

PCL/BM/OUTCOME/05/2017

29.05.2017

The General Manager- Listing
The Asst. Vice President (Listing)
National Stock Exchange of India Ltd.
"Exchange Plaza", Bandra-Kurla Complex,
Bandra (East),
Mumbai-400 051

Sub: Outcome of Board Meeting.
Company Code: PARACABLES.

Dear Sir,

This is to inform you that a meeting of the Board of Directors of the Company was held today, and inter alia, the Audited standalone and consolidated financial results for the quarter and year ended 31.03.2017, duly reviewed by Audit Committee, were considered, approved and taken on record by the Board of Directors. A copy of the Audited Standalone and Consolidated Financial Results for the quarter and year ended 31.03.2017, along with Auditor's report thereon, is enclosed herewith for records.

In compliance of Regulation 33 of SEBI (listing Obligations & Disclosure Requirements) Regulations, 2015, and SEBI Circular CIR/CFD/CMD/56/2016 dated May 27, 2016 please find enclosed herewith Statement on Impact of Audit qualification, duly signed, for records.

Thanking You.

For Paramount Communications Limited


(Tannu Sharma)
Company Secretary

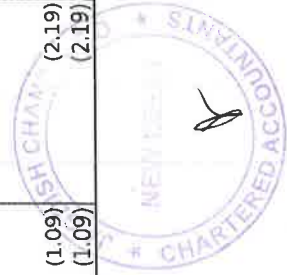
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(₹ in Lacs except as stated)

PART I: STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2017						
S.No.	Particulars	Quarter ended		Year ended		
		31.03.2017 (Unaudited)	31.12.2016 (Unaudited)	31.03.2016 (Unaudited)	31.03.2017 (Audited)	31.03.2016 (Audited)
1.	Income from Operations					
	a) Sales / Income from Operations(Inclusive of excise duty)	10,522.14	6,690.52	12,136.17	34,750.05	34,075.30
	b) Other Operating Income	96.67	20.03	140.96	263.06	316.20
	Total Income from Operations	10,618.81	6,710.55	12,277.13	35,013.11	34,391.50
2.	Expenses					
	(a) Cost of materials consumed	6,718.41	5,425.51	8,548.59	25,329.16	26,784.09
	(b) Purchase of stock-in-trade					
	(c) Changes in inventories of finished goods, work-in-progress, stock-in-trade & scrap	1,932.67	(97.81)	1,531.90	3,287.09	1,568.90
	(d) Employee benefits expense	425.62	353.18	320.08	1,512.29	1,312.72
	(e) Depreciation & amortisation expense	191.00	204.80	217.93	816.58	858.35
	(f) Excise Duty	831.19	681.65	1,090.66	3,250.23	3,392.23
	(g) Other expenses	1,795.01	1,875.20	1,487.29	6,527.64	5,719.68
	Total Expenses	11,893.90	8,442.53	13,196.45	40,722.99	39,635.97
3.	Profit/(Loss) from operations before other income, finance costs and exceptional items (1-2)	(1,275.09)	(1,731.98)	(919.32)	(5,709.88)	(5,244.47)
4.	Other Income	161.82	67.21	66.09	431.71	241.67
5.	Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4)	(1,113.27)	(1,664.77)	(853.23)	(5,278.17)	(5,002.80)
6.	Finance costs	186.80	(301.63)	1,891.10	1,895.20	7,378.83
7.	Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(1,300.07)	(1,363.14)	(2,744.33)	(7,173.37)	(12,381.63)
8.	Exceptional items (Net)(Refer note no 10)	7,142.04	-	-	7,142.04	152.61
9.	Profit/(Loss) from ordinary activities before tax (7+8)	5,841.97	(1,363.14)	(2,744.33)	(31.33)	(12,229.02)
10.	Tax expense	-	-	-	-	-
11.	Net Profit/(Loss) from ordinary activities after tax (9-10)	5,841.97	(1,363.14)	(2,744.33)	(31.33)	(12,229.02)
12.	Extraordinary items (net of tax expense)	-	-	-	-	-
13.	Net Profit/(Loss) for the period	5,841.97	(1,363.14)	(2,744.33)	(31.33)	(12,229.02)
14.	Paid-up Equity Share Capital	2,504.67	2,504.67	2,504.67	2,504.67	2,504.67
15.	(Face Value ₹ 2/- each) Reserves excluding revaluation reserves as per balance sheet				(36,878.26)	(36,902.32)
16.	Earning Per Share (EPS) before and after extraordinary items (not annualised)					
	a) Basic in ₹	4.66	(1.09)	(2.19)	(0.03)	(9.76)
	b) Diluted in ₹	4.66	(1.09)	(2.19)	(0.03)	(9.76)

For Paramount Communications Ltd.

(Sanjay Aggarwal)
 Chairman & CEO

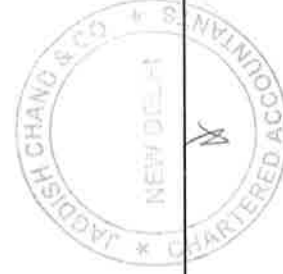


(₹ /Lacs)

STATEMENT OF ASSETS & LIABILITIES

S.No.	PARTICULARS	Standalone	
		As at 31.3.2017 (Audited)	As at 31.3.2016 (Audited)
A	EQUITY AND LIABILITIES		
	1 Shareholders' funds		
	(a) Share capital	3,269.67	3,269.67
	(b) Reserves and surplus	(36,878.26)	(36,813.93)
	Sub-total - Shareholders' funds	(33,608.59)	(33,544.26)
2	Non-current liabilities		
	(a) Long-term borrowings	3,698.63	8,867.14
	(b) Deferred tax liabilities (net)	-	-
	(c) Long-term provisions	306.47	212.01
3	Sub-Total - Non-Current Liabilities	4,005.10	9,079.15
	Current liabilities		
	(a) Short-term borrowings	4,963.03	17,983.29
	(b) Trade payables	1,918.62	5,652.94
	(c) Other current liabilities	47,738.46	32,107.22
	(d) Short-term provisions	22.64	21.85
	Sub-total - Current Liabilities	54,642.75	55,765.30
	TOTAL - EQUITY AND LIABILITIES	25,039.26	31,300.19
B	ASSETS		
	1 Non-Current Assets		
	(a) Fixed Assets	6,664.74	7,482.24
	(b) Non-current investments	★ 0.00	1.68
	(c) Long-term loans and advances	309.84	306.55
2	(d) Other non-current assets	-	-
	Sub-total - Non-Current Assets	6,974.58	7,790.47
	Current Assets		
	(a) Inventories	1,331.05	5,387.98
	(b) Trade Receivables	11,620.10	13,377.34
	(c) Cash and Cash Equivalents	2,847.68	2,787.66
	(d) Short-Term Loans and Advances	1,979.34	1,733.91
	(e) Other Current Assets	286.51	222.83
	Sub-total - Current Assets	18,064.68	23,509.72
	TOTAL - ASSETS	25,039.26	31,300.19

★ ₹ 3/-



For Paramount Communications Ltd.


 (Sanjay Aggarwal)
 Chairman & CEO

Notes:

1. The above results reviewed by the Audit Committee have been taken on record by the Board of Directors at their meeting held on 29th May, 2017.
 2. The Independent Auditors have qualified their Audit Report on statement of standalone financial results for the quarter and year ended 31st March, 2017 as follows:

"From 1st July, 2016 company has not provided for interest and other dues of ₹ 29,917,920/- on borrowings from a bank which have become NPA account as per bank classification and are outstanding at the year end and in respect of which interest has been reversed/not charged in statements provided by the Bank. Amount of interest not provided ₹ 29,917,920/- as per the estimate by the management. We further report that loss for the year would have been ₹ 33,050,752/- as against reported figure ₹ 3,132,832/- and short term borrowings would have been ₹ 526,220,445/- as against reported figure ₹ 496,302,525/- and debit balance in surplus would have been ₹ 4,420,632,798/- as against reported figure ₹ 4,390,714,878/-.
 3. In the Independent Auditors report for the year ended 31st March, 2017, the Independent Auditors have also reported that Non provision of interest on borrowings from a bank as described in the Basis of Qualified Opinion and the going concern matter described under the Emphasis of Matter, in our opinion, may have an adverse effect on the functioning of the Company.
- Management Response to 2 & 3 above**
- a. Company has obtained balance confirmation from aforesaid bank as on 31st March, 2017 and there are no material difference between outstandings as per the bank & company. Management is of the opinion that no further interest is to be provided other than already accounted for.
 - b. The accompanying financial statements have been prepared on a going concern basis based on cumulative impact of following mitigating factors:
 - The company has not defaulted in payment of statutory dues or its trade creditors etc.
 - The company has entered in Settlement agreement with ARC for dues of two banks assigned to ARC. Further Company is negotiating with ARC for settlement of dues for another bank.
 - Subsequent to year end company has entered in to Settlement agreement with one bank.
 - The terms of settlements with ARC and Banks will reduce substantially company's negative net worth. Also Company has reasonable assurance of meeting terms and conditions of settlement with ARC/Bank. This reasonable assurance is based upon future cash flows of the Company and undertaking from the promoters of infusing necessary funds for meeting the obligations of settlement .
 - 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 company has strong order book position.
 4. Independent Auditors of the company have without qualifying their opinion drawn attention to the following:
 - a. The accompanying financial statements have been prepared on a going concern basis despite negative net worth, overdue in repayment of loan instalments, 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
 - b. For Banks who have assigned and transferred the loan together with all underlying securities thereto and rights etc., to a Securitization and Asset Reconstruction Company, dues to those banks have been transferred and shown as due to Securitization and Asset Reconstruction Company.



For Paramount Communications Ltd.

(Signature)
(Sanjay Aggarwal)
Chairman & CEO

c. Company has received and accepted Sanction letter / in principle approval with ARC for payment of ₹ 373,800,000/- towards full & final payment of the amount due & payable to ARC Subject to Company complying with 'Schedule of Payments' referred to in Sanction letter / in principle approval. As per schedule of payment ₹ 167,500,000/- is ought to be paid before 29th March, 2021 in half yearly instalments and ₹ 206,300,000/- is ought to be paid before 30th September, 2021 in half yearly instalments. Company has paid all the instalments due upto 31st March, 2017 and is confident of meeting all payment schedules specified in Sanction letter / in principle approval. In opinion of the management the settled amounts with ARC are new borrowing/ liability since the lender is different from earlier lenders and the new borrowings/ liability are on substantially different terms viz as amount of settlement, schedule of payment etc. Hence, this modification is treated as de-recognition of the original liability and the recognition of a new liability.

Accordingly, Company has written back ₹ 714,204,200/- as exceptional item (settlement of dues) as difference between loans assigned to ARC by banks & Settlement amount between Company & ARC.

d. In respect of dues to ARC which have been assigned by banks and in respect of which Settlement between company and ARC, no interest has been provided, since, the company is in the process of making settlement with the ARC. As per terms & conditions of Settlements with ARC during the year, no interest was charged by ARC.

5. As per amendments made in Accounting Standard -10, on Property, Plant & Equipment (AS-10), w.e.f. 01.04.2016 all fixed assets of a particular category are to be revalued. In case of selective revaluation done in earlier years the AS-10 offered the alternative of adjusting outstanding balance in Revaluation Reserve against the carrying amount of that item in case company opts for not revaluing all fixed assets of that particular category. The company has transferred outstanding balance in Revaluation Reserve of ₹ 15,057,484/- as on 01.04.2016 to land ₹ 7,650,950/- and Building ₹ 7,406,534/- and accumulated depreciation ₹ 6,219,131/- thereon. This has no material impact on loss for the year.

6. In respect of dues to ARC which have been assigned by banks and in respect of which Settlement between company and ARC, no interest has been provided, since, the company is in the process of making settlement with the ARC. As per terms & conditions of Settlements with ARC during the year, no interest was charged by ARC.

7. Subsequent to the year end company has entered into Settlement with a bank. Dues of settlement are to be paid to the bank on or before 31st March, 2018. Outstanding (including interest) to this bank as on 31st March, 2017 has been stated on the basis of prorata calculation of amount outstanding acknowledged by the company in settlement.

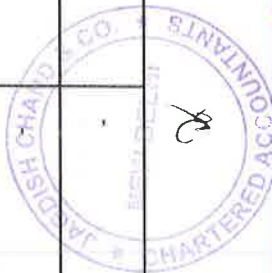
8. Based upon schedule of payment sanctioned/ in principle approval by ARC, Company has bifurcated dues to ARC between long term borrowings and other current liabilities.

9. Pursuant to changes made in AS-11 vide Companies (Accounting Standard) Amendment Rules, 2011, foreign exchange difference arising on long term foreign currency monetary items-FCCBs used for acquiring depreciable assets has been adjusted with the cost of fixed assets and in other cases has been transferred to Profit & Loss Account. Exchange fluctuation on ECB has been fully transferred to Foreign Currency Monetary Items Translation Difference Account (FCMITDA).

10. Exceptional items include:-

Particulars	Quarter ended			Year ended	
	31.03.2017 (Unaudited)	31.12.2016 (Unaudited)	31.03.2016 (Unaudited)	31.03.2017 (Audited)	31.03.2016 (Audited)
- Write back of Provision for Doubtful debts made on recoverable from AEI Power Cables Limited, United Kingdom	-	-	-	-	154.90
- Provision for diminution in the value of investment, doubtful debts and Advance Recoverable from subsidiaries.	-	-	-	-	-
				For Paramount Communications Ltd.	

(Sanjay Aggarwal)
Chairman & CEO



-Write back on Settlement of Loan Liabilities	7,142.04	-	7,142.04	-
Total Exceptional items	7,142.04	-	7,142.04	152.61

11. Outstanding 1% Foreign Currency Convertible Bonds (FCCBs) amounting to ₹ 7,114.04 lacs (equivalent to USD 10.92 million) including redemption premium were due for redemption on 23rd November, 2011 and are yet to be redeemed. A winding up petition was filed against the Company on behalf of the FCCB holders which has been dismissed by the court in earlier years.

12. Segment reporting as defined in Accounting Standard 17 is not applicable as the Company operates mainly in one segment i.e. Cables.

13. The financial figures for the quarter ended March 31,2017 and March 31,2016 are the balancing figure between audited figures in respect of the full financial year and the unaudited published year- to -date figures up to the third quarter ended December 31,2016 and December 31,2015 respectively.

14. Figures for the previous period /year have been regrouped & rearranged, wherever necessary.

For PARAMOUNT COMMUNICATIONS LTD.

Sanjay Aggarwal Communications Ltd.

Chairman & CEO
DIN:00001788

(Sanjay Aggarwal)
Chairman & CEO

Place: New Delhi
Date : 29.05.2017

(₹ in Lacs except as stated)

PART I: STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2017						
S.No.	Particulars	31.03.2017 (Unaudited)	Quarter ended 31.12.2016 (Unaudited)	31.03.2016 (Unaudited)	Year ended 31.03.2017 (Audited)	31.03.2016 (Audited)
1.	Income from Operations					
	a) Sales / Income from Operations(Inclusive of excise duty)	10,522.14	6,690.52	12,136.17	34,750.05	34,075.30
	b) Other Operating Income	96.67	20.03	140.96	263.06	316.20
	Total Income from Operations	10,618.81	6,710.55	12,277.13	35,013.11	34,391.50
2.	Expenses					
	(a) Cost of materials consumed	6,718.41	5,425.51	8,548.59	25,329.16	26,784.09
	(b) Purchase of stock-in-trade	-	-	-	-	-
	(c) Changes in inventories of finished goods, work-in-progress, stock-in-trade & scrap	1,932.67	(97.81)	1,531.90	3,287.09	1,568.90
	(d) Employee benefits expense	425.62	353.18	320.08	1,512.29	1,312.72
	(e) Depreciation & amortisation expense	191.00	204.80	217.93	816.58	858.35
	(f) Excise Duty	831.19	681.65	1,090.66	3,250.23	3,392.23
	(g) Other expenses	1,802.85	1,875.51	1,489.77	6,536.16	5,727.33
	Total Expenses	11,901.74	8,442.84	13,198.93	40,731.51	39,643.62
3.	Profit/(Loss) from operations before other income, finance costs and exceptional items (1-2)	(1,282.93)	(1,732.29)	(921.80)	(5,718.40)	(5,252.12)
4.	Other Income	161.82	67.21	55.34	431.71	243.56
5.	Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4)	(1,121.11)	(1,665.08)	(866.46)	(5,286.69)	(5,008.56)
6.	Finance costs					
	Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)	186.83	(301.63)	1,891.12	1,895.28	7,379.07
7.	Exceptional Items (Net)(Refer note no 14)	7,142.04	-	-	7,142.04	-
8.	Profit/(Loss) from ordinary activities before tax (7+8)	5,834.10	(1,363.45)	(2,757.58)	(39.93)	(12,387.63)
9.	Tax expense	-	-	-	-	-
10.	Net Profit/(Loss) from ordinary activities after tax (9-10)	5,834.10	(1,363.45)	(2,757.58)	(39.93)	(12,387.63)
11.	Extraordinary Items (net of tax expense)	-	-	-	-	-
12.	Net Profit/(Loss) for the period	5,834.10	(1,363.45)	(2,757.58)	(39.93)	(12,387.63)
13.	Share of Profit / (Loss) of Associate	-	-	-	-	-
14.	Minority Interest	-	-	-	-	-
15.	Net Profit / (Loss) after taxes and minority interest (13+14)	5,834.10	(1,363.45)	(2,757.58)	(39.93)	(12,387.63)
16.	Paid-up Equity Share Capital (Face Value ₹ 2/- each)	2,504.67	2,504.67	2,504.67	2,504.67	2,504.67
17.	Reserves excluding revaluation reserves as per balance sheet				(36,878.26)	(36,893.07)
18.	Earning Per Share (EPS) before and after extraordinary items (not annualised)					
	a) Basic in ₹	4.66	(1.09)	(2.20)	(0.03)	(9.89)
	b) Diluted in ₹	4.66	(1.09)	(2.20)	(0.03)	(9.89)



For Paramount Communications Ltd.

(Sanjay Aggarwal)
Chairman & CEO

STATEMENT OF ASSETS & LIABILITIES				(₹ /Lacs)	
S.No.	PARTICULARS	Consolidated		As at 31.3.2017 (Audited)	As at 31.3.2016 (Audited)
A	EQUITY AND LIABILITIES				
	1 Shareholders' funds				
	(a) Share capital	3,269.67	3,269.67		
	(b) Reserves and surplus	(36,878.26)	(36,804.68)		
	Sub-total - Shareholders' funds	(33,608.59)	(33,535.01)		
	2 Minority Interest	-	-		
	3 Non-current liabilities				
	(a) Long-term borrowings	3,698.63	8,867.14		
	(b) Deferred tax liabilities (net)	-	-		
	(c) Long-term provisions	306.47	212.01		
B	Sub-Total - Non-Current Liabilities	4,005.10	9,079.15		
	4 Current liabilities				
	(a) Short-term borrowings	4,963.03	17,983.29		
	(b) Trade payables	1,918.62	5,109.73		
	(c) Other current liabilities	47,738.46	32,107.22		
	(d) Short-term provisions	22.64	21.85		
	Sub-total - Current Liabilities	54,642.75	55,222.09		
	TOTAL - EQUITY AND LIABILITIES	25,039.26	30,766.23		
	ASSETS				
1	Non-Current Assets				
	(a) Fixed Assets	6,664.74	7,482.24		
	(b) Non-current investments	★	0.00	1.68	
	(c) Long-term loans and advances	309.84	306.55		
	Sub-total - Non-Current Assets	6,974.58	7,790.47		
2	Current Assets				
	(a) Inventories	1,331.05	5,387.98		
	(b) Trade Receivables	11,620.10	12,827.32		
	(c) Cash and Cash Equivalents	2,847.68	2,803.70		
	(d) Short-Term Loans and Advances	1,979.34	1,733.93		
	(e) Other Current Assets	286.51	222.83		
	Sub-total - Current Assets	18,064.68	22,975.76		
	TOTAL - ASSETS	25,039.26	30,766.23		
	★ ₹ 1/-				

For Paramount Communications Ltd.

(Sanjay Aggarwal)
Chairman & CEO



Notes:

1. The above results reviewed by the Audit Committee have been taken on record by the Board of Directors at their meeting held on 29th May, 2017.
2. Consolidated financial results include audited financials of one wholly owned subsidiary of the company namely AEI Power Cables Limited, United Kingdom, and unaudited financials of other wholly owned subsidiary of the company namely Paramount Holdings Limited, Cyprus, which have been incorporated as certified by the management of the company.
3. The Independent Auditors have qualified their Audit Report on statement of consolidated financial results for the quarter and year ended 31st March, 2017 as follows:

"From 1st July, 2016 company has not provided for interest and other dues of ₹ 29,917,920/- on borrowings from a bank which have become NPA account as per bank classification and are outstanding at the year end and in respect of which interest has been reversed/not charged in statements provided by the Bank. Amount of interest not provided ₹ 29,917,920/- as per the estimate by the management. We further report that loss for the year would have been ₹ 33,910,453/- as against reported figure ₹ 3,992,533/- and short term borrowings would have been ₹ 526,220,445/- as against reported figure ₹ 496,302,525/- and debit balance in surplus would have been ₹ 4,391,302,877/- as against reported figure ₹ 4,361,384,957/-."
4. In the Independent Auditors report for the year ended 31st March, 2017, the Independent Auditors have also reported that Non provision of interest on borrowings from a bank as described in the Basis of Qualified Opinion and the going concern matter described under the Emphasis of Matter, in our opinion, may have an adverse effect on the functioning of the Company.

Management Response to 3 & 4 above
 - a. Company has obtained balance confirmation from aforesaid bank as on 31st March, 2017 and there are no material difference between outstandings as per the bank & company. Management is of the opinion that no further interest is to be provided other than already accounted for.
 - b. The accompanying financial statements have been prepared on a going concern basis based on cumulative impact of following mitigating factors:
 - The company has not defaulted in payment of statutory dues or its trade creditors etc.
 - The company has entered in Settlement agreement with ARC for dues of two banks assigned to ARC. Further Company is negotiating with ARC for settlement of dues for another bank.
 - Subsequent to year end company has entered in to Settlement agreement with one bank.
 - The terms of settlements with ARC and Banks will reduce substantially company's negative net worth. Also Company has reasonable assurance of meeting terms and conditions of settlement with ARC/Bank. This reasonable assurance is based upon future cash flows of the Company and undertaking from the promoters of infusing necessary funds for meeting the obligations of settlement.
 - 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 company has strong order book position.
5. Independent Auditors of the company have without qualifying their opinion drawn attention to the following:
 - a. The accompanying financial statements have been prepared on a going concern basis despite negative net worth, overdue in repayment of loan instalments, 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.
 - b. For Banks who have assigned and transferred the loan together with all underlying securities thereto and rights etc., to a Securitization and Asset Reconstruction Company, dues to those banks have been transferred and shown as due to Securitization and Asset Reconstruction Company.

For Paramount Communications Ltd.

(Sanjay Aggarwal)
Chairman & CEO



c. Company has received and accepted Sanction letter / in principle approval with ARC for payment of ₹ 373,800,000/- towards full & final payment of the amount due & payable to ARC Subject to Company complying with 'Schedule of Payments' referred to in Sanction letter / in principle approval. As per schedule of payment ₹ 167,500,000/- is ought to be paid before 29th March, 2021 in half yearly instalments and ₹ 206,300,000/- is ought to be paid before 30th September, 2021 in half yearly instalments. Company has paid all the instalments due upto 31st March, 2017 and is confident of meeting all payment schedules specified in Sanction letter / in principle approval. In opinion of the management the settled amounts with ARC are new borrowing/ liability since the lender is different from earlier lenders and the new borrowings/ liability are on substantially different terms viz as amount of settlement, schedule of payment etc. Hence, this modification is treated as de-recognition of the original liability and the recognition of a new liability.

Accordingly, Company has written back ₹ 714,204,200/- as exceptional item (settlement of dues) as difference between loans assigned to ARC by banks & Settlement amount between Company & ARC.

d. In respect of dues to ARC which have been assigned by banks and in respect of which Settlement between company and ARC, no interest has been provided, since, the company is in the process of making settlement with the ARC. As per terms & conditions of Settlements with ARC during the year, no interest was charged by ARC.

e. "06196375 Cables Limited" (formerly AEI Cables Limited), United Kingdom is "in Administration" (as per UK laws) w.e.f. 28th February, 2014 and at present under liquidation. Hence, consolidated financial statements do not include financial position, financial performance and cash flows of this subsidiary.

f. "In case of Paramount Holdings Limited, Cyprus (Subsidiary Company), it is the intention of the Management to liquidate the Company as soon as arrangements can be made.

g. "In case of AEI Power Cables Limited, United Kingdom (Subsidiary Company), the status of the company from 1st April, 2017 is dormant, but the intention is still to remain in existence for the foreseeable future".

6. As per amendments made in Accounting Standard -10, on Property, Plant & Equipment (AS-10), w.e.f. 01.04.2016 all fixed assets of a particular category are to be revalued. In case of selective revaluation done in earlier years the AS-10 offered the alternative of adjusting outstanding balance in Revaluation Reserve against the carrying amount of that item in case company opts for not revaluing all fixed assets of that particular category. The company has transferred outstanding balance in Revaluation Reserve of ₹ 15,057,484/- as on 01.04.2016 to land ₹ 7,650,950/- and Building ₹ 7,406,534/- and accumulated depreciation ₹ 6,219,131/- thereon. This has no material impact on loss for the year.

7. In respect of dues to ARC which have been assigned by banks and in respect of which Settlement between company and ARC, no interest has been provided, since, the company is in the process of making settlement with the ARC. As per terms & conditions of Settlements with ARC during the year, no interest was charged by ARC.

8. Subsequent to the year end company has entered into Settlement with a bank. Dues of settlement are to be paid to the bank on or before 31st March, 2018. Outstanding (including interest) to this bank as on 31st March, 2017 has been stated on the basis of prorata calculation of amount outstanding acknowledged by the company in settlement.

9. Based upon schedule of payment sanctioned/ in principle approval by ARC, Company has bifurcated dues to ARC between long term borrowings and other current liabilities.

10. Pursuant to changes made in AS-11 vide Companies (Accounting Standard) Amendment Rules, 2011, foreign exchange difference arising on long term foreign currency monetary items-FCCBs used for acquiring depreciable assets has been adjusted with the cost of fixed assets and in other cases has been transferred to Profit & Loss Account. Exchange fluctuation on ECB has been fully transferred to Foreign Currency Monetary Items Translation Difference Account (FCMITDA).

11. "06196375 Cables Limited" (formerly AEI Cables Limited), United Kingdom is "in Administration" (as per UK laws) w.e.f. 28th February, 2014. Hence consolidated financial results do not include financial of this company. In opinion of Management, it operates under severe long-term restrictions which significantly impair its ability to transfer funds to the parent.

Administrator has sold of business of this subsidiary and settled / disposed off major part of Assets and Liabilities before 31st March, 2014 and has also made full and final distribution to unsecured creditors during the period ended 31st December, 2015. This company is under liquidation.

12. The Company has published consolidated financial results in accordance with clause 41 of the Listing Agreement. Unaudited standalone financial results of the Company are available on the Company's website www.paramountcables.com and on the website of BSE (www.bseindia.com) and/or NSE (www.nseindia.com)

Financial results of the Company are available on the Company's website

(Sanjay Aggarwal)
Chairman & CEO

13. The standalone financial results of the company for the quarter and year ended 31st March, 2017 are as follow : (₹ /Lacs)

Particulars	Quarter ended			Year ended	
	31.03.2017 (Unaudited)	31.12.2016 (Unaudited)	31.03.2016 (Unaudited)	31.03.2017 (Audited)	31.03.2016 (Audited)
Sales / Income from Operations(Inclusive of excise duty)	10,522.14	6,690.52	12,136.17	34,750.05	34,075.30
Profit/(Loss) from ordinary activities after finance cost but before exceptional items	(1,300.07)	(1,363.14)	(2,744.33)	(7,173.37)	(12,381.63)
Exceptional Items (Net)	7,142.04	-	-	7,142.04	152.61
Profit/(Loss) from ordinary activities before tax	5,841.97	(1,363.14)	(2,744.33)	(31.33)	(12,229.02)
Tax expense	-	-	-	-	-
Net Profit/(Loss) for the period	5,841.97	(1,363.14)	(2,744.33)	(31.33)	(12,229.02)

14. Exceptional items include:- (₹ /Lacs)

Particulars	Quarter ended			Year ended	
	31.03.2017 (Unaudited)	31.12.2016 (Unaudited)	31.03.2016 (Unaudited)	31.03.2017 (Audited)	31.03.2016 (Audited)
-Write back on Settlement of Loan Liabilities	7,142.04	-	-	7,142.04	-
Total Exceptional items	7,142.04	-	-	7,142.04	-

15. Outstanding 1% Foreign Currency Convertible Bonds (FCCBs) amounting to ₹ 7,114.04 lacs (equivalent to USD 10.92 million) including redemption premium were due for redemption on 23rd November, 2011 and are yet to be redeemed. A winding up petition was filed against the Company on behalf of the FCCB holders which has been dismissed by the court in earlier years.

16. Segment reporting as defined in Accounting Standard 17 is not applicable as the Company operates mainly in one segment i.e. Cables.

17. The financial figures for the quarter ended March 31,2017 and March 31,2016 are the balancing figure between audited figures in respect of the full financial year and the unaudited published year- to -date figures up to the third quarter ended December 31,2016 and December 31,2015 respectively.

18. Figures for the previous period /year have been regrouped & rearranged, wherever necessary.

Place: New Delhi

Date : 29.05.2017

For PARAMOUNT COMMUNICATIONS LTD.

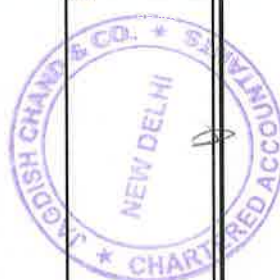
Paramount Communications Ltd.

Sanjay Aggarwal

DIN:00001788

(Sanjay Aggarwal)

Chairman & CEO



JAGDISH CHAND & CO.

CHARTERED ACCOUNTANTS

H-20, LGF, GREEN PARK (MAIN), NEW DELHI- 110 016, INDIA
Phones: 26511953, 26533626, 41759467 Fax: 26533626 email:mail@jcandco.org

Auditor's Report on quarterly and year to Date Consolidated Financial Results of Paramount Communications Limited pursuant to the Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

To Board of Directors of **Paramount Communications Limited**

1. We have audited the consolidated financial results of Paramount Communications Limited (the company) and its subsidiaries (collectively referred to as "the Group") for the quarter ended March 31st 2017 and the year to date consolidated results for the year April 1st 2016 to March 31st 2017 attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Attention is drawn to the fact that the figures for the quarter ended 31st March 2017 and corresponding quarter ended in the previous year as reported in the statement are balancing figures between audited figures in respect of the full financial year. Also the figures upto the end of the third quarter had only been reviewed and not subject to audit.
2. These consolidated financial results which are the responsibility of the company's management and approved by the Board of Directors, have been prepared on the basis of the related financial statements of the Group which is in accordance with Accounting Standards specified under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder, as applicable and other accounting principles generally accepted in India.
3. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. The procedures selected depend on the Auditor's judgement, including the assessment of the risk 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 financial statement, that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of Directors, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our qualified opinion.
4. *We state that "From 1st July, 2016 company has not provided for interest and other dues of ₹ 29,917,920/- on borrowings from a bank which have become NPA account as per bank classification and are outstanding at the year end and in respect of which interest has been reversed/not charged in statements provided by the Bank. Amount of interest not provided*



₹ 29,917,920/- as per the estimate by the management. We further report that loss for the year would have been ₹ 33,910,453/- as against reported figure ₹ 3,992,533/- and short term borrowings would have been ₹ 526,220,445/- as against reported figure ₹ 496,302,525/- and debit balance in surplus would have been ₹ 4,391,302,877/- as against reported figure ₹ 4,361,384,957/-.

5. We draw attention to

- a. The accompanying financial statements have been prepared on a going concern basis despite negative net worth, overdue in repayment of loan instalments, 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.
- b. For Banks who have assigned and transferred the loan together with all underlying securities thereto and rights etc., to a Securitization and Asset Reconstruction Company, dues to those banks have been transferred and shown as due to Securitization and Asset Reconstruction Company.
- c. Company has received and accepted Sanction letter / in principle approval with ARC for payment of ₹ 373,800,000/- towards full & final payment of the amount due & payable to ARC Subject to Company complying with 'Schedule of Payments' referred to in Sanction letter / in principle approval. As per schedule of payment ₹ 167,500,000 /- is ought to be paid before 29th March, 2021 in half yearly instalments and ₹ 206,300,000/- is ought to be paid before 30th September, 2021 in half yearly instalments. Company has paid all the instalments due upto 31st March, 2017 and is confident of meeting all payment schedules specified in Sanction letter / in principle approval. In opinion of the management the settled amounts with ARC are new borrowing/ liability since the lender is different from earlier lenders and the new borrowings/ liability are on substantially different terms viz as amount of settlement, schedule of payment etc. Hence, this modification is treated as de-recognition of the original liability and the recognition of a new liability.

Accordingly, Company has written back ₹ 714,204,200/- as exceptional item (settlement of dues) as difference between loans assigned to ARC by banks & Settlement amount between Company & ARC.

- d. In respect of dues to ARC which have been assigned by banks and in respect of which Settlement between company and ARC, no interest has been provided, since, the company is in the process of making settlement with the ARC. As per terms & conditions of Settlements with ARC during the year, no interest was charged by ARC.
- e. "06196375 Cables Limited" (formerly AEI Cables Limited), United Kingdom is "in Administration" (as per UK laws) w.e.f. 28th February, 2014 and at present under winding up. Hence, consolidated financial statements do not include financial position, financial performance and cash flows of this subsidiary.
- f. In case of AEI Power Cables Limited, United Kingdom (Subsidiary Company), the company has ceased to trade. From 1st April, 2017, it is dormant company, but the intention is still to remain in existence for the foreseeable future.



- g. In case of Paramount Holdings Limited, Cyprus (Subsidiary Company), it is the intention of the Management to liquidate the Company as soon as arrangements can be made.
- h. The financial statements of one subsidiary included in the consolidated financial statements, which constitute total assets of ₹ Nil and net assets of ₹ Nil as at 31st March, 2017, total revenue of ₹ Nil and net profit of ₹ Nil, and net cash inflows of ₹ Nil for the year then ended have not been audited by us. These financial statements/ financial information are unaudited and have been furnished to us by the Management.
- i. The financial statements of one subsidiary included in the consolidated financial statements, which constitute total assets of ₹ Nil and net assets of ₹ Nil as at 31st March, 2017, total revenue of ₹ Nil and net loss of ₹ 8,59,701/- , and net cash inflows of ₹ (16,04,323/-) 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

Our opinion is not modified in respect of these matters.

5. Subject to the effects of matter described in paragraph 4 above, in our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the consolidated year to date results:

- (i) include the quarterly financial results and year to date of the following entities:

Subsidiary outside India

- Paramount Holdings Limited, Cyprus.
 - AEI Power Cables Limited, United Kingdom.
- (ii) have been presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard and
- (iii) give a true and fair view of the consolidated net loss and other financial information in conformity with the accounting principles generally accepted in India including Accounting Standard specified under section 133 of the Act for the quarter ended March 31st 2017 as well as the year to date results for the year from April 1st 2016 to March 31st 2017.

For JAGDISH CHAND & CO.

Firm Registration Number:

000129N

Chartered Accountants

[Signature]

(J.C. Gupta)

Partner

Membership Number: 06107

Place of signature: New Delhi

Date: 29th May, 2017



JAGDISH CHAND & CO.

CHARTERED ACCOUNTANTS

H-20, LGF, GREEN PARK (MAIN), NEW DELHI- 110 016, INDIA
Phones: 26511953, 26533626, 41759467 Fax: 26533626 email:mail@jcandco.org

Auditor's Report on quarterly and year to Date Standalone Financial Results of Paramount Communications Limited pursuant to the Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

To Board of Directors of **Paramount Communications Limited**

1. We have audited the quarterly Standalone financial results of Paramount Communications Limited for the quarter ended March 31st 2017 and the year to date standalone results for the year from April 1st 2016 to March 31st 2017 attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Attention is drawn to the fact that the figures for the quarter ended 31st March 2017 and corresponding quarter ended in the previous year as reported in the statement are balancing figures between audited figures in respect of the full financial year. Also the figures upto the end of the third quarter had only been reviewed and not subject to audit.
2. These quarterly standalone financial results as well as the year to date standalone financial results which are the responsibility of the company's management and approved by Board of Directors, have been prepared on the basis of the related financial statements which is in accordance with Accounting Standards specified under section 133 of the Companies Act, 2013 (the Act) read with relevant rules issued thereunder, as applicable and other accounting principles generally accepted in India.
3. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. The procedures selected depend on the auditor's judgement, including the assessment of the risk 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 financial statement, that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of Directors, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our qualified opinion.
4. *We state that "From 1st July, 2016 company has not provided for interest and other dues of ₹ 29,917,920/- on borrowings from a bank which have become NPA account as per bank classification and are outstanding at the year end and in respect of which interest has been reversed/not charged in statements provided by the Bank. Amount of interest not provided*



₹ 29,917,920/- as per the estimate by the management. We further report that loss for the year would have been ₹ 33,050,752/- as against reported figure ₹ 3,132,832/- and short term borrowings would have been ₹ 526,220,445/- as against reported figure ₹ 496,302,525/- and debit balance in surplus would have been ₹ 4,420,632,798/- as against reported figure ₹ 4,390,714,878/-.

5. We draw attention to

- a. The accompanying financial statements have been prepared on a going concern basis despite negative net worth, overdue in repayment of loan instalments, 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.
- b. For Banks who have assigned and transferred the loan together with all underlying securities thereto and rights etc., to a Securitization and Asset Reconstruction Company, dues to those banks have been transferred and shown as due to Securitization and Asset Reconstruction Company.
- c. Company has received and accepted Sanction letter / in principle approval with ARC for payment of ₹ 373,800,000/- towards full & final payment of the amount due & payable to ARC Subject to Company complying with 'Schedule of Payments' referred to in Sanction letter / in principle approval. As per schedule of payment ₹ 167,500,000 /- is ought to be paid before 29th March, 2021 in half yearly instalments and ₹ 206,300,000/- is ought to be paid before 30th September, 2021 in half yearly instalments. Company has paid all the instalments due upto 31st March, 2017 and is confident of meeting all payment schedules specified in Sanction letter / in principle approval. In opinion of the management the settled amounts with ARC are new borrowing/ liability since the lender is different from earlier lenders and the new borrowings/ liability are on substantially different terms viz as amount of settlement, schedule of payment etc. Hence, this modification is treated as de-recognition of the original liability and the recognition of a new liability.

Accordingly, Company has written back ₹ 714,204,200/- as exceptional item (settlement of dues) as difference between loans assigned to ARC by banks & Settlement amount between Company & ARC.

- d. In respect of dues to ARC which have been assigned by banks and in respect of which Settlement between company and ARC, no interest has been provided, since, the company is in the process of making settlement with the ARC. As per terms & conditions of Settlements with ARC during the year, no interest was charged by ARC.

Our opinion is not modified in respect of these matters.

7. Subject to the effects of matter described in paragraph 4 above, in our opinion and to the best of our information and according to the explanations given to us the quarterly standalone financial results as well as the year to date standalone results:



- (i) have been presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard and
- (ii) give a true and fair view of the standalone net loss and other financial information in conformity with the accounting principles generally accepted in India including Accounting Standard specified under section 133 of the Act for the quarter ended March 31st 2017 as well as the year to date results for the year from April 1st 2016 to March 31st 2017.

For JAGDISH CHAND & CO.

Firm Registration Number:

000129N

Chartered Accountants



(J.C. Gupta)

Partner

Membership Number: 06107

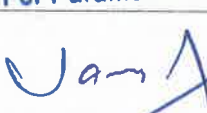
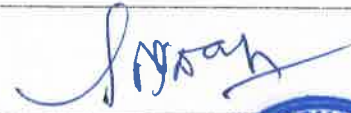
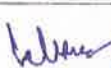


Place of signature: New Delhi

Date: 29th May, 2017

Statement on Impact of Audit Qualifications (for audit report with modified opinion)
submitted along-with Annual Audited Financial Results (Standalone)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2017 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications (Rs. in. Lac)	Adjusted Figures (audited figures after adjusting for qualifications) (Rs. in. Lac)
	1.	Turnover / Total income (incl. exceptional items)	42586.86	42586.86
	2.	Total Expenditure	42618.19	42917.37
	3.	Net Profit/(Loss)	(31.33)	(330.51)
	4.	Earnings Per Share (In Rs.)	(0.03)	(0.26)
	5.	Total Assets	25,039.26	25,039.26
	6.	Total Liabilities	58647.85	58947.03
	7.	Net Worth	(33,608.59)	(33,907.77)
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-
<u>Audit Qualification (each audit qualification separately):</u>				
a. Details of Audit Qualification: (Standalone)				
"From 1st July, 2016 company has not provided for interest and other dues of ₹ 29,917,920/- on borrowings from a bank which have become NPA account as per bank classification and are outstanding at the year end and in respect of which interest has been reversed/not charged in statements provided by the Bank. Amount of interest not provided ₹ 29,917,920/- as per the estimate by the management. We further report that loss for the year would have been ₹ 33,050,752/- as against reported figure ₹ 3,132,832/- and short term borrowings would have been ₹ 526,220,445/- as against reported figure ₹ 496,302,525/- and debit balance in surplus would have been ₹ 4,420,632,798/- as against reported figure ₹ 4,390,714,878/-. The Independent Auditors have also reported that Non provision of interest on borrowings from a bank as described in the Basis of Qualified Opinion and the going concern matter described under the Emphasis of Matter, may have an adverse effect on the functioning of the Company.				
b. Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion				
c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing				
d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:				

	a. Company has obtained balance confirmation from aforesaid bank as on 31st March, 2017 and there are no material difference between outstandings as per the bank & company. Management is of the opinion that no further interest is to be provided other than already accounted for. b. The accompanying financial statements have been prepared on a going concern basis based on cumulative impact of following mitigating factors: - The company has not defaulted in payment of statutory dues or its trade creditors etc. - The company has entered in Settlement agreement with ARC for dues of two banks assigned to ARC. Further Company is negotiating with ARC for settlement of dues for another bank. - Subsequent to year end company has entered in to Settlement agreement with one bank. - The terms of settlements with ARC and Banks will reduce substantially company's negative net worth. Also Company has reasonable assurance of meeting terms and conditions of settlement with ARC/Bank. This reasonable assurance is based upon future cash flows of the Company and undertaking from the promoters of infusing necessary funds for meeting the obligations of settlement . - 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 company has strong order book position.
	e. For Audit Qualification(s) where the impact is not quantified by the auditor: <i>Not Applicable</i>
	(i) Management's estimation on the impact of audit qualification: <i>Not applicable</i>
	(ii) If management is unable to estimate the impact, reasons for the same: <i>Not Applicable</i>
	(iii) Auditors' Comments on (i) or (ii) above: <i>Not Applicable.</i>
	For Paramount Communications Ltd.  (Sanjay Aggarwal) Chairman & CEO
	Mr. S.K. Agarwal Chief Financial Officer 
	Mr. S.P.S. Dangi Audit Committee Chairman 
	Mr. J.C. Gupta Partner (M.No.6107) Jagdish Chand & Co. Chartered Accountants  

FRN - 500129N

Date: 29.05.2017

Place: New Delhi