest	-	-
iii. Interest paid on all delayed payments under the MSMED Act.	-	-
iv. Payment made beyond the appointed day during the year	-	-
v. Interest due and payable for the period of delay other than (3) above	-	-
vi. Interest accrued and remaining unpaid	-	-
vii. Amount of further interest remaining due and payable in succeeding years-	-	-

9 Other Current Liabilities
Figures in `

Particulars	As At 31 st March, 2015		As At 31 st March, 2014	
Current Maturities of Long-Term Debt				
Term Loans :				
From Banks				
— Foreign Currency Loan	179,155,767		86,052,432	
— Rupee Loans	482,167,128	661,322,896	356,250,543	442,302,975
(Refer Note 4.1)				
Current Maturities of Finance Lease Obligations		-		255,199
(Refer Note 31)				
Interest accrued and due on borrowings				
(Refer Note 4.1, 7.2 & 9.2)		542,182,867		125,351,603
Interest accrued but not due on borrowings		109,659		770,055
Unpaid Dividends		467,296		841,324
(Refer Note 9.3)				
Foreign Currency Convertible Bonds (FCCBs)		685,096,015		658,133,186
(Refer Note 9.1)				
Interest accrued and due on FCCBs		21,284,901		13,865,875
(Refer Note 9.1)				
Interest accrued but not due on FCCBs		1,689,278		1,622,794
Employee Benefits Payable		13,173,096		13,087,065
Sundry Creditors -Capital Goods		1,875,303		1,518,254
Statutory Dues Payable		35,368,870		67,568,863
Advance from Customers		13,397,015		4,848,916
Other Payables		48,911,621		37,863,499
Total		2,024,878,817		1,368,029,608

9.1 Principal amount of ` 470,700,000/- of 1% Foreign Currency Convertible Bonds ('FCCBs') is overdue for repayment since 23rd November, 2011. Interest on FCCBs ` 21,284,901/- due up to 31st December, 2014 has also not been paid and is over due. Premium on redemption of FCCB's of ` 214,936,015/- is also over due for payment since 23rd November, 2011.

9.2 Refer Note 4.2 for default in repayment of Term Loans.

9.3 No amount is due as on 31st March, 2015 for credit to Investor Education and Protection Fund (Fund). Amount remaining due after adjustment of amounts to be claimed from the Company will be transferred on the respective due dates to the Fund.

10 Short Term Provisions
Figures in `

Particulars	As At 31 st March, 2015		As At 31 st March, 2014	
Provision for Employee Benefits				
(Refer Note 24.1)				
- Leave Encashment		1,982,657		1,441,016
Others				
- Provision for Wealth Tax		17,753		65,700
Total		2,000,410		1,506,716

11. FIXED ASSETS

11.1 Tangible Assets

Figures in `

DESCRIPTION	GROSS BLOCK			DEPRECIATION & AMORTIZATION					NET BLOCK		
	As at 01.04.2014	Additions	Deductions	As at 31.03.2015	As at 01.04.2014	For the Year	Transfer to General Reserve	Deductions	As at 31.03.2015	As at 31.03.2015	As at 31.3.2014
Own Assets:											
Land											
— Freehold	12,621,330	-	-	12,621,330	-	-	-	-	-	12,621,330	12,621,330
— Leasehold	69,055,115	-	-	69,055,115	-	-	-	-	-	69,055,115	69,055,115
Buildings	234,912,319	538,490	-	235,450,809	69,514,200	6,736,575	-	-	76,250,775	159,200,034	165,398,119
Plant & Equipment	1,345,147,953	33,754,437	379,788	1,378,522,602	775,493,727	71,527,888	1,591,415	288,208	848,324,822	530,197,780	569,654,226
Furniture & Fixtures	56,323,975	81,774	181,524	56,224,225	24,815,922	6,326,238	2,247,895	159,627	33,230,428	22,993,797	31,508,053
Leasehold Building											
Improvement	11,340,968	-	-	11,340,968	3,670,461	1,455,240	-	-	5,125,701	6,215,267	7,670,507
Vehicles	30,684,272	52,457	45,800	30,690,929	20,612,246	4,949,678	138,294	27,158	25,673,060	5,017,869	10,072,026
Office Equipment	14,248,430	746,798	7,800	14,987,428	4,920,591	1,260,368	6,123,183	7,410	12,296,732	2,690,696	9,327,839
Total	1,774,334,362	35,173,956	614,912	1,808,893,406	899,027,147	92,255,987	10,100,787	482,403	1,000,901,518	807,991,888	875,307,215
Previous Year	1,745,069,224	31,305,959	2,040,821	1,774,334,362	793,216,457	107,751,041	-	1,940,351	899,027,147	875,307,215	951,852,767

11.2 Intangible Assets

Figures in `

DESCRIPTION	GROSS BLOCK			DEPRECIATION & AMORTIZATION					NET BLOCK		
	As at 01.04.2014	Additions	Deductions	As at 31.03.2015	As at 01.04.2014	For the Year	Transfer to General Reserve	Deductions	As at 31.03.2015	As at 31.03.2015	As at 31.3.2014
Own Assets (Acquired):											
- Software	30,591,036	806,660	-	31,397,696	28,979,797	714,002	-	-	29,693,799	1,703,897	1,611,239
Total	30,591,036	806,660	-	31,397,696	28,979,797	714,002	-	-	29,693,799	1,703,897	1,611,239
Previous Year	29,464,309	1,126,727	-	30,591,036	27,347,125	1,632,672	-	-	28,979,797	1,611,239	2,117,184

11.3 Land includes addition made due to revaluation as on 31st March, 1994 in erstwhile Paramount Cable Corporation ` 7,650,950

Building includes addition made due to revaluation as on 31st March, 1994 in erstwhile Paramount Cable Corporation ` 7,406,534

Amount of Depreciation pertaining to revaluation in case of Buildings ` 60,111

11.4 Title deeds of factory land at prahladpur, Bawana Road, Delhi are in the name of erstwhile Paramount Cable Corporation.

11.5 Title deeds of a part of factory land measuring 954.50 sq. mtr. at prahladpur, Bawana Road, Delhi shown in Balance Sheet at ` 2,386,250 are yet to be registered in name of the Company.

11.6 Land (Freehold) of ` 7,886,689/- as of 31st March, 2015 situated at Prahaldpur, Delhi is under acquisition as per the Land Acquisition Act, 1894. The matter is being contested.

11.7 During the current year, depreciation has been provided on fixed assets as per the useful life specified in Part C of Schedule II of the Companies Act 2013 and as per internal assessment by the management and independent technical evaluation carried out by external valuers. In case of existing assets, depreciation has been provided based on remaining useful life of the assets. Assets whose useful life is already exhausted as on 1st April, 2014, amounting to ` 10,100,787/- has been recognised in the opening balance of Profit & Loss Account (debit). Had there been no change in useful life of the assets, depreciation expense for the year would have been higher by ` 12,371,596/-.

11.8 As per changes made in AS 11 vide Companies(Accounting Standards) Amendment Rules 2009, further amended vide Amendment Rules 2011, during financial year 2008-09 the company exercised option of deferring foreign exchange difference arising on long term foreign currency monetary items viz 'FCCBs', Foreign Currency Term Loan to the Profit and Loss account, in respect of accounting periods commencing on or after December 22, 2006. As a result, such foreign exchange difference relating to the acquisition of depreciable capital assets have been adjusted with cost of such assets and would be depreciated over the balance life of the assets and in other cases has been accumulated in 'FCMITDA'. Exchange loss (net) ` 8,892,000/- (Previous year exchange loss (net) ` 20,448,000/-) has been adjusted in gross block of Fixed Assets. Exchange difference on External Commercial Borrowing (ECBs) raised for repurchasing FCCBs has been transferred to 'FCMITDA'

11.9 Additions are after adjusting exchange loss (net) ` 8,892,000/- (Previous Year exchange loss (net) ` 20,448,000/-)

Figures in `

Assets	31.03.2015	31.3.2014
i. Building	2,822,441	6,490,470
ii. Plant & Equipment	5,591,360	12,857,867
iii. Furniture & Fixtures	316,305	727,374
iv. Software	161,893	372,289
Total	8,892,000	20,448,000

12 Non Current investment (Long Term Investments)

Figures in `

Particulars	As At 31 st March, 2015		As At 31 st March, 2014	
Other Investments (Valued at Cost unless stated otherwise)				
Quoted				
Equity Shares				
- Haryana Financial Corporation 4,800 (Previous Year 4,800) Equity Shares of ` 10/- each, fully paid		168,000		168,000
Unquoted				
Equity Shares of Associate Company				
- Paramount Wires & Cables Limited NIL (Previous Year 2,558,000) Equity Shares of ` 10/- each, fully paid		-		25,580,000
Equity Shares of Subsidiary Companies				
- Paramount Holdings Limited, Cyprus 3675 (Previous Year 3675) Equity Shares of ` 1.71 each, fully paid	255,469,782		255,469,782	
Less : Provision for Diminution in value of investment	255,469,781	1	255,469,781	1
- AEI Power Cables Limited, United Kingdom 1,000 (Previous Year Nil) Equity Shares of £1 each, fully paid	76	-		
Less : Provision for Diminution in value of investment	75	1	-	-
- 06196375 Cables Limited (formerly AEI Cables Limited), United Kingdom in administration 20,000 (Previous Year Nil) Equity Shares of £1 each, fully paid	76	-		
Less : Provision for Diminution in value of investment	75	1	-	-
Unquoted				
Redeemable Preference Shares of Subsidiary Companies				
- AEI Power Cables Limited, United Kingdom 100,000 Redeemable preference shares (previous year Nil) of £1 each, fully paid		-		-
- 06196375 Cables Limited (formerly AEI Cables Limited), United Kingdom in administration 2,995,000 Redeemable preference shares (previous year Nil) of £1 each, fully paid		-		-
Total		168,003		25,748,001
Quoted Investments				
- Aggregate of Book Value		168,000		168,000
- Aggregate of Market Value		118,320		118,320
Unquoted Investments				
- Aggregate of Book Value		255,469,934		281,049,782
- Aggregate Provision for Diminution in value of investment		255,469,931		255,469,781

12.1 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.

12.2 During the year company purchased Equity shares and preference shares of "06196375 Cables Limited" (formerly AEI Cables Limited), United Kingdom and AEI Power Cables Limited, United Kingdom from Paramount Holdings Limited, Cyprus at the aggregate value of euro 1. Hence, "06196375 Cables Limited" (formerly AEI Cables Limited), United Kingdom and AEI Power Cables Limited, United Kingdom have become direct subsidiaries during the year.

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

13 Long Term Loans and Advances

(Unsecured, Considered Good unless otherwise stated)

Figures in `

Particulars	As At 31 st March, 2015		As At 31 st March, 2014	
Capital Advances		2,992,220		3,492,220
Security Deposits				
- Related Parties (Refer Note 13.1)	18,000,000		18,000,000	
- Others	8,777,600	26,777,600	8,251,580	26,251,580
Loans and Advances to Workers & Staff		433,038		83,469
Advance to Related Parties - Considered Doubtful				
- Paramount Holdings Limited (Subsidiary Company)	7,151,285		6,144,370	
[Maximum Balance during the year ` 7,151,285/- (Previous Year ` 6,144,370/-)]				
Less: - Provision for advances recoverable from subsidiary Company	7,151,285	-	6,144,370	-
Total		30,202,858		29,827,269

13.1 Disclosure pursuant to clause 32 of the Listing Agreement with Stock Exchanges is given below:

Figures in `

(a) Loans and Advances in the nature of Security deposit given to Related Parties:

Name	As at 31.03.2015	Maximum Balance during 2014-15	As at 31.03.2014	Maximum Balance during 2013-14
Paramount Telecables Limited	18,000,000/-	18,000,000/-	18,000,000/-	18,000,000/-
— Security deposit for premises taken on rent by the Company and adjustable/refundable as per terms & conditions of the Lease Agreement.				
(b) Investment by the Loanee in the shares of the company				
<u>Equity Shares</u>				
- Amount (par value)	49,703,000		49,703,000	
- No of shares	24,851,500		24,851,500	
<u>Preference Shares</u>				
- Amount (par value)	76,500,000		76,500,000	
- No of shares	765,000		765,000	

14 Inventories

(as taken, valued & certified by the management)

Figures in `

Particulars	As At 31 st March, 2015		As At 31 st March, 2014	
Raw Materials		220,007,271		282,593,742
Work-in-Progress		266,280,951		522,607,814
Finished Goods		254,502,921		661,424,719
Stores & Spares		13,393,926		14,050,970
Packing Materials		1,004,828		1,129,178
Scrap		2,662,379		6,830,926
Total		757,852,276		1,488,637,349

15 Trade Receivables (Current)
Figures in `

Particulars	As At 31 st March, 2015		As At 31 st March, 2014	
Unsecured				
Outstanding for a period exceeding six months from the date due for payment				
- Considered Good	161,681,913		231,775,798	
- Considered Doubtful	114,772,685		37,179,850	
	276,454,598		268,955,648	
Less: Provision for Bad and Doubtful Debts	114,772,685	161,681,913	37,179,850	231,775,798
Others				
- Considered Good	1,410,540,489		1,157,957,417	
- Considered Doubtful	-		77,513,737	
	1,410,540,489		1,235,471,154	
Less: Provision for Bad and Doubtful Debts	-	1,410,540,489	77,513,737	1,157,957,417
Total		1,572,222,402		1,389,733,215

16 Cash and Bank Balances
Figures in `

Particulars	As At 31 st March, 2015		As At 31 st March, 2014	
Cash on hand		5,675,079		5,896,833
Balances with Banks				
- Current Accounts	2,076,753		11,728,866	
- Fixed Deposits (Refer Note 16.1)	166,490,346	168,567,099	100,640,157	112,369,023
Total		174,242,178		118,265,856
Balance with Bank in Unpaid Dividend Accounts		467,296		841,324
Fixed Deposit with more than 12 months maturity		41,863,732		7,782,952

16.1 Fixed deposits with banks ` 166,490,346/- (Previous Year ` 100,640,157/-) are under lien/custody with banks/ others.

17 Short Term Loans & Advances (Unsecured, considered good)
Figures in `

Particulars	As At 31 st March, 2015		As At 31 st March, 2014	
Balance with Excise Authorities		60,262,967		55,861,637
Others				
- Advances to Supplier	49,210,097		19,805,208	
- Prepaid Expenses	3,828,687		1,787,774	
- Amount Recoverable in Cash or Kind	2,012,066		59,511	
- Earnest Money Deposits	10,558,030		13,225,562	
- Security Deposits	758,912		826,190	
- Loans to Workers & Staff	889,295		715,779	
- Advances to Workers & Staff	1,191,010		2,279,216	
- Claims Recoverable from Government	52,654,619		29,111,832	
- Advance Tax	5,195,274	126,297,990	3,865,528	71,676,599
Total		186,560,956		127,538,236

18 Other Current Assets
Figures in `

Particulars	As At 31 st March, 2015		As At 31 st March, 2014	
Interest Accrued on Deposits		14,048,567		9,221,090
Total		14,048,567		9,221,090

19 Revenue From Operations (Gross)
Figures in `

Particulars	Year Ended 31 st March, 2015		Year Ended 31 st March, 2014	
Sale Of Products				
- Manufactured Goods	4,823,239,921	4,874,366,046	4,452,401,686	4,452,401,686
- Traded Goods	51,126,125		-	
Other Operating Revenue				
- Export Benefits	8,772,555	92,578,042	2,240,778	62,865,103
- Sale of Scrap	83,805,487		60,624,325	
Total		4,966,944,088		4,515,266,789

19.1 Detail of Sales (Manufactured Goods)
Figures in `

Particulars	Year Ended 31 st March, 2015		Year Ended 31 st March, 2014	
Power Cables		3,281,945,726		3,693,261,856
Jelly Filled Telephone Cables		437,659,032		642,420,581
Optical Fibre Cables		1,103,635,163		116,719,249
Total		4,823,239,921		4,452,401,686

19.2 Detail of Sales (Traded Goods)
Figures in `

Particulars	Year Ended 31 st March, 2015		Year Ended 31 st March, 2014	
Cables & Accessories		51,126,125		-
Total		51,126,125		-

20 Other Income
Figures in `

Particulars	Year Ended 31 st March, 2015		Year Ended 31 st March, 2014	
Interest Income				
- Fixed Deposits	17,478,603	18,619,878	9,200,476	14,823,633
- Others	1,141,275		5,623,157	
Liabilities Written Back		61,525		83,978
Insurance Claim Received		-		2,820
Miscellaneous Income		230		9,311
Exchange Fluctuation (Net)		-		9,596,304
Total		18,681,633		24,516,046

21 Cost of Materials Consumed
Figures in `

Particulars	Year Ended 31 st March, 2015		Year Ended 31 st March, 2014	
Raw Materials consumed				
- Opening Stock	282,593,742	3,543,357,691	493,452,263	3,624,621,604
Add : Purchases	3,480,771,220		3,413,763,083	
Less : Closing Stock	220,007,271		282,593,742	
Total		3,543,357,691		3,624,621,604

21.1 Particulars of Raw Materials consumed
Figures in `

Class of Goods	Year Ended 31 st March, 2015		Year Ended 31 st March, 2014	
Copper		1,349,553,733		1,661,869,587
Aluminum		732,930,214		814,703,844
PVC/PE		746,856,729		708,992,280
GI Wires/Strips		203,575,053		265,117,760
Others		510,441,962		173,938,133
Total		3,543,357,691		3,624,621,604

22 Purchase of Stock in Trade
Figures in `

Class of Goods	Year Ended 31 st March, 2015		Year Ended 31 st March, 2014	
Cables & Accessories		36,468,713		-
Total		36,468,713		-

23 (Increase)/Decrease in Inventory of Finished Goods, Work In Progress and Stock in Trade
Figures in `

Particulars	Year Ended 31 st March, 2015		Year Ended 31 st March, 2014	
Opening Stock				
- Finished Goods	661,424,719		578,469,684	
- Work In Progress	522,607,814		604,194,320	
- Scrap	6,830,926	1,190,863,459	8,998,233	1,191,662,237
Less; Closing Stock				
- Finished Goods	254,502,921		661,424,719	
- Work In Progress	266,280,951		522,607,814	
- Scrap	2,662,379	523,446,251	6,830,926	1,190,863,459
Total		667,417,208		798,778

24 Employee Benefits Expense
Figures in `

Particulars	Year Ended 31 st March, 2015		Year Ended 31 st March, 2014	
Salaries, Wages & Others Benefits	105,314,419		121,137,461	
Contribution to Provident & Other Funds	5,502,464		7,712,805	
Welfare Expenses	4,504,958	115,321,841	4,080,636	132,930,902
Total		115,321,841		132,930,902

24.1 The disclosures required under Accounting Standard 15 "Employee Benefits" ("AS-15") are given below:

Defined Contribution Plan

The amount recognized as an expense in defined contribution plan is as under:

Figures in `

Particulars	Year Ended 31 st March, 2015		Year Ended 31 st March, 2014	
Contributory Provident Fund & Employees Pension Scheme, 1995		5,143,129		6,120,155

Defined Benefit Plan

The company is having following Defined Benefit Plans:

Gratuity (Funded)

Leave Encashment (Unfunded)

Particulars	Gratuity	Leave	Gratuity	Leave
	(Funded) 2014-15	Encashment (Unfunded) 2014-15	(Funded) 2013-14	Encashment (Unfunded) 2013-14
a) Actuarial Assumptions				
Discount rate	7.82	7.80	9.17	9.10
Expected rate of return on assets	8.00	-	8.00	-
Expected rate of future salary increase	8.00	9.00	8.00	6.00
b) Reconciliation of opening and closing balances of Defined Benefit obligation				
Present value of obligations as at beginning of year	16,240,254	93,12,746	18,035,390	1,32,33,746
Interest cost	1,269,988	8,47,460	1,424,964	10,71,933
Current Service Cost	1,986,395	10,67,727	1,888,710	6,66,121
Benefits paid	-	(1,034,864)	(4,991,956)	(29,14,442)
Actuarial (gain)/loss on Obligations	(1,574,096)	8,56,912	(116,854)	(27,44,612)
Value of Obligation for employees transferred from Paramount Wire & Cables Ltd during the year	-	-	-	-
Present value of obligations as at end of year	17,922,541	1,10,49,981	16,240,254	93,12,746
c) Reconciliation of opening and closing balances of fair value of plan assets				
Fair value of plan assets as on beginning of year	14,822,121	-	16,560,493	-
Expected return on plan assets	1,360,219	-	1,192,237	-
Contributions	1,457,737	-	1,649,414	-
Benefits paid	-	-	(4,991,956)	-
Actuarial Gain/(Loss) on Plan assets	(37,267)	-	411,933	-
Fair value of plan assets at the end of year	17,602,810	-	14,822,121	-
d) Fair value of plan assets				
Fair value of plan assets at beginning of year	14,822,121	-	16,560,493	-
Actual return on plan assets	1,322,952	-	1,604,170	-
Contributions	1,457,737	-	1,649,414	-
Benefits paid	-	-	(4,991,956)	-
Fair value of plan assets at the end of year	17,602,810	-	14,822,121	-
Funded status	(319,731)	(11,049,981)	(1,418,133)	(9,312,746)
Excess of Actual over estimated return on plan	37,267	-	411,933	-
e) Actuarial Gain/Loss recognized				
Actuarial gain/(Loss) for the year – Obligation	(1,574,096)	(856,912)	(116,854)	27,44,612
Actuarial (gain)/Loss for the year – plan assets	37,267	-	(411,933)	-
Total (gain)/Loss for the year	(1,536,829)	8,56,912	(528,788)	(2,744,612)
Actuarial (gain)/Loss recognized in the year	(1,536,829)	8,56,912	(528,788)	(2,744,612)
f) The amounts recognized in the balance sheet				
Present value of obligations as at the end of year	17,922,541	1,10,49,981	16,240,254	93,12,746
Fair value of plan assets as at the end of the year	17,602,810	-	14,822,121	-
Funded status	(319,731)	(11,049,981)	(1,418,133)	(9,312,746)
Net (Asset)/liability recognized in balance sheet	(319,731)	11,049,981	(1,418,133)	(9,312,746)
g) Expenses Recognized in statement of Profit & Loss				
Current Service Cost	1,986,395	10,67,727	1,888,710	6,66,121
Interest cost	1,269,988	8,47,460	1,424,968	10,71,933
Expected return on plan assets	(1,360,219)	-	(1,192,237)	-
Net Actuarial (gain)/Loss recognized in the year	(1,536,829)	8,56,912	(528,788)	(2,744,612)
Value of Obligation for employees transferred from Paramount Wire & Cables Ltd during the year	-	-	-	-
Expenses recognized in statement of Profit & Loss	359,335	2,772,099	1,592,650	(1,006,558)

25 Finance Costs
Figures in `

Particulars	Year Ended 31 st March, 2015		Year Ended 31 st March, 2014	
Interest Expense				
- Interest on Borrowings	582,886,060		359,248,736	
- Interest On Income Tax	27,250	582,913,310	-	359,248,736
Other Borrowing Costs		27,188,368		56,289,506
Total		610,101,678		415,538,242

25.1 Interest on borrowings from banks has been provided based upon information available from banks and as per best estimates by management.

26 Depreciation and Amortisation Expenses
Figures in `

Particulars	Year Ended 31 st March, 2015		Year Ended 31 st March, 2014	
Fixed Assets				
- Tangible Assets	92,255,987		107,751,041	
- Intangible Assets	714,002	92,969,989	1,632,672	109,383,713
Less: Transfer from Revaluation Reserve		-		110,754
		92,969,989		109,272,959

26.1 During the current year, depreciation has been provided on fixed assets as per the useful life specified in Part C of Schedule II of the Companies Act, 2013 and as per internal assessment by the management and independent technical evaluation carried out by external valuers. In case of existing assets, depreciation has been provided based on remaining useful life of the assets. Assets whose useful life is already exhausted as on 1st April, 2014, amounting to ` 10,100,787/- has been recognised in the opening balance of Profit & Loss Account (debit). Had there been no change in useful life of the assets, depreciation expense for the year would have been higher by ` 12,371,596/-.

27 Other Expenses
Figures in `

Particulars	Year Ended 31 st March, 2015		Year Ended 31 st March, 2014	
Stores, Spares & Consumables		22,772,113		19,687,137
Excise Duty (Refer Note 27.1)		(33,486,854)		(4,217,670)
Packing Expenses		120,180,152		124,148,109
Power, Fuel and Lighting		85,963,310		82,054,605
Rent		22,247,992		22,064,899
Repair & Maintenance				
- Plant & Machinery	10,992,656		10,758,075	
- Building	2,159,979		1,782,119	
- Others	2,956,574	16,109,209	2,379,371	14,919,565
Insurance (Refer Note 27.2)		6,735,164		7,017,295
Rates and Taxes [Includes Wealth Tax ` 17,753/- (Previous Year ` 65,700/-)]		2,272,280		987,444
Auditor's Remuneration (Refer Note 27.4)		1,698,120		1,658,436
Conversion Charges		4,902,130		9,058,124
Labour Charges		79,872,398		67,589,246
Rebates, Discount, Commission on Sales		17,200,195		19,473,335
Freight, Octroi & cartage [Net of recovery ` 84,021,084/- (Previous Year ` 65,365,803/-)]		8,847,613		17,326,017
Bad Debts written off		17,081,383		18,645,408

Particulars	Year Ended 31 st March, 2015		Year Ended 31 st March, 2014	
Travelling and Conveyance [Net of recovery ` Nil (Previous Year ` 3,463,592/-)] (Refer Note 27.3)		25,848,878		27,846,616
Amortisation of FCMITDA (Net)		25,681,183		23,429,280
Exchange Fluctuation (Net)		18,147,002		-
Advertisement & Publicity		562,142		717,884
Communication Expenses		5,140,619		5,124,432
Loss on sale/disposal of Fixed Assets (Net)		132,513		82,470
Donations		2,052,600		1,150,000
Directors Meeting Fee		554,000		306,000
Miscellaneous Expenses		51,129,938		66,929,125
Total		501,644,080		525,997,757

- 27.1** Amount of Excise Duty deducted from the turnover is for sales made during the year and the amount recognized separately in the statement of Profit & Loss is related to the difference between the closing stock and opening stock.
- 27.2** Insurance Premium of ` 3,823,586/- (Previous Year ` 3,801,438/-) on Keyman Insurance Policy has been charged to Profit & Loss. Maturity value of such policies will be accounted for on receipt basis.
- 27.3** Following reimbursements from "06196375 Cables Limited" (formerly AEI Cables Limited), United Kingdom for the portion of expenses attributable to them have been netted off from respective account heads:

Figures in `

Particulars	Year Ended 31 st March, 2015		Year Ended 31 st March, 2014	
Travelling & Conveyance		-		3,463,592

27.4 Auditor's Remuneration*:

Figures in `

Particulars	Year Ended 31 st March, 2015		Year Ended 31 st March, 2014	
Audit Fees		1,260,000		1,260,000
Tax Audit fees		150,000		150,000
Taxation Matters		133,500		30,000
Certification		115,000		153,000
Out of Pocket Expenses		39,620		65,436
		1,698,120		1,658,436

*Excludes Service Tax

27.5 Value of Imports on CIF basis

Figures in `

Particulars	Year Ended 31 st March, 2015		Year Ended 31 st March, 2014	
- Raw Materials purchases		569,384,785		672,400,983
- Stores, Spares & Consumables		4,510,278		1,928,628

27.6 Expenditure in Foreign Currency (on Accrual Basis)

Figures in `

Particulars	Year Ended 31 st March, 2015		Year Ended 31 st March, 2014	
Finance Cost				
- Interest on Loan		24,342,077		21,732,117
Other Expenses				
- Travelling & Conveyance		2,267,412		6,168,699
- Miscellaneous Expenses		3,845,486		7,991,805
- Annual Maintenance Fee to Exchange		-		213,425

27.7 Value of Imported and Indigenous materials consumed
Figures in `

Class of Goods	Year Ended 31 st March, 2015		Year Ended 31 st March, 2014	
	Percentage	Amount	Percentage	Amount
- Indigenous	83.93	2,973,972,906	81.45	2,952,220,621
- Imported	16.07	569,384,785	18.55	672,400,983
Total	100.00	3,543,357,691	100.00	3,624,621,604
Stores, Spares & Consumables				
- Indigenous	80.19	18,261,835	90.20	17,758,509
- Imported	19.81	4,510,278	9.80	1,928,628
Total	100.00	22,772,113	100.00	19,687,137
Packing Materials				
- Indigenous	100.00	120,180,152	100.00	124,148,109
- Imported	-	-	-	-
Total	100.00	120,180,152	100.00	124,148,109
Traded Goods				
- Indigenous	100.00	36,468,713	-	-
- Imported	-	-	-	-
Total	100.00	36,468,713	-	-

27.8 Earnings in Foreign Exchange (on Accrual Basis)
Figures in `

Particulars	Year Ended 31 st March, 2015	Year Ended 31 st March, 2014
- Exports (on FOB Prices)	155,161,769	251,506,856

28 Exceptional Items
Figures in `

Particulars	Year Ended 31 st March, 2015	Year Ended 31 st March, 2014
Provision for Diminution in the value of investment in Subsidiary Company	-	(255,469,781)
Provision for doubtful debts recoverable from AEI Power Cables Limited (Step down Subsidiary)	-	(77,513,737)
Provision for advances recoverable from subsidiary Company	(1,006,915)	(6,144,370)
	(1,006,915)	(339,127,888)

28.1 Provision for diminution in value of investments and advance recoverable /trade receivables 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.

Particulars	Year Ended 31 st March, 2015	Year Ended 31 st March, 2014
Provision for diminution in value of Investment	-	255,469,781
Provision for doubtful debts	-	77,513,737
Provision for Advance Recoverable	1,006,915	6,144,370
Total	1,006,915	339,127,888

29 Earnings Per Equity Share pursuant to Accounting Standard- 20 (“AS-20”)
Figures in `

Particulars	Year Ended 31 st March, 2015	Year Ended 31 st March, 2014
Net Profit /(Loss) after Taxation	(1,031,384,218)	(1,034,334,169)
Number of Equity Shares at the beginning of the year	125,233,465	125,233,465
Weighted average number of Equity shares for Basic EPS	125,233,465	125,233,465
Weighted average number of equity shares for Diluted EPS	125,233,465	125,233,465
Basic Earnings per Share (`)	(8.24)	(8.26)
Diluted Earnings per Share (`)	(8.24)	(8.26)
Face Value of each Equity Share (`)	2/-	2/-

30 “Related party disclosures”, for the year ended 31st March, 2015, as required by Accounting Standard-18 (“AS-18”) are given below:
Relationships:
i) Subsidiaries of the Company:

Paramount Holdings Limited, Cyprus
“06196375 Cables Limited” (formerly AEI Cables Limited), United Kingdom (in Administration)
AEI Power Cables Limited, United Kingdom

ii) Associate of the Company:

Paramount Wires & Cables Limited (upto 26th May, 2014)

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

Sanjay Aggarwal (HUF)
Sandeep Aggarwal (HUF)
S.S. Aggarwal (HUF)
April Investment & Finance Private Limited
Worth Finance & Leasing Private Limited
Paramount Telecables Limited
S.S. Aggarwal Foundation

iv) Key Managerial Personnel:

Shri Sanjay Aggarwal, Chairman and CEO
Shri Sandeep Aggarwal, Managing Director
Shri Shambhu Kumar Agarwal, Chief Financial Officer (w.e.f 1st October, 2014)
Ms. Tannu Sharma, Company Secretary (w.e.f 1st October, 2014)

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

Shri Dhruv Aggarwal
Shri Tushar Aggarwal
Ms. Parul Aggarwal

vi) Enterprises over which relatives of Key Managerial Personnel have significant influence and with whom transactions have taken place:

Paramount Wires & Cables Limited (w.e.f 27th May, 2014)
Surya Laboratories Private Limited (w.e.f 1st April, 2014)

a. Details relating to parties referred to in items (i), (ii), (iii), (iv), (v) and (vi) above:

Figures in

Particulars	Year	(i)	(ii)	(iii)	(iv)	(v)	(vi)	TOTAL
Maximum outstanding of advance given during the year	2014-15	7,380,545	-	-	-	-	-	7,380,545
	2013-14	6,144,370	-	-	-	-	-	6,144,370
Advance given balance outstanding as at year end	2014-15	7,380,392	-	-	-	-	-	7,380,392
	2013-14	6,144,370	-	-	-	-	-	6,144,370
Maximum outstanding of sundry debtors during the year	2014-15	88,348,502	-	-	-	-	244,363,659	332,712,161
	2013-14	207,643,455	173,887,643	-	-	-	-	381,531,098
Sundry debtors outstanding as at year end	2014-15	66,021,719	-	-	-	-	126,634,061	192,655,780
	2013-14	90,861,671	173,800,143	-	-	-	-	264,661,814
Maximum outstanding of security deposits given for premises taken on rent	2014-15	-	-	18,000,000	-	-	-	18,000,000
	2013-14	-	-	18,000,000	-	-	-	18,000,000
outstanding of security deposit given for premises taken on rent as at year end	2014-15	-	-	18,000,000	-	-	-	18,000,000
	2013-14	-	-	18,000,000	-	-	-	18,000,000
Maximum outstanding balance of amount payable during the year	2014-15	-	-	-	-	-	115,909,118	115,909,118
	2013-14	3,297,229	-	-	-	-	-	3,297,229
Expense payable during the year	2014-15	-	-	216,000	-	-	-	216,000
	2013-14	-	-	216,000	-	-	-	216,000
Rent Paid for use of assets	2014-15	-	-	20,906,664	-	-	-	20,906,664
	2013-14	-	-	20,906,664	-	-	-	20,906,664
Managerial Remuneration	2014-15	-	-	-	3,114,081	-	-	3,114,081
	2013-14	-	-	-	9,032,489	-	-	9,032,489
Salaries and other Benefits	2014-15	-	-	-	1,002,384	530,880	-	1,533,264
	2013-14	-	-	-	-	3,234,000	-	3,234,000
Reimbursement of expenses received	2014-15	-	-	-	-	-	-	-
	2013-14	3,463,592	-	-	-	-	-	3,463,592
Purchases of shares	2014-15	76	-	-	-	-	-	76
	2013-14	-	-	-	-	-	-	-
sales	2014-15	-	87,319,948	-	-	-	558,838,923	646,158,871
	2013-14	113,486,197	425,964,852	-	-	-	-	539,451,049
Purchases of Raw Materials	2014-15	-	-	-	-	-	126,571,188	126,571,188
	2013-14	3,259,571	-	-	-	-	-	3,259,571
Donations	2014-15	-	-	1,350,000	-	-	-	1,350,000
	2013-14	-	-	1,150,000	-	-	-	1,150,000

b. Non-Financial Transactions:

- i. Mr. Sanjay Aggarwal and Mr. Sandeep Aggarwal have given personal guarantees to banks/financial institutions for Company's borrowings and also have pledged their share holding in the company with banks.
- ii. Guarantee of ₹ 10,000,000/- (Previous Year ₹ 10,000,000/-) given to a Bank for credit facilities sanctioned to Paramount Wires & Cables Limited. Credit facilities availed by the said company as on 31.03.2015 ₹ 867,329/- (Previous year ₹ 7,586,617/-).
- iii. The Company has executed a Parental Guarantee of ₹ Nil (sterling pounds Nil) [Previous Year ₹ 1,634,655,000/- (sterling pounds 1,65,00,000/-)] given to a Bank for credit facilities ((sanctioned limit (sterling pounds 11,500,000/-) sanctioned to "06196375 Cables Limited" (formerly AEI Cables Limited), United Kingdom (Subsidiary)).
- iv. Paramount Telecables Limited has given its property as collateral by way of 2nd charge to the banks of the company.
- v. The remuneration does not include Gratuity and Provision for Leave Encashment under Accounting Standard -15 (Revised) and personal accident insurance premium, since same is not available for individual employees.

31 Future lease obligation by way of lease rental:

Fixed Assets taken on lease on or after April 1, 2001 include motor vehicles at an aggregate cost of ₹ Nil (Previous year ₹ 5,761,531/-) with future lease obligation by way of lease rental as follows:

Figures in ₹

Due	Total Minimum lease payments outstanding		Future Interest on outstanding		Present value of minimum lease payments	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Within one year	-	260,325	-	5,126	-	255,199
Later than one year and not later than five years	-	-	-	-	-	-
Total	-	260,325	-	5,126	-	255,199

31.1 Operating Leases:

The Company has entered into lease transactions during the current financial year mainly for leasing of storage / office premises and company leased accommodations for its employees for periods upto 10 years. Terms of Lease include terms of renewal, increase in rents in future periods and terms of cancellation. There are no subleases. The Operating lease payments recognized in the Profit & Loss account amount to ₹ 22,447,992/- (Previous year ₹ 22,064,899/-) for the leases, which commenced on or after April 1, 2001. Minimum lease payments under non-cancellable operating leases are:

Figures in ₹

Particulars	As At 31 st March, 2015	As At 31 st March, 2014
Minimum Lease Payments		
— Not later than one year	20,666,664	20,666,664
— Later than one year but not later than five years	76,499,990	82,666,656
— Later than five years	-	14,499,998

- 32** In opinion of the management Company's business activity mainly falls within a single primary business segment "Cables", the disclosures requirements of Accounting Standard-17 ("AS-17") "Segment Reporting" are not applicable.

33 (i) Unhedged amount payable in foreign currency:
Figures in `

Particulars	As At 31 st March, 2015			As At 31 st March, 2014		
	Amount in (`)	Amount in Foreign Currency	Foreign Currency	Amount in (`)	Amount in Foreign Currency	Foreign Currency
Trade Payables	19,531,255	311,205	USD	26,714,035	443,092	USD
	57,975	849	EURO	-	-	
Payables	47,836,073	762,206	USD	22,859,446	379,158	USD
FCCBs	685,096,015	10,916,125	USD	658,133,186	10,916,125	USD
Foreign Currency Term Loans	313,522,593	4,995,580	USD	301,183,510	4,995,580	USD

33 (ii) Unhedged amount receivable in foreign currency:
Figures in `

Particulars	As At 31 st March, 2015			As At 31 st March, 2014		
	Amount in (`)	Amount in Foreign Currency	Foreign Currency	Amount in (`)	Amount in Foreign Currency	Foreign Currency
Trade Receivables	68,072,570	680,071	GBP	149,746,160	1,501,308	GBP
	54,646,754	879,413	USD	-	-	-
Receivables	7,151,285	103,479	EURO	6,144,370	87,981	EURO
	3,597,191	37,046	GBP	-	-	-
	1,828,278	28,939	USD	-	-	-

34 Contingent Liabilities & Commitments

(to the extent not provided for)

Figures in `

Particulars	As At 31 st March, 2015	As At 31 st March, 2014
Contingent Liabilities		
34.1 Claims Against the Company not acknowledged as Debt	8,970,854	8,822,654
34.2 Guarantees	15,255,296	33,661,802
i. Financial Bank Guarantees outstanding		
ii. Guarantee of ` 10,000,000/- (Previous Year ` 10,000,000/-) given to a Bank for credit facilities sanctioned to Paramount Wires & Cables Ltd.		
- Credit Facilities availed by Paramount Wires & Cables Ltd.	867,329	7,586,617
iii. Parental Guarantee of ` Nil (sterling pounds Nil) [Previous Year ` 1,634,655,000/- (sterling pounds £1,65,00,000/-)] given to a Bank for credit facilities ((sanctioned limit (sterling pounds 11,500,000/-)) sanctioned to "06196375 Cables Limited" (formerly AEI Cables Limited), United Kingdom (Subsidiary).		
- Credit Facilities availed	(`)	5,646,990
(Sterling Pound £)	-	57,000

Figures in `

Particulars	As At 31 st March, 2015		As At 31 st March, 2014	
34.3 Duties & Taxes				
i. Income Tax				
- Demands under appeal	44,298,650		-	
- Matter which have been decided in favour of the Company in first appeal stage, however, Income tax department has filed appeal against orders of first appellate authority.	27,008,740	71,307,390	27,008,740	27,008,740
ii. Excise demands under appeal		87,307,710		79,448,401
iii. Service tax demands under appeal		22,108,874		22,593,046
iv. Custom duty demand due to denial of concessional custom duty, under appeal		6,434,896		6,434,896
34.4 Other money for which company is contingently liable				
i. Unutilised Letter of Credits		33,400,477		112,518,884
ii. Outstanding Bill discounted		94,312,312		81,477,573
iii Right of recompense of CDR lenders for reliefs/sacrifices/waivers extended by respective CDR lenders to the company.		Amount unascertainable		Amount unascertainable
iv. Letter of demand from a bank due to guarantee given for borrowings of "06196375 Cables Limited" (formerly AEI Cables Limited), United Kingdom (Subsidiary). In opinion of the company the amount of demand is yet to be finalised and agreed by the company. (This is co guaranteed by the Chairman and CEO and Managing Director of the Company in their individual capacity due to which company expects no final liability will arise on the company).		33,733,615		-
(`)		345,846		-
(Sterling Pound)				
34.5 Commitments				
i. Estimated amount of contracts (net of advances) remaining to be executed on Capital Account.		2,067,000		8,270,000

35. Outstanding 1% Foreign Currency Convertible Bonds (FCCBs) amounting to USD 7.5 million were due for redemption on 23rd November, 2011 and are yet to be redeemed. The Company was to redeem these FCCBs at a Premium equal to 145.54% of the outstanding principal amount. The said premium amounts to ` 239,014,509/- (Gross of tax). A winding up petition was filed against the Company on behalf of the FCCB holders which has been dismissed by the court during the year.

36. Going Concern:

The company has recorded a net loss of ` 1,031,384,218/- for the year and has accumulated losses of ` 3,164,680,113/- as at 31st March, 2015, resulting in negative net worth. The company has also over dues in payments of interest and redemption amount of Foreign Currency Convertible Bonds (FCCBs) and interest and term loans installments to banks and other working capital facilities from banks. The management is confident that the company will be able to generate profits in future years and meet its financial obligations as may arise. The Management is also exploring inducting financial investor/s in the company and/or joint venture with foreign companies. The accompanying financial statements have been prepared on a going concern basis based on cumulative impact of following mitigating factors:

a) The company has not over dues in payment of statutory dues or its trade creditors etc.

- b) CDR package was approved during financial year 2010-11 and further “Rework Package” has been approved by CDR-EG vide Letter of Approval (LOA) dated 11th July, 2012. The Company has again proposed banks to reschedule term loans repayments.
- c) The Company and promoters have undertaken to raise and had raised adequate finances by way of disposal of assets and induction of fresh funds by promoters and/or promoter group companies. The Management is also exploring inducting financial investor in the company and/or joint venture with foreign companies.
- d) The Company has strong order book position.
37. Company has been registered with the Board for Industrial and Financial Reconstruction (BIFR) under section 15 (1) of Sick Industrial Companies (Special Provisions) Act, 1985 vide order dated 31.10.2013, BIFR has restrained company from disposing of or alienating in any manner any fixed assets of the Company without consent of BIFR.
38. Name of AEI Cables Limited, United Kingdom was changed to “06196375 Cables Limited” w.e.f. 28th February, 2014. This Company is “in Administration” (as per UK laws).
39. Previous Year’s figures have been regrouped / rearranged wherever necessary.

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

(Sanjay Aggarwal)
Chairman & CEO

(Sandeep Aggarwal)
Managing Director

(J.C. Gupta)
Partner
Membership No. 6107

(S K Agarwal)
Chief Financial Officer

(Tannu Sharma)
Company Secretary

Place of signing : New Delhi
Date: 27th May, 2015

Place : New Delhi
Date : 27th May, 2015

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Paramount Communications Limited

1. 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" (Refer Note No 1.2) to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at 31st March, 2015, the consolidated Statement of Profit and Loss, the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

2. The Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group, are responsible for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 financial statements 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 Company, as aforesaid.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
4. We have taken into account the provisions of the Act and conducted our audit in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.
6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

7. We report that the consolidated financial statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standard (AS) 21 – Consolidated Financial Statements specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
8. 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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2015, and its consolidated loss and its consolidated cash flows for the year ended on that date.

Emphasis of Matter

9. We draw attention to
 - a. Note 36 to the financial statements. The accompanying financial statements have been prepared on a going concern basis despite negative net worth, overdue in repayment of loan installments, interest to banks, working capital facilities from banks, overdue in redemption of Foreign Currency Convertible Bonds (FCCBs). The appropriateness of the said basis is inter-alia dependent on Company's ability to generate profit in future years and meet its financial obligations and also dependent on induction of financial investors in the company and/or joint venture with foreign companies.
 - b. Wherever, interest on borrowings has not been applied by banks, interest on those borrowings has been provided as per best estimates of the management. (Refer Note 25.1)
 - c. Independent auditors of Paramount Holdings Limited, Cyprus (Subsidiary Company) have drawn attention to the fact that the financial statements have not been prepared on a going concern basis since it is the intention of the Management to liquidate the Company as soon as arrangements can be made.(Refer Note 37)
 - d. Note 1.5 to the consolidated financial statements. "06196375 Cables Limited" (formerly AEI Cables Limited), United Kingdom is "in Administration" (as per UK laws) w.e.f. 28th February, 2014. Hence, consolidated financial statements do not include financial position, financial performance and cash flows of this subsidiary.

Our opinion is not qualified in respect of these matters.

Other Matter

10. The financial statements of two subsidiaries included in the consolidated financial statements, which constitute total assets of `5,136,241/- and net assets of `(56,521,274/-) as at 31st March, 2015, total revenue of `16,861,586/- and net profit of `6,125,892/- for the year then ended have not been audited by us. These financial statements/financial information have been audited by other auditors whose reports 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 subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the others auditors.

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 with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

11. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Company, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order. In case of subsidiaries it is not applicable since subsidiaries have been incorporated outside India.
12. 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 relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained 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, 2014 to the extent applicable.

- (e) The going concern matter described in sub-paragraph (a) under the Emphasis of Matter paragraph above, in our opinion, may have an adverse effect on the functioning of the company
- (f) On the basis of the written representations received from the directors of the Company as on 31st March, 2015 taken on record by the Board of Directors of the Company, none of the directors of the Company is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (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 knowledge and belief and according to the information and 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 34.1& 34.3)
 - ii. The Group did not have any long-term contracts including derivative contracts as at 31st March, 2015
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group during the year ended on 31st March, 2015

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

(J.C. Gupta)
Partner

Membership Number: 06107

Place of signature : New Delhi
Date : 27th May, 2015

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Paramount Communications Limited on the Consolidated financial statements as of and for the year ended 31st March, 2015

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
 - (b) The fixed assets of the Company have been physically verified by the Management during the year. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account. In our opinion, the frequency of verification is reasonable.
- ii. (a) The inventory has been physically verified by the Management during the year. In our opinion, the frequency of verification is reasonable.
 - (b) In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii. (a) There is one party covered in the register maintained under Section 189 of the Act, to which Company has given deposit as per contractual obligations. Since it is a security deposit no principal amount was due and no interest was charged. (Refer Note 13.1)
 - (b) In respect of the aforesaid deposit, there is no overdue amount.
- iv. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed thereunder to the extent notified.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section(1) of Section 148 of the Act, and are of the opinion that, prime 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, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable to it with the appropriate authorities, We are informed there are no undisputed statutory dues as of March 31, 2015 outstanding for a period of more than six months from the date they become payable.
 - (b) There are no dues in respect of income tax, sales tax, wealth tax, service tax, customs duty, excise duty and cess that have not been deposited with appropriate authorities on account of any dispute other than those mentioned below :-

Name of the Statute	Nature of the Due	Amount	Period to which the amount relates	Forum where dispute is pending
Central Excise Act	Excise Duty	74,807,281	Various years for 2002-03 to 2009-10	CESTAT
		10,261,496	Various years for 2007-08 to 2013-14	Commissioner (Appeals)
Finance Act	Service Tax	21,927,668	Various years for 2005-06 to 2009-10	CESTAT
		181,206	2005-06 & 2006-07	Commissioner (Appeals)
Customs Act	Customs Duty	5,771,724	2005-06, 2006-07, 2010-11 & 2011-12	CESTAT
Income Tax Act, 1961	Income tax	44,298,650	2008-09 & 2009-10	Commissioner (Appeals)

- (c) The amounts required to be transferred to the Investor Education and Protection Fund have been transferred within the stipulated time in accordance with the provisions of the Act, and the rules made thereunder.
- viii. The company's accumulated losses at the end of the financial year 31st March, 2015 were more than fifty percent of its net worth. The company has incurred cash losses during the financial year ended 31st March, 2015 and in the immediately preceding financial year.
- ix. Based on our audit procedures and as per the information and explanations given by the management, the Company has defaulted in repayment of dues to banks and Foreign Currency Convertible Bond Holders (FCCBs) as per details given below. (Also refer Note 4.2, 7.2 & 9.1).

Nature of Payment	FY 2014-2015	Period
Rupee Loans from banks	202,451,703	Since June, 2013
Working Capital Loans from banks	880,409,943	since November, 2014
Foreign Currency Loans	89,577,884	Since September, 2014
Interest on Loans/Working Capital Loans from banks	552,544,289	Since October, 2013
Principal amount of Foreign Currency Convertible Bonds (FCCBs)	470,700,000	Since December, 2011
Premium on redemption of FCCB's	214,936,015	Since December, 2011
Interest on FCCBs due up to 31 st December, 2014	21,284,901	Since January, 2012

- x. The company has given guarantee for loans taken by two corporates from banks. According to the information and explanations given to us, we are of the opinion that the terms and conditions thereof are not prime facie prejudicial to the interest of the company. (Refer Note 34.2).
- xi. The Company has not raised any term loans during the year. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company.
- xii. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

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

(J.C. Gupta)

Partner

Membership Number: 06107

Place of signature : New Delhi
 Date : 27th May, 2015

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2015

Figures in `

	Note	As at 31 st March, 2015		As at 31 st March, 2014	
EQUITY AND LIABILITIES					
Shareholder's funds					
Share Capital	2	326,966,930		326,966,930	
Reserves and surplus	3	(2,458,651,363)	(2,131,684,433)	(1,431,871,987)	(1,104,905,057)
Non-Current Liabilities					
Long Term Borrowings	4	1,160,339,581		1,495,079,625	
Deferred Tax Liability (Net)	5	-		-	
Long Term Provisions	6	17,058,015	1,177,397,596	13,135,822	1,508,215,447
Current Liabilities					
Short Term Borrowings	7	2,147,401,707		1,477,993,406	
Trade Payables	8	330,032,682		821,208,029	
Other Current Liabilities	9	2,024,981,302		1,368,029,608	
Short Term Provisions	10	2,000,410	4,504,416,101	1,506,716	3,668,737,759
TOTAL			3,550,129,264		4,072,048,149
ASSETS					
Non - Current Assets					
Fixed Assets	11				
- Tangible assets	11.1	807,991,888		875,307,215	
- Intangible assets	11.2	1,703,897	809,695,785	1,611,239	876,918,454
Non- Current Investments	12		168,001		13,847,180
Long Term Loans and Advances	13		30,202,858		29,827,269
Current Assets					
Inventories	14	757,852,276		1,496,067,599	
Trade Receivables	15	1,575,030,228		1,376,979,701	
Cash and Bank Balances	16	176,570,593		127,457,845	
Short Term Loans and Advances	17	186,560,956		141,729,011	
Other Current Assets	18	14,048,567	2,710,062,620	9,221,090	3,151,455,246
TOTAL			3,550,129,264		4,072,048,149

Significant Accounting Policies and Notes on Financial Statements 1 to 41

As per our separate report of even date attached
For JAGDISH CHAND & CO.
 Firm Registration Number : 000129N
Chartered Accountants

(J.C. Gupta)
 Partner
 Membership No. 6107

Place of signing : New Delhi
 Date : 27th May, 2015

(Sanjay Aggarwal)
 Chairman & CEO

(S K Aggarwal)
 Chief Financial Officer

Place : New Delhi
 Date : 27th May, 2015

(Sandeep Aggarwal)
 Managing Director

(Tannu Sharma)
 Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

Figures in `

	Note	Year Ended 31 st March, 2015		Year Ended 31 st March, 2014	
Revenue from Operations (Gross)	19	4,974,472,587		4,561,218,333	
Less: Excise Duty		448,721,824	4,525,750,763	426,083,587	4,135,134,746
Other Income	20		20,863,435		24,521,033
Total Revenue			4,546,614,198		4,159,655,779
Expenses:					
Cost of Materials Consumed	21		3,543,357,691		3,624,621,605
Purchases of Stock in Trade	22		36,468,713		20,399,253
(Increase) / Decrease in Finished goods, Work-in-progress and Stock-in-Trade	23		674,847,458		27,956,506
Employee Benefits Expense	24		115,321,841		134,853,401
Finance Costs	25		610,174,892		418,245,562
Depreciation and Amortization Expense	26		92,969,989		109,344,781
Other Expenses	27		504,876,311		524,407,370
Total Expenses			5,578,016,895		4,859,828,478
Profit/(Loss) Before exceptional items and tax			(1,031,402,697)		(700,172,699)
Exceptional items	28		21,802,421		(310,287,698)
Profit/(Loss) Before Tax			(1,009,600,276)		(1,010,460,397)
Tax Expense					
- Current tax			-		-
- Tax Credit under UK Laws			-		-
- Deferred tax			-		-
Short/(Excess) Provision-Earlier Years — Current Tax					(254,713)
Profit / (loss) for the Year			(1,009,600,276)		(1,010,205,684)
Add: Share of Profit/(Loss) in Associate			-		2,643,004
Net Profit/(Loss) for the Year			(1,009,600,276)		(1,007,562,680)
Earnings per Equity Share:	29				
Equity Share of Face Value of `2/- each					
- Basic (`)			(8.06)		(8.05)
- Diluted (`)			(8.06)		(8.05)

Significant Accounting Policies and Notes on Financial Statements 1 to 41

As per our separate report of even date attached

For JAGDISH CHAND & CO.

Firm Registration Number : 000129N

Chartered Accountants

(J.C. Gupta)

Partner

Membership No. 6107

Place of signing : New Delhi

Date: 27th May, 2015

(Sanjay Aggarwal)

Chairman & CEO

(S K Aggarwal)

Chief Financial Officer

Place : New Delhi

Date : 27th May, 2015

(Sandeep Aggarwal)

Managing Director

(Tannu Sharma)

Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

Figures in `

S. No.	Particulars	Year Ended 31st March, 2015	Year Ended 31st March, 2014
A)	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit/(loss) before taxation and exceptional items & after share of profit/(loss) of Associates	(1,031,402,697)	(697,529,694)
	Adjustment for:		
	Depreciation (Net)	92,969,989	109,344,781
	Financial Costs	610,174,892	418,245,562
	Loss on sale/disposal of fixed assets	132,513	551,660
	Amortisation of FCMITDA	25,681,183	23,429,280
	Exchange loss on FCCBs	9,633,000	22,152,000
	Provision for leave encashment/ Gratuity	638,833	(3,977,766)
	Opening balance of Loss of "06196375 Cables Limited" (formerly AEI Cables Limited), United Kingdom (in Administration)	-	245,366,356
	Exchange Fluctuation Reserve	(6,693,815)	46,299,122
	Operating profit before working capital changes	(298,866,102)	163,881,300
	Adjustment for:		
	Trade Receivables, Loans and Advances and Other Assets	(246,755,793)	656,275,185
	Inventories	738,215,323	900,426,274
	Trade Payables, Other Liabilities and Provisions	(71,513,372)	(43,106,890)
	Cash generated from operations	121,080,056	1,677,475,868
	Direct tax paid/ Refund	(1,377,693)	958,392
	Cash flow before exceptional items	119,702,363	1,678,434,260
	Exceptional items	21,802,421	(310,287,698)
	Net cash from operating activities	141,504,784	1,368,146,562
B)	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of fixed assets and other capital expenditure	(27,088,616)	13,131,672
	Sale of fixed assets	-	(62,124)
	(Increase)/decrease of Investments (net)	3,777,580	(2,174,024)
	Net cash used in investing activities	(23,311,036)	10,895,525

Figures in `

S. No.	Particulars	Year Ended 31 st March, 2015	Year Ended 31 st March, 2014
C)	CASH FLOW FROM FINANCIAL ACTIVITIES		
	Proceeds from long term borrowings (Net of repayments)	(128,059,209)	(59,014,742)
	Premium on redemption of FCCBs adjusted against Securities Premium Accounts	-	(229,607,788)
	Working capital facilities from Bank	669,408,301	(652,790,258)
	Hire purchase finance (Net of repayments)	(255,199)	(947,856)
	Financial Costs	(610,174,893)	(418,245,562)
	Net cash received/(used) from financial activities	(69,081,000)	(1,360,606,205)
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	49,112,748	18,435,882
	Cash and cash equivalents as at 31 st March, 2014 (Opening Balance)	127,457,845	109,021,963
	Cash and cash equivalents as at 31 st March, 2015 (Closing Balance)	176,570,593	127,457,845
	Note:		
1.	The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 Cash Flow Statement.		
2.	Cash and cash equivalents includes:		
	Cash and bank balances	9,612,951	25,976,364
	Fixed Deposits under lien/ custody with banks/sales tax department	166,490,346	100,640,157
	Unclaimed Dividend Accounts	467,296	841,324
	Total cash and cash equivalents as per balance sheet	176,570,593	127,457,845
3.	Figures in brackets represent cash outflow		

As per our separate report of even date attached

For JAGDISH CHAND & CO.

Firm Registration Number : 000129N

Chartered Accountants

(J.C. Gupta)

Partner

Membership No. 6107

(Sanjay Aggarwal)

Chairman & CEO

(S K Aggarwal)

Chief Financial Officer

(Sandeep Aggarwal)

Managing Director

(Tannu Sharma)

Company Secretary

Place of signing : New Delhi

Date : 27th May, 2015

Place : New Delhi

Date : 27th May, 2015

1. SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED FINANCIAL STATEMENTS

1.1 Principles of Consolidation

The consolidated financial statements relate to Paramount Communications Limited (Company) and its subsidiaries. The consolidated financial statements have been prepared on the following basis:

- a. The financial statements of the Company and its Subsidiary Companies have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating the intra-group balances, intra-group transactions and unrealised profits or losses in accordance with Accounting Standard (AS-21) on "Consolidated financial Statements".
- b. Investments in Associate are accounted for using the equity method as per Accounting Standard 23 on "Accounting for Investments in Associates in Consolidated Financial Statements".
- c. 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.
- d. In case of foreign subsidiaries, being non-integral foreign operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at the rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognized in the Exchange Fluctuation Reserve.

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

S. No.	Name of Company	Country of incorporation	Relationship	Ownership Interest
a.	Paramount Holdings Limited (PHL)	Cyprus	Subsidiary	100.00%
b.	AEI Power Cables Limited (APCL)	United Kingdom	Subsidiary	100.00%

1.3 Paramount Wires & Cables Ltd. (PWCL) was "Associate" till 26th May, 2014.

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

1.5 "06196375 Cables Limited" (formerly AEI Cables Limited), United Kingdom is "in Administration" (as per UK laws) w.e.f. 28th February, 2014. Hence consolidated financial statements do not include financial position, financial performance and cash flows of this company. In opinion of Management, it operates under severe long-term restrictions which significantly impair its ability to transfer funds to the parent. Administrator has sold of business of this subsidiary and settled / disposed off major part of Assets and Liabilities before 31st March, 2014. Now this company is under creditors' voluntary liquidation.

1.6 Other Significant Accounting Policies

a. Basis of Accounting

- i. The accounts have been prepared under the historical cost convention and in accordance with the applicable accounting standards except where otherwise stated.

b. Going concern

- i. In case of APCL, after making appropriate enquiries and reviewing budgets, profit and cash flow forecasts and business plans, together with financing facilities available, the directors of AEI Power Cables Limited, United Kingdom have formed a judgement at the time of approving the financial statements that there is a reasonable expectation that the company has more than sufficient resources and available facilities to continue in operational existence for the foreseeable future. The company has a deficit on shareholders' funds and is dependent on the financial support of its parent undertaking and £ 657,720 (2014: £ 906,935) was owed to the parent undertaking at 31st March, 2015. The ultimate parent company has confirmed that it intends to support the company for a period of at least 12 months from the date these financial statements were signed. For these reasons the directors consider that the adoption of the going concern basis in preparing the financial statements is appropriate.
- ii. In case of PHL, the financial statements have not been prepared on a going concern basis since it is the intention of the management to liquidate the company as soon as arrangements can be made.

c. Fixed Assets, intangible assets and capital work-in-progress

- i. Construction period expenses directly attributable to projects are capitalised. Financing cost during the construction period on loans raised for/allocated to qualifying projects is capitalised. Financing cost incurred on general borrowings used for projects is capitalised. The amount of such borrowing is determined after setting off the amount of internal accruals.
- ii. Fixed Assets are stated at cost including allocated costs or valuation less accumulated depreciation.
- iii. The cost of any software purchased initially along with the computer hardware is being capitalised along with the cost of the hardware. Any subsequent acquisition/up gradation of software is being capitalised as an asset.

d. Depreciation and Amortisation

- i. The cost of capitalised software is amortised over a period of five years from the date of its acquisition.
- ii. Depreciation on Fixed Assets is calculated on Straight line method in accordance with the provisions of Schedule II of the Companies Act, 2013 keeping 5% of cost as residual value. The useful life of fixed assets as defined in the Part C of Schedule II of the Companies Act, 2013 has been taken for all tangible assets other than plant & machineries, which useful life is estimated 20 years based on internal assessment by the management and independent technical evaluation carried out by external valuers. Addition/deletion in the cost of the fixed assets due to exchange fluctuation in long term foreign currency monetary items arising due to difference in exchange rate vis a vis initial recording and reporting date are depreciated over the balance life of the assets.
- iii. No write off is being made in respect of leasehold land, as the lease is a long lease.
- iv. Fixed Assets costing upto ` 5,000/- each are fully depreciated in the year of its acquisition
- v. In case of APCL, depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over their expected useful life on the followings bases:

Plant & Machinery	-	10% Straight line basis
Computer Equipment	-	20% Straight line basis

e. Investments

Long term investments are stated at cost. Provision for diminution in the value of long term investments is made only if, such decline is other than temporary in the opinion of the management. Current investments are stated at lower of cost or market value.

f. Inventories

- i. Inventories are valued as follows:
 - Finished Goods are valued at lower of cost or net realisable value.
 - Raw materials are valued at lower of cost or net realisable value.
 - Work-in-Progress is valued at lower of cost or net realisable value.
 - Packing materials, Stores & Spares are valued at cost.
 - Scrap is valued at estimated realisable value.
- ii. Cost of Raw Material is determined on weighted average basis. Cost of Packing Materials and Stores & Spares is determined on weighted average basis. Work-in-Progress includes raw material costs and allocated production overheads on estimated basis. Cost of Finished Goods is determined by taking derived material costs and other overheads.

g. Foreign Currency Transactions

- i. Foreign currency transactions remaining unsettled at the year end are translated at year end rate. Premium in respect of forward contracts is accounted over the period of contract. Exchange differences arising on foreign currency transactions are recognized as income or expense in the period in which they arise.
- ii. Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing on the date of transaction.

- iii. Exchange difference arising on reporting of long term foreign currency monetary items:-
 - In so far as they relate to the acquisition of a depreciable capital assets are adjusted in the cost of assets.
 - In other cases are accumulated in a 'Foreign Currency Monetary Item Translation Difference Account (FCMITDA)' and are amortised over period of foreign currency monetary item or up to 31st March, 2020, whichever is earlier.
- iv. Non monetary foreign currency items are carried at cost.

h. Revenue Recognition

- i. Sales are accounted for on dispatch of goods from the factory to the customers. Sales are net of returns and include excise duty wherever directly chargeable from customers, but exclude sales tax/VAT.
- ii. Other items of revenue are recognised in accordance with the Accounting Standard on 'Revenue Recognition' (AS-9). Accordingly, wherever there are uncertainties in the ascertainment/ realisation of income, the same is not accounted for.

i. Excise Duty

Excise Duty has been accounted on the basis of both payments made in respect of goods cleared as also provision made for goods lying in factory premises. CENVAT credit is accounted on accrual basis on purchases of materials and capital goods.

j. Employees Benefits

- i. Liability in respect of Gratuity, a defined benefit plan, is being paid to a fund maintained by SBI life insurance company Limited under Group Gratuity Scheme. Difference between the fund balance and accrued liability at the end of the year based on actuarial valuation is charged to Profit & Loss Account.
- ii. Liability in respect of employees who are entitled to leave compensatory & encashment, a terminal employee benefit, being defined benefit plan, is recognized on the basis of actuarial valuation.
- iii. Contributions with respect to Provident Fund, is recognized as an expense in the profit and loss account of the year in which the related service is rendered.

k. Reserves

- i. The difference between depreciation on the revalued value of the asset and depreciation on their historical cost is transferred from Revaluation Reserve to General Reserve.
- ii. Project subsidy from State Government is credited to Capital Reserve.

l. Preliminary Expenses

Public Issue expenditure and premium on redemption of FCCBs/Preference Shares are being written off against securities premium.

m. Taxes on Income

Current tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

n. Impairment of Fixed Assets

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the Company's fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the asset no longer exist or have decreased. However, the increase in carrying amount of an asset due to reversal of an impairment loss is recognised to the extent it does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised for the assets in prior years.

2 Share Capital

Figures in `

Particulars	As At 31 st March, 2015		As At 31 st March, 2014	
	Nos.	Amount	Nos.	Amount
Authorised:				
250,000,000 (Previous Year 250,000,000) Equity Shares of ` 2/- each		500,000,000		500,000,000
1,000,000 (Previous Year 1,000,000) Redeemable Preference Shares of ` 100/- each		100,000,000		100,000,000
		600,000,000		600,000,000
Issued, Subscribed & Paid up				
125,233,465 (Previous Year 125,233,465) Equity Shares of ` 2/- each fully paid		250,466,930		250,466,930
765,000 (Previous Year 765,000) 0% Non-Convertible Redeemable Preference Shares (NCRPS) of ` 100/- each		76,500,000		76,500,000
Total		326,966,930		326,966,930

2.1 Rights, preferences and restrictions attached to Equity Shares

Equity Shares : The company has one class of equity shares having a face value of ` 2 /- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders 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.

Rights, preferences and restrictions attached to 0% Non-Convertible Redeemable Preference Shares (NCRPS)

Rate of Dividend: 0% rate of dividend. NCRPS are not convertible in equity shares. Redeemable on day and date falling next to date of expiry of a period of 10 years calculated from the date of allotment of these shares. Option of an earlier redemption after expiry of period of 6 months shall be open to Board and can be made by a Board resolution to this effect passed in a duly convened meeting and when consented by the NCRPS shareholders, where the premium payable on redemption shall be adjusted proportionately. **Redemption Value & Premium:** The redemption premium shall be @ 50% of par value and thereby the redemption value shall be 150% of face value after 10 (Ten) years term. There is no right to vote in general. The voting rights shall be restricted to the matters concerning their interest only. **Right to share of Assets:** In the event of winding up of the Company, the NCRPS shareholders shall be entitled to share of assets of the Company in proportion of the preference share capital to aggregate of total paid up capital after settlement of all the liabilities of the Company. The NCRPS shareholders shall have a preferential right on the assets of Company over the Equity shareholders while distribution of assets among shareholders in the event of winding up of Company.

2.2 Reconciliation of Number of Equity Shares

Figures in `

Particulars	As At 31 st March, 2015		As At 31 st March, 2014	
	Nos.	Amount	Nos.	Amount
Balance as at the beginning of the year	125,233,465	250,466,930	125,233,465	250,466,930
Add: Issued during the year	-	-	-	-
Balance as at the end of the year	125,233,465	250,466,930	125,233,465	250,466,930

Reconciliation of Number of Preference Shares

Figures in `

Particulars	As At 31 st March, 2015		As At 31 st March, 2014	
	Nos.	Amount	Nos.	Amount
Balance as at the beginning of the year	765,000	76,500,000	765,000	76,500,000
Add: Issued during the year	-	-	-	-
Balance as at the end of the year	765,000	76,500,000	765,000	76,500,000

2.3 List of Shareholders holding more than 5% of the aggregate Shares:
Figures in `

Name of Shareholder	As At 31 st March, 2015		As At 31 st March, 2014	
	Nos.	%age	Nos.	%age
Equity Shareholders				
M/s Paramount Telecables Limited	24,851,500	19.84	24,851,500	19.84
M/s April Investment and Finance Pvt. Ltd.	13,040,172	10.41	13,040,172	10.41
Preference Shareholder				
M/s Paramount Telecables Limited	765,000	100.00	765,000	100.00

3 Reserves & Surplus
Figures in `

Particulars	As At 31 st March, 2015		As At 31 st March, 2014	
Capital Reserve				
- Capital Investment Subsidy				
Balance at the beginning of the year	3,000,000		3,000,000	
- Profit on Issue of forfeited shares				
Balance at the beginning of the year	31,100	3,031,100	31,100	3,031,100
Exchange Fluctuation Reserve		(36,550,356)		(29,856,541)
Capital Reserve on Consolidation		-		9,901,599
Securities Premium Account				
Balance at the beginning of the year	685,929,437		919,362,225	
Less : Premium on redemption of FCCBs (Refer Note 3.1)	-		229,607,788	
Less : Provision for Premium on redemption of Preference Shares (Refer Note 3.2)	3,825,000	682,104,437	3,825,000	685,929,437
Revaluation Reserve				
Balance at the beginning of the year	8,958,739		9,069,493	
Less : Transfer to Profit & Loss Statement	-		110,754	
Less : Transfer to General Reserve	60,111	8,898,628	-	8,958,739
General Reserve				
Balance at the beginning of the year	25,282,886		25,282,886	
Add : Transfer from Revaluation Reserve (Refer Note 3.5)	60,111	25,342,997	-	25,282,886
Surplus				
Balance at the beginning of the year	(2,098,928,251)		(1,336,731,927)	
Less : Opening balance of surplus of "06196375 Cables Limited" (formerly AEI Cables Ltd.) United Kingdom (in Administration) (Refer Note 1.5)	-		(245,366,356)	
Add : Adjustment due to depreciation on fixed Assets whose useful life already exhausted as on 1 st April, 2014 (Refer note 3.6)	(10,100,787)		-	
Add : Transfer from Profit & Loss Statement	(1,009,600,276)	(3,118,629,314)	(1,007,562,680)	(2,098,928,251)
Foreign Currency Monetary Item Translation Difference Account (FCMITDA)				
Balance at the beginning of the year	(36,190,956)		(31,243,974)	
Add : Additions during the year	(12,339,082)		(28,376,262)	
Less : Written off during the year (Refer Note 3.4)	(25,681,183)	(22,848,855)	(23,429,280)	(36,190,956)
Total		(2,458,651,363)		(1,431,871,987)

- 3.1 Premium on redemption of FCCBs (Gross of tax) ` Nil (Previous Year ` 229,607,788/-) has been set off against Securities Premium Account.
- 3.2 During the year Redemption Premium payable on prorata basis ` 3,825,000/- (Previous Year ` 3,825,000/-) on 0% Non-Convertible Redeemable Preference share (NCRPS) has been charged to Securities Premium Account.
- 3.3 In view of losses Capital Redemption Reserve required under Section 55 of the Companies Act, 2013 has not been created.
- 3.4 Are amortised over period of foreign currency monetary item or up to 31st March, 2020, whichever is earlier.
- 3.5 Amount of Depreciation pertaining to revaluation in case of Buildings has been transferred from Revaluation Reserve.
- 3.6 During the current year, depreciation has been provided on fixed assets as per the useful life specified in Part C of Schedule II of the Companies Act, 2013 and as per internal assessment by the management and independent technical evaluation carried out by external valuers. In case of existing assets, depreciation has been provided based on remaining useful life of the assets. Assets whose useful life is already exhausted as on 1st April, 2014, amounting to ` 10,100,787/- has been recognised in the opening balance of Profit & Loss Account (debit).

4 Long Term Borrowings

Figures in `

Particulars	As At 31 st March, 2015		As At 31 st March, 2014	
Secured				
Term Loans:				
— From Banks			215,131,079	
— Foreign Currency Loan	134,366,826		1,242,585,796	
— Rupee Loans	988,610,006		37,362,750	1,495,079,625
From Financial Institution	37,362,750	1,160,339,581		
Total		1,160,339,581		1,495,079,625

4.1 Nature of Security :-

i Term Loan from Banks:-

Term loans from banks are secured by 1st pari-passu charge on present and future fixed assets of the company and 2nd pari-passu charge on present and future current assets of the Company. Further they are secured through collateral by way of 2nd charge on a property owned by a Corporate, personal guarantees of Mr. Sanjay Aggarwal and Mr. Sandeep Aggarwal, Directors of the Company and pledge of 100% equity shares of the company held by Promoters/ Promoters Group Companies.

ii Term Loan from Financial Institution:-

Loan from Financial Institution is secured against surrender value/ maturity value of key man insurance policy of Mr. Sanjay Aggarwal and Mr. Sandeep Aggarwal, Directors of the Company.

4.2. Period and Amount of Default in Repayment:-

- 4.2.1 Due to continuing losses and delays in monetization of an asset stipulated in Corporate Debt Restructuring, EG approved Rework Package, Company is in default as per details given below:

Figures in `

Nature of Payment	FY 2014-2015	FY 2013-2014	Period of default
Rupee Loans from banks	159,601,380	225,424,887	Since June, 2013
Foreign Currency Loans	89,577,884	-	Since September, 2014
Interest on Loans	287,613,509	76,856,150	Since October, 2013

4.2.2 Rupee Loans from a bank are in default due to non repayment of recalled loan by a bank.

Nature of Payment	FY 2014-2015	FY 2013-2014	Period of default
Rupee Loans from banks	42,850,323	-	Since November, 2014
Interest on Loans	18,225,330	-	Since November, 2014

4.3 Maturity Profile and rate of interest of Secured Term Loans are as set out below :-

Figures in `

	Rate of Interest		Maturity Profile	
	1-2 Years	2-3 Years	3-4 Years	Beyond 4 Years
11.5%	8,000,000	8,000,000	8,600,000	12,920,000
10%				37,362,750
10.5%	18,709,004	15,312,802	15,312,802	-
9%	85,632,159	73,200,159	181,734,430	272,627,664
8.50%	5,652,327	-	-	-
5.2%	89,577,884	44,788,941	-	-
1%	38,227,458	35,389,445	35,389,445	35,389,445
0%	30,573,979	41,782,794	45,264,694	20,891,399
Total	276,372,812	218,474,141	286,301,370	379,191,258

4.3.1 This information is as per Corporate Debt Restructuring, EG approved Rework Package.

5 Deferred Tax Liability (Net)

Figures in `

Particulars	As At 31 st March, 2015		As At 31 st March, 2014	
Deferred Tax Assets :				
- Leave Encashment	3,824,178		3,021,520	
- Unabsorbed Depreciation	102,704,363	106,528,541	112,822,597	115,844,117
Deferred Tax Liabilities:				
- Depreciation		106,528,541		115,844,117
Total		—		—

5.1 As required by Accounting Standard-22 ('AS-22') in view of existence of Carried forward losses and unabsorbed depreciation under tax laws, Deferred Tax Assets have been recognised only to the extent they are virtually certain to be realised.

6 Long Term Provisions

Figures in `

Particulars	As At 31 st March, 2015	As At 31 st March, 2014
Employee Benefits (Refer Note 24.1)		
— Leave Encashment	9,067,324	7,871,730
— Gratuity	319,731	1,418,133
Provision for Premium on Redemption of Preference Shares (Refer Note 2.1 & 3.2)	7,670,960	3,845,959
Total	17,058,015	13,135,822

7 Short Term Borrowings

Figures in `

Particulars	As At 31 st March, 2015	As At 31 st March, 2014
Secured		
— Working Capital Loans from Banks	2,147,401,707	1,477,993,406
Total	2,147,401,707	1,477,993,406

7.1 Nature of Security :-

Working Capital facilities from Banks are secured by 1st Pari-Passu charge by way of hypothecation on the entire current assets including raw material, stocks in process, finished goods, consumable stores & spares and receivables of the Company, 1st Pari-Passu charge on company's property situated at Prahaladpur, Bawana Road, Delhi, 2nd Pari-Passu charge on other present and future fixed assets. Further they are secured through collateral by way of 2nd charge on a property owned by a Corporate, personal guarantees of Mr. Sanjay Aggarwal and Mr. Sandeep Aggarwal, Directors of the Company and pledge of 100% equity shares of the company held by Promoters/ Promoters Group Companies.

7.2 Period and amount of default:

- Working Capital Loans from banks are overdrawn to the extent of ` 598,744,744/- (Previous Year ` 97,434,093/-) due to devolvement of Letter of Credits since January, 2014.
- Working Capital Loans from a bank are in default ` 281,665,199/- (Previous Year ` NIL) due to non repayment of recalled loan by a bank since November, 2014.
- Interest on Working Capital Loans from banks are overdrawn to the extent of ` 246,705,450/- (Previous Year ` 46,675,155/-) due since October, 2013.

8. Trade Payables

Figures in `

Particulars	As At 31 st March, 2015		As At 31 st March, 2014	
Acceptances		234,600,771		590,532,137
Due to:				
- Micro, Small & Medium Enterprises	-	-	-	-
- Others	95,431,911	95,431,911	230,675,892	230,675,892
Total		330,032,682		821,208,029

8.1 Disclosure under MSMED Act, 2006

The details of amounts outstanding to Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), based on the available information with the Company are as under:

i. Principal amount due and remaining unpaid	-	-
ii. Interest due on (1) above and unpaid interest	-	-
iii. Interest paid on all delayed payments under the MSMED Act.	-	-
iv. Payment made beyond the appointed day during the year	-	-
v. Interest due and payable for the period of delay other than (3) above	-	-
vi. Interest accrued and remaining unpaid	-	-
vii. Amount of further interest remaining due and payable in succeeding years	-	-

9 Other Current Liabilities
Figures in `

Particulars	As At 31 st March, 2015		As At 31 st March, 2014	
Current Maturities of Long-Term Debt				
Term Loans:				
From Banks				
— Foreign Currency Loan	179,155,767		86,052,432	
— Rupee Loans	482,167,128	661,322,896	356,250,543	442,302,975
(Refer Note 4.1)				
Current Maturities of Finance Lease Obligations		-		255,199
(Refer Note 31)				
Interest accrued and due on borrowings		542,182,867		125,351,603
(Refer Note 4.1, 7.2 & 9.2)				
Interest accrued but not due on borrowings		109,659		770,055
Unpaid Dividends (Refer Note 9.3)		467,296		841,324
Foreign Currency Convertible Bonds 'FCCBs'		685,096,015		658,133,186
(Refer Note 9.1)				
Interest accrued and due on FCCBs		21,284,901		13,865,875
(Refer Note 9.1)				
Interest accrued but not due on FCCBs		1,689,278		1,622,794
Employee Benefits Payable		13,173,096		13,087,065
Sundry Creditors -Capital Goods		1,875,303		1,518,254
Statutory Dues Payable		35,471,355		67,568,863
Advance from Customers		13,397,015		4,848,916
Other Payables		48,911,621		37,863,499
Total		2,024,981,302		1,368,029,608

9.1 Principal amount of ` 470,700,000/- of 1% Foreign Currency Convertible Bonds ('FCCBs') is overdue for repayment since 23rd November, 2011. Interest on FCCBs ` 21,284,901/- due up to 31st December, 2014 has also not been paid and is over due. Premium on redemption of FCCB's of ` 214,936,015/- is also over due for payment since 23rd November, 2011.

9.2 Refer Note 4.2 for default in repayment of Term Loans.

9.3 No amount is due as on 31st March, 2015 for credit to Investor Education and Protection Fund (Fund). Amount remaining due after adjustment of amounts to be claimed from the Company will be transferred on the respective due dates to the Fund.

10 Short Term Provisions
Figures in `

Particulars	As At 31 st March, 2015		As At 31 st March, 2014	
Provision for Employee Benefits				
(Refer Note 24.1)				
- Leave Encashment		1,982,657		1,441,016
Others				
- Provision for Wealth Tax		17,753		65,700
Total		2,000,410		1,506,716

11. FIXED ASSETS

11.1 Tangible Assets

Figures in `

DESCRIPTION	GROSS BLOCK				DEPRECIATION & AMORTIZATION				NET BLOCK		
	As at 01.04.2014	Additions	Deductions	As at 31.03.2015	As at 01.04.2014	For the Year	Transfer to General Reserve	Deductions	As at 31.03.2015	As at 31.03.2015	As at 31.3.2014
Own Assets:											
Land											
— Freehold	12,621,330	-	-	12,621,330	-	-	-	-	-	12,621,330	12,621,330
— Leasehold	69,055,115	-	-	69,055,115	-	-	-	-	-	69,055,115	69,055,115
Buildings	234,912,319	538,490	-	235,450,809	69,514,200	6,736,575	-	-	76,250,775	159,200,034	165,398,119
Plant & Equipment	1,345,147,953	33,754,437	379,788	1,378,522,602	775,493,728	71,527,888	1,591,415	288,208	848,324,823	530,197,779	569,654,225
Furniture & Fixtures	56,323,975	81,774	181,524	56,224,225	24,815,922	6,326,238	2,247,895	159,627	33,230,428	22,993,797	31,508,053
Leasehold Building Improvement	11,340,968	-	-	11,340,968	3,670,461	1,455,240	-	-	5,125,701	6,215,267	7,670,507
Vehicles	30,684,272	52,457	45,800	30,690,929	20,612,246	4,949,678	138,294	27,158	25,673,060	5,017,869	10,072,026
Office Equipment	14,248,430	746,798	7,800	14,987,428	4,920,590	1,260,368	6,123,183	7,410	12,296,731	2,690,697	9,327,840
Total	1,774,334,362	35,173,956	614,912	1,808,893,406	899,027,147	92,255,987	10,100,787	482,403	1,000,901,518	807,991,888	875,307,215
Previous Year	1,745,619,586	31,305,959	2,591,183	1,774,334,362	793,305,931	107,822,863	-	2,101,647	899,027,147	875,307,215	952,313,655

11.2 Intangible Assets

Figures in `

DESCRIPTION	GROSS BLOCK				DEPRECIATION & AMORTIZATION				NET BLOCK		
	As at 01.04.2014	Additions	Deductions	As at 31.03.2015	As at 01.04.2014	For the Year	Transfer to General Reserve	Deductions	As at 31.03.2015	As at 31.03.2015	As at 31.3.2014
Own Assets (Acquired):											
- Software	30,591,036	806,660	-	31,397,696	28,979,797	714,002	-	-	29,693,799	1,703,897	1,611,239
Total	30,591,036	806,660	-	31,397,696	28,979,797	714,002	-	-	29,693,799	1,703,897	1,611,239
Previous Year	29,464,309	1,126,727	-	30,591,036	27,347,125	1,632,672	-	-	28,979,797	1,611,239	2,117,184

- 11.3 Land includes addition made due to revaluation as on 31st March, 1994 in erstwhile Paramount Cable Corporation ` 7,650,950
Building includes addition made due to revaluation as on 31st March, 1994 in erstwhile Paramount Cable Corporation ` 7,406,534
Amount of Depreciation pertaining to revaluation in case of Buildings ` 60,111
- 11.4 Title deeds of factory land at prahladpur, Bawana Road, Delhi are in the name of erstwhile Paramount Cable Corporation.
- 11.5 Title deeds of a part of factory land measuring 954.50 sq. mtr. at prahladpur, Bawana Road, Delhi shown in Balance Sheet at ` 2,386,250 are yet to be registered in name of the Company.
- 11.6 Land (Freehold) of ` 7,886,689/- as of 31st March, 2015 situated at Prahaladpur, Delhi is under acquisition as per the Land Acquisition Act, 1894. The matter is being contested.
- 11.7 During the current year, depreciation has been provided on fixed assets as per the useful life specified in Part C of Schedule II of the Companies Act, 2013 and as per internal assessment by the management and independent technical evaluation carried out by external valuers. In case of existing assets, depreciation has been provided based on remaining useful life of the assets. Assets whose useful life is already exhausted as on 1st April, 2014, amounting to ` 10,100,787/- has been recognised in the opening balance of Profit & Loss Account (debit). Had there been no change in useful life of the assets, depreciation expense for the year would have been higher by ` 12,371,596/- .
- 11.8 As per changes made in AS 11 vide Companies(Accounting Standards) Amendment Rules 2009, further amended vide Amendment Rules 2011, during financial year 2008-09 the company exercised option of deferring foreign exchange difference arising on long term foreign currency monetary items viz 'FCCBs', Foreign Currency Term Loan to the Profit and Loss account, in respect of accounting periods commencing on or after December 22, 2006. As a result, such foreign exchange difference relating to the acquisition of depreciable capital assets have been adjusted with cost of such assets and would be depreciated over the balance life of the assets and in other cases has been accumulated in 'FCMITDA'. Exchange loss (net) ` 8,892,000/- (Previous year exchange loss (net) ` 20,448,000/-) has been adjusted in gross block of Fixed Assets. Exchange difference on External Commercial Borrowing (ECBs) raised for repurchasing FCCBs has been transferred to 'FCMITDA'
- 11.9 Additions are after adjusting exchange loss (net) ` 8,892,000/- (Previous Year exchange loss (net) ` 204,48,000/-)

Assets	31.03.2015	31.3.2014
i. Building	2,822,441	6,490,470
ii. Plant & Equipment	5,591,360	12,857,867
iii. Furniture & Fixtures	316,305	727,374
iv. Software	161,893	372,289
Total	8,892,000	20,448,000

12 Non Current investment (Long Term Investments)
Figures in `

Particulars	As At 31 st March, 2015		As At 31 st March, 2014	
Other Investments (Valued at Cost unless stated otherwise)				
Quoted				
Equity Shares				
- Haryana Financial Corporation 4,800 (Previous Year 4,800) Equity Shares of ` 10/-each, fully paid		168,000		168,000
Unquoted				
Equity Shares of Associate Company				
- Paramount Wires & Cables Limited Nil (Previous Year 2,558,000) Equity Shares of ` 10/- each, fully paid		-		25,580,000
Capital Reserve at the time of acquisition		-		9,901,599
Share in profit of Associate:				
Balance at the beginning of the year	(21,802,421)		(24,445,425)	
Add: Share in profit/(loss)during the year	-		2,643,004	
Less Share in profit/(loss) of Associates transferred to Statement of Profit & Loss	21,802,421	-	-	(21,802,421)
Equity Shares of Subsidiary Company				
- "06196375 Cables Limited" (formerly AEI Cables Ltd.), United Kingdom (in administration) 20,000 Equity Shares of £1 each, fully paid	76		1,648,970	
Less : Provision for Diminution in value of investment	75	1	1,648,969	1
Unquoted				
Redeemable Preference Shares of Subsidiary Company				
- "06196375 Cables Limited" (formerly AEI Cables Ltd.), United Kingdom (in administration) 2,995,000 Redeemable Preference Shares of £1 each, fully paid	-		246,933,228	
Less : Provision for Diminution in value of investment	-	-	246,933,227	1
Total		168,001		13,847,180
Quoted Investments				
- Aggregate of Book Value		168,000		168,000
- Aggregate of Market Value		118,320		118,320
Unquoted Investments				
-Aggregate of Book Value		76		274,162,198
-Aggregate provision for Diminution in value of investment		75		248,582,196

- 12.1 Aggregate Provision for diminution in value of investments in has been made keeping in view that subsidiary "06196375 Cables Limited" (formerly AEI Cables Limited), United Kingdom is under Administration.
- 12.2 During the year company purchased Equity shares and preference shares of "06196375 Cables Limited" (formerly AEI Cables Limited), United Kingdom from Paramount Holdings Limited, Cyprus at the at aggregate value of euro 1.
- 12.3 "06196375 Cables Limited" (formerly AEI Cables Limited), United Kingdom is "in Administration" (as per UK laws) w.e.f. 28th February, 2014. Hence consolidated financial statements do not include financial position, financial performance and cash flows of this company. In opinion of Management, it operates under severe long-term restrictions

which significantly impair its ability to transfer funds to the parent. Administrator has sold of business of this subsidiary and settled / disposed off major part of Assets and Liabilities before 31st March, 2014. Now this company is under creditors' voluntary liquidation.

13 Long Term Loans and Advances

(Unsecured, Considered Good)

Figures in `

Particulars	As At 31 st March, 2015		As At 31 st March, 2014	
Capital Advances		2,992,220		3,492,220
Security Deposits				
- Related Parties (Refer Note 13.1)	18,000,000		18,000,000	
- Others	8,777,600	26,777,600	8,251,580	26,251,580
Loans and Advances to Workers & Staff		433,038		83,469
Total		30,202,858		29,827,269

13.1 Disclosure pursuant to clause 32 of the Listing Agreement with Stock Exchanges is given below:

(a) Loans and Advances in the nature of Security deposit given to Related Parties:

Figures in `

Name	As at 31.03.2015	Maximum Balance during 2014-15	As at 31.03.2014	Maximum Balance during 2013-14
Paramount Telecables Limited	18,000,000/-	18,000,000/-	18,000,000/-	18,000,000/-
— Security deposit for premises taken on rent by the Company and adjustable/refundable as per terms & conditions of the Lease Agreement.				
(b) Investment by the Loanee in the shares of the company				
<u>Equity Shares</u>				
- Amount (par value)	49,703,000		49,703,000	
- No of shares	24,851,500		24,851,500	
<u>Preference Shares</u>				
- Amount (par value)	76,500,000		76,500,000	
- No of shares	765,000		765,000	

14 Inventories

(as taken, valued & certified by the management)

Figures in `

Particulars	As At 31 st March, 2015		As At 31 st March, 2014	
Raw Materials		220,007,271		282,593,742
Work-in-Progress		266,280,951		522,607,814
Finished Goods		254,502,921		661,424,719
Stock in Trade		-		6,840,090
Stores & Spares		13,393,926		14,050,970
Packing Materials		1,004,828		1,129,178
Scrap		2,662,379		7,421,086
Total		757,852,276		1,496,067,599

15 Trade Receivables (Current)
Figures in `

Particulars	As At 31 st March, 2015		As At 31 st March, 2014	
Unsecured				
Outstanding for a period exceeding six months from the date due for payment				
- Considered Good	161,681,913		231,775,798	
- Considered Doubtful	105,332,274		113,682,001	
	267,014,187		345,457,799	
Less: Provision for Bad and Doubtful Debts	105,332,274	161,681,913	113,682,001	231,775,798
Others				
- Considered Good	1,413,348,314		1,145,203,903	
- Considered Doubtful	-		-	
	1,413,348,314		1,145,203,903	
Less: Provision for Bad and Doubtful Debts	-	1,413,348,314	-	1,145,203,903
Total		1,575,030,228		1,376,979,701

16 Cash and Bank Balances
Figures in `

Particulars	As At 31 st March, 2015		As At 31 st March, 2014	
Cash on hand		5,675,079		5,896,833
Balances with Banks				
- Current Accounts	4,405,168		20,920,855	
- Fixed Deposits (Refer Note 16.1)	166,490,346	170,895,514	100,640,157	121,561,012
Total		176,570,593		127,457,845
Balance with Bank in Unpaid Dividend Accounts		467,296		841,324
Fixed Deposit with more than twelve months maturity		41,863,732		7,782,952

16.1 Fixed deposits with banks ` 166,490,346/- (Previous Year ` 100,640,157/-) are under lien/custody with banks/ others.

17 Short Term Loans & Advances

(Unsecured, considered good)

Figures in `

Particulars	As At 31 st March, 2015		As At 31 st March, 2014	
Balance with Excise Authorities		60,262,967		55,861,637
Others				
- Advances to Supplier	49,210,097		19,805,208	
- Prepaid Expenses	3,828,687		2,126,879	
- Amount Recoverable in Cash or Kind	2,012,066		59,511	
- Earnest Money Deposits	10,558,030		13,225,562	
- Security Deposits	758,912		826,190	
- Loans to Workers & Staff	889,295		715,779	
- Advances to Workers & Staff	1,191,010		2,279,216	
- Claims Recoverable from Government	52,654,619		42,963,501	
- Advance Tax	5,195,274	126,297,990	3,865,528	85,867,374
Total		186,560,956		141,729,011

18 Other Current Assets
Figures in `

Particulars	As At 31 st March, 2015		As At 31 st March, 2014	
Interest Accrued on Deposits		14,048,567		9,221,090
Total		14,048,567		9,221,090

19 Revenue From Operations (Gross)
Figures in `

Particulars	Year Ended 31 st March, 2015		Year Ended 31 st March, 2014	
Sale of Products				
- Manufactured Goods	4,823,239,921	4,881,894,545	4,452,401,686	4,497,538,740
- Traded Goods	58,654,624		45,137,054	
Other Operating Revenue				
- Export Benefits	8,772,555	92,578,042	2,240,778	63,679,593
- Sale of Scrap	83,805,487		61,438,815	
Total		4,974,472,587		4,561,218,333

19.1 Detail of Sales (Manufactured Goods)
Figures in `

Class of Goods	Year Ended 31 st March, 2015		Year Ended 31 st March, 2014	
Power Cables		3,281,945,726		3,693,261,856
Jelly Filled Telephone Cables		437,659,032		642,420,581
Optical Fibre Cables		1,103,635,163		116,719,249
Total		4,823,239,921		4,452,401,686

19.2 Detail of Sales (Traded Goods)
Figures in `

Class of Goods	Year Ended 31 st March, 2015		Year Ended 31 st March, 2014	
Cables & Accessories		58,654,624		45,137,054
Total		58,654,624		45,137,054

20 Other Income
Figures in `

Particulars	Year Ended 31 st March, 2015		Year Ended 31 st March, 2014	
Interest Income				
- Fixed Deposits	17,478,603	18,753,516	9,200,476	14,823,633
- Others	1,274,913		5,623,157	
Liabilities Written Back		61,525		83,978
Insurance Claim Received		-		2,820
Miscellaneous Income		2,048,394		9,311
Exchange Fluctuation (Net)		-		9,601,291
Total		20,863,435		24,521,033

21 Cost of Materials Consumed
Figures in `

Particulars	Year Ended 31 st March, 2015		Year Ended 31 st March, 2014	
Raw Materials consumed				
- Opening Stock	282,593,742	3,543,357,691	493,452,263	3,624,621,605
Add : Purchases	3,480,771,220		3,413,763,084	
Less : Closing Stock	220,007,271		282,593,742	
		3,543,357,691		3,624,621,605

21.1 Particulars of Raw Materials consumed
Figures in `

Class of Goods	Year Ended 31 st March, 2015		Year Ended 31 st March, 2014	
Copper		1,349,553,733		1,661,869,588
Aluminum, Metal & Braiding		732,930,214		814,703,844
PVC/PE		746,856,729		708,992,280
GI Wires/Strips		203,575,053		265,117,760
Others		510,441,962		173,938,133
Total		3,543,357,691		3,624,621,605

22 Purchase of Stock in Trade
Figures in `

Class of Goods	Year Ended 31 st March, 2015		Year Ended 31 st March, 2014	
Cables & Accessories		36,468,713		20,399,253
Total		36,468,713		20,399,253

23 (Increase)/Decrease in Inventory of Finished Goods, Work In Progress and Stock in Trade
Figures in `

Particulars	Year Ended 31 st March, 2015		Year Ended 31 st March, 2014	
Opening Stock				
- Finished Goods	661,424,719		578,469,683	
- Stock In Trade	6,840,090		34,073,332	
- Work In Progress	522,607,814		604,194,320	
- Scrap	7,421,086	1,198,293,709	9,512,880	1,226,250,215
Less; Closing Stock				
- Finished Goods	254,502,921		661,424,719	
- Stock In Trade	-		6,840,090	
- Work In Progress	266,280,951		522,607,814	
- Scrap	2,662,379	523,446,251	7,421,086	1,198,293,709
		674,847,458		27,956,506

24 Employee Benefits Expense
Figures in `

Particulars	Year Ended 31 st March, 2015		Year Ended 31 st March, 2014	
Salaries, Wages & Others Benefits	105,314,419		123,059,960	
Contribution to Provident & Other Funds	5,502,464		7,712,805	
Welfare Expenses	4,504,958	115,321,841	4,080,636	134,853,401
		115,321,841		134,853,401

24.1 The disclosures required under Accounting Standard 15 "Employee Benefits" ("AS-15") are given below:

Defined Contribution Plan

The amount recognized as an expense in defined contribution plan is as under:

Figures in `

Particulars	Year Ended 31 st March, 2015		Year Ended 31 st March, 2014	
Contributory Provident Fund & Employees Pension Scheme, 1995		5,143,129		6,120,155

Defined Benefit Plan

The company is having following Defined Benefit Plans:

- Gratuity (Funded)
- Leave Encashment (Unfunded)

Particulars	Gratuity	Leave	Gratuity	Leave
	(Funded) 2014-15	Encashment (Unfunded) 2014-15	(Funded) 2013-14	Encashment (Unfunded) 2013-14
a) Actuarial Assumptions				
Discount rate	7.82	7.80	9.17	9.10
Expected rate of return on assets	8.00	-	8.00	-
Expected rate of future salary increase	8.00	9.00	8.00	6.00
b) Reconciliation of opening and closing balances of Defined Benefit obligation				
Present value of obligations as at beginning of year	16,240,254	93,12,746	18,035,390	1,32,33,746
Interest cost	1,269,988	8,47,460	1,424,964	10,71,933
Current Service Cost	1,986,395	10,67,727	1,888,710	6,66,121
Benefits paid		(1,034,864)	(4,991,956)	(29,14,442)
Actuarial (gain)/loss on Obligations	(1,574,096)	8,56,912	(116,854)	(27,44,612)
Value of Obligation for employees transferred from Paramount Wire & Cables Ltd during the year	-	-	-	-
Present value of obligations as at end of year	17,922,541	1,10,49,981	16,240,254	93,12,746
c) Reconciliation of opening and closing balances of fair value of plan assets				
Fair value of plan assets as on beginning of year	14,822,121	-	16,560,493	-
Expected return on plan assets	1,360,219	-	1,192,237	-
Contributions	1,457,737	-	1,649,414	-
Benefits paid	-	-	(4,991,956)	-
Actuarial Gain/(Loss) on Plan assets	(37,267)	-	411,933	-
Fair value of plan assets at the end of year	17,602,810	-	14,822,121	-
d) Fair value of plan assets				
Fair value of plan assets at beginning of year	14,822,121	-	16,560,493	-
Actual return on plan assets	1,322,952	-	1,604,170	-
Contributions	1,457,737	-	1,649,414	-
Benefits paid	-	-	(4,991,956)	-
Fair value of plan assets at the end of year	17,602,810	-	14,822,121	-
Funded status	(319,731)	(11,049,981)	(1,418,133)	(9,312,746)
Excess of Actual over estimated return on plan	37,267	-	411,933	-
e) Actuarial Gain/Loss recognized				
Actuarial gain/(Loss) for the year – Obligation	(1,574,096)	(856,912)	(116,854)	27,44,612
Actuarial (gain)/Loss for the year – plan assets	37,267	-	(411,933)	-
Total (gain)/Loss for the year	(1,536,829)	8,56,912	(528,788)	(2,744,612)
Actuarial (gain)/Loss recognized in the year	(1,536,829)	8,56,912	(528,788)	(2,744,612)
f) The amounts recognized in the balance sheet				
Present value of obligations as at the end of year	17,922,541	1,10,49,981	16,240,254	93,12,746
Fair value of plan assets as at the end of the year	17,602,810	-	14,822,121	-
Funded status	(319,731)	(11,049,981)	(1,418,133)	(9,312,746)
Net (Asset)/liability recognized in balance sheet	(319,731)	11,049,981	(1,418,133)	(9,312,746)
g) Expenses Recognized in statement of Profit & Loss				
Current Service Cost	1,986,395	10,67,727	1,888,710	6,66,121
Interest cost	1,269,988	8,47,460	1,424,968	10,71,933
Expected return on plan assets	(1,360,219)	-	(1,192,237)	-
Net Actuarial (gain)/Loss recognized in the year	(1,536,829)	8,56,912	(528,788)	(2,744,612)
Value of Obligation for employees transferred from Paramount Wire & Cables Ltd during the year	-	-	-	-
Expenses recognized in statement of Profit & Loss	359,335	2,772,099	1,592,650	(1,006,558)

25 Finance Costs
Figures in `

Particulars	Year Ended 31 st March, 2015		Year Ended 31 st March, 2014	
Interest Expense				
- Interest on Borrowings	582,886,060		359,250,366	
- Interest On Income Tax	27,250	582,913,310	-	359,250,366
Other Borrowing Costs		27,261,582		58,995,196
Total		610,174,892		418,245,562

25.1 Interest on borrowings from banks has been provided based upon information available from banks and as per best estimates by management.

26 Depreciation and Amortisation Expenses
Figures in `

Particulars	Year Ended 31 st March, 2015		Year Ended 31 st March, 2014	
Fixed Assets				
- Tangible Assets	92,255,987		107,822,863	
- Intangible Assets	714,002	92,969,989	1,632,672	109,455,535
Less: Transfer from Revaluation Reserve		-		110,754
		92,969,989		109,344,781

26.1 During the current year, depreciation has been provided on fixed assets as per the useful life specified in Part C of Schedule II of the Companies Act, 2013 and as per internal assessment by the management and independent technical evaluation carried out by external valuers. In case of existing assets, depreciation has been provided based on remaining useful life of the assets. Assets whose useful life is already exhausted as on 1st April, 2014, amounting to ` 10,100,787/- has been recognised in the opening balance of Profit & Loss Account (debit). Had there been no change in useful life of the assets, depreciation expense for the year would have been higher by ` 12,371,596/- .

27 Other Expenses
Figures in `

Particulars	Year Ended 31 st March, 2015		Year Ended 31 st March, 2014	
Stores, Spares & Consumables		22,772,113		19,687,137
Excise Duty (Refer Note 27.1)		(33,486,854)		(4,217,671)
Packing Expenses		120,180,152		124,148,109
Power, Fuel and Lighting		85,963,310		82,054,605
Rent		22,247,992		22,064,899
Repair & Maintenance				
- Plant & Machinery	10,992,656		10,758,075	
- Building	2,159,979		1,782,119	
- Others	2,956,574	16,109,209	2,379,371	14,919,565
Insurance		6,735,164		7,017,295
(Refer Note 27.2)				
Rates and Taxes [Includes Wealth Tax ` 17,753/- (Previous Year ` 65,700/-)]		2,272,280		987,444
Auditor's Remuneration (Refer Note 27.3)		2,696,075		3,049,369
Conversion Charges		4,902,130		9,058,124
Labour Charges		79,872,398		67,589,246
Rebates, Discount, Commission on Sales		17,200,195		19,473,335
Freight, Octroi & cartage [Net of recovery ` 84,021,084/- (Previous Year ` 65,365,803/-)]		8,847,613		18,166,677
Bad Debts written off/provided		17,081,383		18,645,408
Travelling and Conveyance [Net of recovery ` Nil (Previous Year ` 3,463,592/-)]		25,848,878		27,846,616

Particulars	Year Ended 31 st March, 2015		Year Ended 31 st March, 2014	
Amortisation of FCMITDA (Net)		25,681,183		23,429,280
Exchange Fluctuation (Net)		18,147,002		-
Advertisement & Publicity		562,142		717,884
Communication Expenses		5,140,619		5,123,665
Loss on sale/disposal of Fixed Assets (Net)		132,513		551,660
Donations		2,052,600		1,197,945
Directors Meeting Fee		554,000		306,000
Miscellaneous Expenses		53,364,213		62,590,778
Total		504,876,311		524,407,370

27.1 Amount of Excise Duty deducted from the turnover is for sales made during the year and the amount recognized separately in the statement of Profit & Loss is related to the difference between the closing stock and opening stock.

27.2 Insurance Premium of ` 3,823,586/- (Previous Year ` 3,801,438/-) on Keyman Insurance Policy has been charged to Profit & Loss. Maturity value of such policies will be accounted for on receipt basis.

27.3 Auditor's Remuneration*:

Figures in `

Particulars	Year Ended 31 st March, 2015		Year Ended 31 st March, 2014	
Audit Fees		2,056,219		2,315,318
Tax Audit fees		150,000		150,000
Taxation Matters		335,236		365,615
Certification & Consultancy		115,000		153,000
Out of Pocket Expenses		39,620		65,436
All other services – to previous auditors				
		2,696,075		3,049,369

*Excludes Service Tax

28 Exceptional Items

Figures in `

Particulars	Year Ended 31 st March, 2015	Year Ended 31 st March, 2014
Provision for Diminution in the value of investment in "06196375 Cables Limited" (formerly AEI Cables Limited), United Kingdom (in Administration)	-	(248,582,195)
Provision for Doubtful debts recoverable from "06196375 Cables Limited" (formerly AEI Cables Limited), United Kingdom (in Administration)	-	(61,705,503)
- Write back of cumulative loss in Paramount Wires & Cables Limited upon sale of Equity shares of Associate	21,802,421	-
	21,802,421	(310,287,698)

29 Earnings Per Equity Share pursuant to Accounting Standard- 20 ("AS-20")

Figures in `

Particulars	Year Ended 31 st March, 2015	Year Ended 31 st March, 2014
Net Profit /(Loss) after Taxation	(1,009,600,276)	(1,007,562,680)
Number of Equity Shares at the beginning of the year	125,233,465	125,233,465
Weighted average number of Equity shares for Basic EPS	125,233,465	125,233,465
Weighted average number of equity shares for Diluted EPS	125,233,465	125,233,465
Basic Earnings per Share (`)	(8.06)	(8.05)
Diluted Earnings per Share (`)	(8.06)	(8.05)
Face Value of each Equity Share (`)	2/-	2/-

30 “Related party disclosures”, for the year/period ended 31st March, 2015, as required by Accounting Standard-18 (“AS-18”) are given below:

Relationships:

i) Subsidiary of the Company:

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

ii) Associate of the Company:

Paramount Wires & Cables Limited (upto 26th May, 2014)

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

Sanjay Aggarwal (HUF)

Sandeep Aggarwal (HUF)

S.S. Aggarwal (HUF)

April Investment & Finance Private Limited

Worth Finance & Leasing Private Limited

Paramount Telecables Limited

S.S. Aggarwal Foundation

iv) Key Managerial Personnel:

Mr. Sanjay Aggarwal

Mr. Sandeep Aggarwal

Mr. Shambhu Kumar Agarwal, Chief Financial Officer (w.e.f 1st October, 2014)

Ms. Tannu Sharma, Company Secretary (w.e.f 1st October, 2014)

Mr. Mark Heneghan (resigned 28th February, 2014)

Mr. Clive Sharp (resigned 28th February, 2014)

Mr. Keith Scott

Mr. Rattan Lal Aggarwal (Appointed 27th February, 2014)

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

Mr. Dhruv Aggarwal

Mr. Tushar Aggarwal

Ms. Parul Aggarwal

vi) Enterprises over which relatives of Key Managerial Personnel have significant influence and with whom transactions have taken place:

Paramount Wires & Cables Limited (w.e.f 27th May, 2014)

Surya Laboratories Private Limited (w.e.f 1st April, 2014)

a. Details relating to parties referred to in items (i), (ii), (iii), (iv), (v) and (vi) above:

Figures in `

Particulars	Year	(i)	(ii)	(iii)	(iv)	(v)	(vi)	TOTAL
Maximum outstanding of sundry debtors during the year	2014-15	67,808,922	-	-	-	-	244,363,659	312,172,581
	2013-14	73,218,855	173,887,643	-	-	-	-	247,106,498
Sundry debtors outstanding as at year end	2014-15	59,041,390	-	-	-	-	126,634,061	185,675,452
	2013-14	63,751,831	173,800,143	-	-	-	-	237,551,974
Maximum outstanding of security deposits given for premises taken on rent	2014-15	-	-	18,000,000	-	-	-	18,000,000
	2013-14	-	-	18,000,000	-	-	-	18,000,000
Outstanding of security deposit given for premises taken on rent as at year end	2014-15	-	-	18,000,000	-	-	-	18,000,000
	2013-14	-	-	18,000,000	-	-	-	18,000,000
Maximum outstanding balance of amount payable during the year	2014-15	-	-	-	-	-	115,909,118	115,909,118
	2013-14	-	-	-	-	-	-	-
Expense payable during the year	2014-15	-	-	216,000	-	-	-	216,000
	2013-14	-	-	216,000	-	-	-	216,000
Rent Paid for use of assets	2014-15	-	-	20,906,664	-	-	-	20,906,664
	2013-14	-	-	20,906,664	-	-	-	20,906,664
Managerial Remuneration	2014-15	-	-	-	3,114,081	-	-	3,114,081
	2013-14	-	-	-	9,032,489	-	-	9,032,489
Salaries and other Benefits	2014-15	-	-	-	1,002,384	530,880	-	1,533,264
	2013-14	-	-	-	-	3,234,000	-	3,234,000
Reimbursement of expenses received	2014-15	-	-	-	-	-	-	-
	2013-14	3,463,592	-	-	-	-	-	3,463,592
Purchases of shares	2014-15	76	-	-	-	-	-	76
	2013-14	-	-	-	-	-	-	-
Sales	2014-15	-	87,319,948	-	-	-	558,838,923	646,158,871
	2013-14	50,248,796	425,964,852	-	-	-	-	476,213,648
Purchases of Raw Materials	2014-15	-	-	-	-	-	126,571,188	126,571,188
	2013-14	-	-	-	-	-	-	-
Donations	2014-15	-	-	1,350,000	-	-	-	1,350,000
	2013-14	-	-	1,150,000	-	-	-	1,150,000

b. Non-Financial Transactions:

- i. Mr. Sanjay Aggarwal and Mr. Sandeep Aggarwal have given personal guarantees to banks/financial institutions for Company's borrowings and also have pledged their share holding in the company with banks.
- ii. Mr. Sanjay Aggarwal and Mr. Sandeep Aggarwal have given personal guarantees to banks/financial institutions for AEI 's borrowings.
- iii. Guarantee of `10,000,000/- (Previous Year `10,000,000/-) given to a Bank for credit facilities sanctioned to Paramount Wires & Cables Limited. Credit facilities availed by the said company as on 31.03.2015 `867,329/- (Previous year `7,586,617/-).
- iv. The Company has executed a Parental Guarantee of `Nil (sterling pounds Nil) [Previous Year `1,634,655,000/- (sterling pounds £1,65,00,000/-)] given to a Bank for credit facilities ((sanctioned limit (sterling pounds £11,500,000/-) sanctioned to "06196375 Cables Limited" (formerly AEI Cables Limited), United Kingdom (Subsidiary).
- v. Paramount Telecables Limited has given its property as collateral by way of 2nd charge to the banks of the company.
- vi. In case of Company, the remuneration does not include Gratuity and Provision for Leave Encashment under Accounting Standard-15 (Revised) and personal accident insurance premium, since same is not available for individual employees.

31 Future lease obligation by way of lease rental:

Fixed Assets taken on lease on or after April 1, 2001 include motor vehicles at an aggregate cost of `Nil (Previous year `5,761,531/-) with future lease obligation by way of lease rental as follows:

Figures in `

Due	Total Minimum lease payments outstanding		Future Interest on outstanding		Present value of minimum lease payments	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Within one year	-	260,325	-	5,126	-	255,199
Later than one year and not later than five years	-	-	-	-	-	-
Total:	-	260,325	-	5,126	-	255,199

31.1 Operating Leases:

The Company has entered into lease transactions during the current financial year mainly for leasing of storage / office premises and company leased accommodations for its employees for periods upto 10 years. Terms of Lease include terms of renewal, increase in rents in future periods and terms of cancellation. There are no subleases. The Operating lease payments recognized in the Profit & Loss account amount to `22,447,992/- (Previous year `22,064,899/-) for the leases, which commenced on or after April 1, 2001. Minimum lease payments under non-cancellable operating leases are:

Figures in `

Particulars	As At 31 st March, 2015	As At 31 st March, 2014
Minimum Lease Payments		
— Not later than one year	20,666,664	20,666,664
— Later than one year but not later than five years	76,499,990	82,666,656
— Later than five years	-	14,499,998

- 32** In opinion of the management Company's business activity mainly falls within a single primary business segment "Cables", the disclosures requirements of Accounting Standard-17 ("AS-17") "Segment Reporting" are not applicable.

33 (i) Unhedged amount payable in foreign currency: Figures in `

Particulars	As At 31 st March, 2015			As At 31 st March, 2014		
	Amount in (`)	Amount in Foreign Currency	Foreign Currency	Amount in (`)	Amount in Foreign Currency	Foreign Currency
Trade Payables	19,531,255	311,205	USD	26,714,035	442,092	USD
	57,975	849	EURO	-	-	-
Payable	47,836,073	762,206	USD	22,859,446	379,158	USD
FCCBs	685,096,015	10,916,125	USD	658,123,186	10,916,125	USD
Foreign Currency Term Loans	313,522,593	4,995,580	USD	301,183,510	4,995,580	USD

33 (ii) Unhedged amount receivable in foreign currency: Figures in `

Particulars	As At 31 st March, 2015			As At 31 st March, 2014		
	Amount in (`)	Amount in Foreign Currency	Foreign Currency	Amount in (`)	Amount in Foreign Currency	Foreign Currency
Trade Receivables	2,050,851	22,352	GBP	58,884,490	594,373	GBP
	54,646,754	879,413	USD	-	-	-
Receivables	3,597,191	37,046	GBP	-	-	-
	1,828,278	28,939	USD	-	-	-

34 Contingent Liabilities & Commitments
(to the extent not provided for)

Figures in `

Particulars	As At 31 st March, 2015		As At 31 st March, 2014	
34.1 Contingent Liabilities				
Claims Against the Company not acknowledged as Debt		8,970,854		8,822,654
34.2 Guarantees				
i. Financial Bank Guarantees outstanding		15,255,296		33,661,802
ii. Guarantee of ` 10,000,000/- (Previous Year ` 10,000,000/-) given to a Bank for credit facilities sanctioned to Paramount Wires & Cables Ltd. - Credit Facilities availed by Paramount Wires & Cables Ltd.		867,329		7,586,617
iii. Parental Guarantee of ` Nil (sterling pounds Nil) [Previous Year ` 1,634,655,000/- (sterling pounds 1,65,00,000/-)] given to a Bank for credit facilities ((sanctioned limit (sterling pounds £11,500,000/-)) sanctioned to "06196375 Cables Limited" (formerly AEI Cables Limited), United Kingdom (Subsidiary). - Credit Facilities availed	(`)	-	(`)	5,646,990
	(Sterling Pound £)	-	(Sterling Pound)	57,000

Figures in `

Particulars	As At 31 st March, 2015		As At 31 st March, 2014	
34.3 Duties & Taxes				
i. Income Tax				
- Demands under appeal	44,298,650		-	
- Matter which have been decided in favour of the Company in first appeal stage, however, Income tax department has filed appeal against orders of first appellate authority.	27,008,740	71,307,390	27,008,740	27,008,740
ii. Excise demands under appeal		87,307,710		79,448,401
iii. Service tax demands under appeal		22,108,874		22,593,046
iv. Custom duty demand due to denial of concessional custom duty, under appeal		6,434,896		6,434,896
34.4 Other money for which company is contingently liable				
i. Unutilised Letter of Credits		33,400,477		112,518,884
ii. Outstanding Bill discounted		94,312,312		81,477,573
iii. Right of recompense of CDR lenders for reliefs/sacrifices/waivers extended by respective CDR lenders to the company.		Amount unascertainable		Amount unascertainable
iv. Letter of demand from a bank due to guarantee given for borrowings of "06196375 Cables Limited" (formerly AEI Cables Limited), United Kingdom (Subsidiary). In opinion of the company the amount of demand is yet to be finalised and agreed by the company. (This is co guaranteed by the Chairman and CEO and Managing Director of the Company in their individual capacity due to which company expects no final liability will arise on the company).	(`)	33,733,615		-
	(Sterling Pound £)	345,846		-
34.5 Commitments				
i. Estimated amount of contracts (net of advances) remaining to be executed on Capital Account.		2,067,000		8,270,000

35. Outstanding 1% Foreign Currency Convertible Bonds (FCCBs) amounting to USD 7.5 million were due for redemption on 23rd November, 2011 and are yet to be redeemed. The Company was to redeem these FCCBs at a Premium equal to 145.54% of the outstanding principal amount. The said premium amounts to ` 239,014,509/- (Gross of tax). A winding up petition was filed against the Company on behalf of the FCCB holders which has been dismissed by the court during the year.

36. Going Concern:

The company has recorded a net loss of ` 1,009,600,276/- for the year and has accumulated losses of ` 3,118,629,314/- as at 31st March, 2015, resulting in negative net worth. The company has also overdues in payments of interest and redemption amount of Foreign Currency Convertible Bonds (FCCBs) and interest and term loans installments to banks and other working capital facilities from banks. The management is confident that the company will be able to generate profits in future years and meet its financial obligations as may arise. The Management is also exploring inducting financial investor/s in the company and/or joint venture with foreign companies. The accompanying financial statements have been prepared on a going concern basis based on cumulative impact of following mitigating factors:

- a) The company has not overdues in payment of statutory dues or its trade creditors etc.
- b) CDR package was approved during financial year 2010-11 and further "Rework Package" has been approved by CDR-EG vide Letter of Approval (LOA) dated 11th July, 2012. The Company has again proposed banks to reschedule term loans repayments.
- c) The Company and promoters have undertaken to raise and had raised adequate finances by way of disposal of assets and induction of fresh funds by promoters and/or promoter group companies. The Management is also exploring inducting financial investor in the company and/or joint venture with foreign companies.
- d) The Company has strong order book position.

37. Independent Auditors of Paramount Holdings Limited have made following disclosure in their report:-

Emphasis of matter- Going concern

"In forming our opinion, which is not modified, the financial statements have not been prepared on a going concern basis since it is the intention of the management to liquidate the company as soon as arrangements can be made. our opinion is not qualified in respect of this matter".

38. Company has been registered with the Board for Industrial and Financial Reconstruction (BIFR) under section 15 (1) of Sick Industrial Companies (Special Provisions) Act, 1985 vide order dated 31.10.2013, BIFR has restrained company from disposing of or alienating in any manner any fixed assets of the Company without consent of BIFR.
39. Statement Pursuant to Section 129 (3) of Companies Act,2013 related to Subsidiaries and Associate Company.

Part "A": Subsidiaries

(Amounts in `)

Sr. No.	Name of the subsidiary	Paramount Holdings Limited	AEI Power Cables Limited
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Year ended 31.03.2015	Year ended 31.03.2015
2	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Euro (€)	Sterling Pound (£)
		1€ = ` 66.9000	1£ = ` 91.75
3	Share capital	350,577	7,260,826
4	Reserves & surplus	(733,512)	(63,399,165)
5	Total assets	32,647	5,103,594
6	Total Liabilities	32,647	5,103,594
7	Investments	-	-
8	Turnover	7,151,285	9,710,301
9	Profit before taxation	5,755,643	370,249
10	Provision for taxation	-	-
11	Profit after taxation	5,755,643	370,249
12	Proposed Dividend	-	-
13	% of shareholding	100%	100%

- 39.1 "06196375 Cables Limited" (formerly AEI Cables Limited), United Kingdom is "in Administration" (as per UK laws) w.e.f. 28th February, 2014. Hence consolidated financial statements do not include financial position, financial performance and cash flows of this company. In opinion of Management, it operates under severe long-term restrictions which significantly impair its ability to transfer funds to the parent. Administrator has sold of business of this subsidiary and settled / disposed off major part of Assets and Liabilities before 31st March, 2014.

Part "B": Associate

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Company

Paramount Wires & Cables Limited has ceased to be an Associate Company w.e.f. 26/05/2014 as the entire stake held by company in PWCL was disinvested on 26/05/2014.

40. Additional Information in pursuant to Schedule III of the Companies Act, 2013

S. No.	Name of the Entity	Ownership Interest	Net Assets, i.e., total assets minus total liability	Share in profit or loss	
			As % of consolidated net assets	As % of consolidated profit or loss	Amount
1	2	3	4	5	6
1	Parent		99.61%	99.90%	(1,008,574,883)
2	Subsidiaries				
A	Foreign				
a)	Paramount Holdings Limited, Cyprus	100.00%	0.08%	0.14%	(1,395,642)
b)	AEI Power Cables Limited, United Kingdom	100.00%	0.31%	-0.04%	370,249
	TOTAL		100.00%	100.00%	(1,009,600,276)

40.1 "06196375 Cables Limited" (formerly AEI Cables Limited), United Kingdom is "in Administration" (as per UK laws) w.e.f. 28th February, 2014. Hence consolidated financial statements do not include financial position, financial performance and cash flows of this company. In opinion of Management, it operates under severe long-term restrictions which significantly impair its ability to transfer funds to the parent. Administrator has sold of business of this subsidiary and settled / disposed off major part of Assets and Liabilities before 31st March, 2014. Now this company is under creditors' voluntary liquidation.

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

As per our separate report of even date attached

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

(Sanjay Aggarwal)
Chairman & CEO

(Sandeep Aggarwal)
Managing Director

(J.C. Gupta)
Partner
Membership No. 6107

(S K Aggarwal)
Chief Financial Officer

(Tannu Sharma)
Company Secretary

Place of signing : New Delhi
Date: 27th May, 2015

Place : New Delhi
Date : 27th May, 2015



FORM NO. MGT-11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

PARAMOUNT COMMUNICATIONS LIMITED

CIN: L74899DL1994PLC061295

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

Tel.: +91(11) 4561 8800/900 Fax: +91(11)25893719/720

Website: www.paramountcables.com ; Email: investors@paramountcables.com

Name of the member (s):	
Registered address:	
E-mail Id:	
Folio No/ Client Id:	
DP ID:	

I/We, being the member (s) of.....shares of the above named Company, hereby appoint

- Name :

Address :

..... E-mail Id :

Signature :, or failing him
- Name :

Address :

..... E-mail Id :

Signature :, or failing him
- Name :

Address :

..... E-mail Id :

Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **21st Annual General Meeting** of the Company, to be held on the **Thursday, 24th Day of September, 2015** at **11:30 A.M.** at **SHAH AUDITORIUM, SHREE DELHI GUJARATI SAMAJ MARG, NEAR INTERSTATE BUS TERMINAL, DELHI-110054** and at any adjournment thereof in respect of such resolutions as are indicated below:

	Optional	
	FOR	AGAINST
ORDINARY BUSINESS		
1. Adoption of Annual Accounts of the Company as on March 31, 2015.		
2. Re-appointment of Mr. Sanjay Aggarwal, retiring by rotation and being eligible, offering himself for re-appointment.		
3. Re-appointment of Statutory Auditors of the Company till the conclusion of the next Annual General Meeting.		
SPECIAL BUSINESSES		
4. Regularization and re-appointment of Mrs. Malini Gupta, as an Independent Director in terms of the Companies Act, 2013.		
5. Resolution under Section 180(1)(c) of the Companies Act, 2013 to approve the overall borrowing limit of ` 1,000 Crore.		
6. Resolution under Section 180(1)(a) of the Companies Act, 2013 to approved the overall limit of ` 1,000 Crore.		
7. Alteration of Memorandum of Association and adoption of new Memorandum as per the provisions of the Companies Act, 2013.		
8. Alteration of Articles of Association and adoption of new Articles as per the provisions of the Companies Act, 2013.		
9. Making contribution for bonafide and charitable purposes not exceeding ` 25 Lac in one financial year.		
10. Approve the remuneration of Cost Auditors.		

Date :, 2015.

.....
Signature of shareholder



.....
Signature of Proxy holder(s)

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. Further, a member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.



Paramount Communications Ltd.

CIN: L74899DL1994PLC061295

Regd. Office: C-125, Naraina Industrial Area, Phase-1, Naraina, New Delhi-110028, India

Ph.: +91-11-4561 8800-900, Fax: +91-11-25893719-720

Website: www.paramountcables.com, E-mail: investors@paramountcables.com

ATTENDANCE SLIP

Please complete this slip and hand it over at the entrance of the meeting hall.

L.F. No.

No. of Shares Held

DP.ID.*	
---------	--

Client ID.*	
-------------	--

	Name(s) in full	Father/Husband's Name	Address as Regd. with the Company
1.
2.
3.

I/We hereby record my/our presence at the 21st Annual General Meeting of the Company being held on Thursday, the 24th day of September, 2015 at 11:30 A.M. at Shah Auditorium, Shree Delhi Gujarati Samaj Marg, Near Inter State Bus Terminal, Delhi-54, India.

Signature of the shareholder(s)/Proxy**

1.

2.

* *Applicable for investors holding shares in electronic form*

** *Strike out whichever is not applicable*

Note: Attendance slip in original should be complete in all respect.



Paramount Communications Ltd.

C-125, Naraina Industrial Area, Phase-1, Naraina, New Delhi-110028, India
Ph.: +91-11-4561 8800-900