

POSTAL BALLOT NOTICE

(Pursuant to Section 192A of the Companies Act, 1956)

Dear Member(s),

Pursuant to Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011, Notice is hereby given for seeking approval of the shareholders for the proposals contained in the draft resolutions appended below by way of Postal Ballot. The explanatory statement pertaining to the said Resolutions setting out material facts is annexed hereto along with a Postal Ballot Form for your consideration.

1. Issue of equity shares to promoter/promoter group on preferential basis as per approved CDR re-work package.

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

"RESOLVED THAT the Corporate Debt Restructuring re-work package (which term shall be deemed to include the original package, re-work package and any subsequent amendment or re-enactment thereof) as approved by Corporate Debt Restructuring-Empowered Group vide their Letter of Approval {LOA} dated July 11th, 2012 under the corporate debt restructuring mechanism laid by the Reserve Bank of India for providing financial assistance by debt restructuring and entered into by the Company, key features of which are forming part of Explanatory Statement attached with this notice, be and is hereby approved.

RESOLVED FURTHER THAT pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof, for the time being in force), and the enabling provisions of the Memorandum and Articles of Association of the Company and the listing agreement entered into by the Company with the Stock Exchanges where the shares of the Company are listed and in accordance with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time and in terms of Regulation 10 (2) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subject to such other laws, rules, regulations and guidelines as may be applicable and subject to such approvals and/or sanctions from all appropriate authorities, including the Securities and Exchange Board of India (SEBI), Govt. of India, Reserve Bank of India, Stock Exchanges and all other regulatory and other bodies and institutions as may be relevant (hereinafter singly or collectively referred to as "the Appropriate Authorities") and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting any such consents, permissions, approvals and / or sanctions (hereinafter singly or collectively referred to as "the requisite approvals") and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any committee(s) consisting of one or more members of the Board and/or one or more officials of the Company appointed by the Board in this behalf which the Board may constitute to exercise powers of the Board) and in consonance with the approved CDR re-work package of the Company, the consent of the shareholders of the Company be and is hereby accorded to the 'Board' to create, offer, issue and allot up to 14,35,00,000 (Fourteen Crore Thirty Five Lac) equity shares at a price of Rs. 2.30/- each having face value of Rs. 2/- each at a premium of Rs. 0.30/- (Thirty Paise) each based on the relevant date i.e. 11th July, 2012 on preferential basis to the Promoter(s)/Promoters Group, on such terms and conditions and in such manner as the Board may deem fit and appropriate, subject to compliance of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and such other laws, rules, regulations and guidelines as may be applicable, without offering the same to any other person(s) who on the date of offer are the holders of equity shares and that equity shares shall rank pari-passu with the existing equity shares of the Company.

FURTHER RESOLVED THAT the Board be and is hereby authorized to accept the terms, conditions and stipulations made/imposed by the Appropriate Authorities while granting approval to the Company for issue of the equity shares as aforesaid.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution to any director or directors or to the committee of director(s) or any other officer or officers of the Company and to take all such steps and give all such directions as the Board may consider necessary, expedient or desirable for the purpose of giving effect to this resolution, and also to settle any question(s) or difficulty or doubt that may arise in regard to the offer/ issue, allotment and utilization of the proceeds and to execute, file and submit such forms, applications, returns, documents or papers as may be necessary in this regard and to do all such acts, matters, things and deeds as may be necessary, proper, desirable or expedient as the Board, in its absolute discretion may deem fit and take all such steps which are incidental and ancillary in this regard."

2. Alteration of Articles of Association authorizing the Company to issue Preference Shares.

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

"RESOLVED THAT subject to the provisions of Section 31 and other applicable provisions of the Companies Act, 1956 the following article be and is hereby inserted as Article No. 3A after the existing Article No. 3 of the Articles of Association of Company:

3A. Redeemable Preference Shares

- a) Subject to the Provisions of Section 80 of the Companies Act, 1956, Company shall have the power to issue Preference Shares which are or at the option of the Company are liable to be redeemed and the resolution authorizing such issue shall prescribe the manner, terms of issue and conditions of redemption. Such Preference Shares shall enjoy any such additional rights including convertibility rights as may be permissible under the law.
- b) Board shall have the power to determine the time within and the amount (including premium if any) at which the Preference shares will be redeemed.
- c) On redemption, the preference shares may be re-issued as such or otherwise to such persons and in such manner and on such terms and conditions as the Board may from time to time determine.
- d) Board shall have power to redeem its preference shares out of the reserves of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of the redemption as may be permitted by law.
- e) Where any such shares are redeemed otherwise than out of the proceeds of a fresh issue there shall, out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Fund" a sum equal to the nominal amount of the shares redeemed and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 80 of the Act, apply as if the Capital Redemption Reserve Fund were paid-up share capital of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, things and deeds as may be necessary in this regard and to file/submit all the required forms/returns/documents with the respective authorities to give effect to above resolution."

3. Increase and Re-classification of Authorised Share Capital of the Company.

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 94 and other applicable provisions of Companies Act, 1956 and the enabling provisions of the Memorandum and Articles of Association of the Company, the authorised share capital of the Company be and is hereby increased by Rs. 10,00,00,000 (Ten Crores) i.e. from existing Rs. 50,00,00,000 (Rupees Fifty Crores) divided into 25,00,00,000 (Twenty Five Crores) Equity Shares of Rs. 2/- each to Rs. 60,00,00,000 (Rupees Sixty Crores) classified as:

1. Rs. 50,00,00,000 (Rupees Fifty Crores) divided into 25,00,00,000 (Twenty Five Crores) Equity Shares of Rs. 2/- each and
2. Rs. 10,00,00,000 (Rupees Ten Crores) divided into 10,00,000 (Ten lakhs) Redeemable Preference Shares of Rs. 100/- each

By creation of additional 10,00,000 Redeemable Preference Shares of Rs. 100/- each and consequently the Memorandum of Association of the Company be and is hereby altered by substituting the following clause for the existing clause VI thereof:-

"The Authorised Share Capital of the Company is Rs. 60,00,00,000 (Rupees Sixty Crores) divided into

- (i) 25,00,00,000 (Twenty Five Crores) Equity Shares of Rs. 2/- (Rupees Two) each and
- (ii) 10,00,000 (Ten Lakhs) Redeemable Preference Shares of Rs. 100/- (Rupees One Hundred) each

with such rights and privileges and conditions attached thereto or as may be determined by the Board of Directors at the time of issue. The Company shall always have the power to divide the Authorised Share Capital from time to time into different classes and to vary, modify or abrogate any rights, privileges or conditions attached to any class of shares in such manner as may be decided by the Board of Directors of the Company."

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, things and deeds as may be necessary in this regard and to file/submit all the required forms/returns/documents with the respective authorities to give effect to above resolution."

4. Appointment of Mr. Sanjay Aggarwal as Whole Time Director (Designated as Chairman & CEO) of the Company.

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

"RESOLVED THAT subject to approval of Central Government and pursuant to the provisions of Section 269, 198, 309 and 310 read with Schedule XIII and other applicable provisions of Companies Act, 1956 and such other laws, rules, regulations, guidelines or notifications as may be applicable, including any statutory modifications or re-enactment thereof, for the time being in force, and subject to such other approvals as may be necessary, the consent of members be and is hereby accorded to the appointment of Mr. Sanjay Aggarwal as Whole Time Director to be designated as Chairman & CEO of the Company for a period of five years with effect from 1st March, 2013, at a remuneration not exceeding Rs. 4,00,000/- per month as detailed and on such other terms & conditions, as set out in the Explanatory statement annexed to this notice.

RESOLVED FURTHER THAT the Board of Directors (hereinafter referred to as the "Board" which term shall be deemed to include the Remuneration Committee constituted by the Board) be and are hereby authorised to alter and vary the terms and conditions of the said appointment and remuneration without increasing the remuneration mentioned herewith, in such form and manner as may be directed by the Central Government.

FURTHER RESOLVED THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution to any director or directors or to the committee of director(s) or any other officer or officers of the Company and to take all such steps and give all such directions as the Board may consider necessary, expedient or desirable for the purpose of giving effect to this resolution, and also to settle any question(s) or difficulty or doubt that may arise with respect to the appointment of Mr. Sanjay Aggarwal as Whole Time Director to be designated as Chairman & CEO of the Company for a period of five years with effect from 1st March, 2013 and to execute, file and submit such forms, applications, returns, documents or papers as may be necessary in this regard and to do all such acts, matters, things and deeds as may be necessary, proper, desirable or expedient as the Board, in its absolute discretion may deem fit and take all such steps which are incidental and ancillary in this regard."

5. Appointment of Mr. Sandeep Aggarwal as Managing Director of the Company.

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

"RESOLVED THAT subject to approval of Central Government and pursuant to the provisions of Section 269, 198, 309 and 310 read with Schedule XIII and other applicable provisions of Companies Act, 1956 and such other laws, rules, regulations, guidelines or notifications as may be applicable, including any statutory modifications or re-enactment thereof, for the time being in force, and subject to such other approvals as may be necessary, the consent of members be and is hereby accorded to the appointment of Mr. Sandeep Aggarwal as Managing Director of the Company for a period of five years with effect from 1st March, 2013, at a remuneration not exceeding Rs. 4,00,000/- per month as detailed and on such other terms & conditions, as set out in the Explanatory statement annexed to this notice.

RESOLVED FURTHER THAT the Board of Directors (hereinafter referred to as the "Board" which term shall be deemed to include the Remuneration Committee constituted by the Board) be and are hereby authorised to alter and vary the terms and conditions of the said appointment and remuneration without increasing the remuneration mentioned herewith, in such form and manner as may be directed by the Central Government.

FURTHER RESOLVED THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution to any director or directors or to the committee of director(s) or any other officer or officers of the Company and to take all such steps and give all such directions as the Board may consider necessary, expedient or desirable for the purpose of giving effect to this resolution, and also to settle any question(s) or difficulty or doubt that may arise with respect to the appointment of Mr. Sandeep Aggarwal as Managing Director of the Company for a period of five years with effect from 1st March, 2013, and to execute, file and submit such forms, applications, returns, documents or papers as may be necessary in this regard and to do all such acts, matters, things and deeds as may be necessary, proper, desirable or expedient as the Board, in its absolute discretion may deem fit and take all such steps which are incidental and ancillary in this regard."

By Order of the Board

(Ratan Aggarwal)
CFO & Company Secretary
New Delhi, February 12th, 2013

Registered Office:-
Paramount Communications Ltd.
C-125, Naraina Industrial Area,
Phase-1, New Delhi-110028.

NOTES:-

- 1) The relative Explanatory Statement pursuant to Sections 173(2) and 192A(2) of the Companies Act, 1956 setting out material facts is annexed hereto.
- 2) In terms of Section 192A of the Companies Act, 1956 read with the Postal Ballot Rules, the items set out in the Notice are sought to be passed by Postal Ballot. The Postal Ballot Form and the self addressed postage pre-paid envelope/envelope with postage stamps are enclosed for use of the Members.
- 3) The Board of Directors has appointed Mr. Shanker Singal, FCA, Practicing Chartered Accountant and former Registrar of Companies, Jammu & Kashmir, as Scrutinizer for conducting the postal ballot process in a fair and transparent manner and to receive and scrutinize the completed Ballot Papers from the Members.
- 4) You are requested to carefully read the instructions printed in the Postal Ballot Form and return the said Postal Ballot Form (no other form or photocopy of the Postal Ballot Form is permitted) duly completed with the assent (for) or dissent (against), in the attached pre-paid envelope/envelope with postage stamps, so as to reach the Scrutinizer before close of working hours on or before March 25th, 2013 to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the Member.
- 5) The Scrutinizer will submit his report to the Chairman after completion of the scrutiny on March 27th, 2013 and the results of postal ballot will be announced at 4.00 P.M. on Thursday, March 28th, 2013, at the Registered Office of the Company at C-125, Naraina Industrial Area, Phase-I, New Delhi-110028 and such declaration by Chairman of the Company be treated as declaration of results by the chairman of the Company at a meeting of the members as per the provisions of the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011.
- 6) The results of postal ballot would be informed to the stock exchanges where Company's securities are listed and would also be published in newspaper.
- 7) All documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection at the Registered Office of the Company between 10.00 A.M. to 1.00 P.M. on working days up to March 25th, 2013.
- 8) The members who do not receive the Postal Ballot Form may apply to the Company and obtain a duplicate thereof.
- 9) Brief profile and other required details of executive directors proposed to be appointed herewith are attached with this notice as Annexure A in terms of Clause 49 of the Listing Agreement.

EXPLANATORY STATEMENT IN TERMS OF SECTION 173(2) AND 192A(2) OF THE COMPANIES ACT, 1956

Item No.1.

In accordance with the Reserve Bank of India circular bearing No. BP. BC. 15/21.04.114/2000-01 dated August 23rd, 2001, the Company through its Lead Bank i.e. State Bank of India moved an application for restructuring of its debts in August, 2010 with the CDR Standing Forum whereas the Corporate Debt Restructuring Empowered Group (CDR-EG) has, subsequent to detailed analysis of the Company's financial status, identified the Company as being viable and approved the Corporate Debt Restructuring Package in the interest of the Company and its creditors vide letter of approval dated 22nd November, 2010. Company's performance during FY 2010-11 and FY 2011-12 was in line with the approved CDR package except delay in monetization of non-core assets as stipulated in the said package. On the request of the Company the CDR-Empowered Group further approved CDR Rework Package for the Company on 11th July, 2012 by giving more time for monetization of non-core assets, re-scheduling repayment of loans with fresh moratorium, sanctioning of fresh Funded Interest Term Loans within the original tenure of the corporate debt restructuring package. Under the said CDR re-work package, the promoters/promoters group is directed to bring in an amount up to Rs. 33 Crores as part of promoter's contribution by way of equity share capital of the Company.

The Board of Directors of the Company at its meeting held on 12th February, 2013 has approved the proposal for issue of 14,35,00,000 (Fourteen Crores Thirty Five Lacs) equity shares to the Promoter/Promoter Group on preferential basis at a price of Rs. 2.30/- per share aggregating to Rs. 33.005 Crores, as per SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time.

In terms of the provisions of Section 81(1A) of the Companies Act, 1956 and Regulation 10 (2) of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, approval of the shareholders of the Company is being sought, by way of special resolution, to create, offer, issue and allot equity shares of the Company on preferential basis to promoter/promoter group of the Company in terms of the approved Corporate Debt Restructuring re-work package sanctioned to the Company through Postal Ballot.

Disclosures required to be given in terms of Regulation 73 (1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time:

(a) Objects of the preferential issue:

The present issue is being proposed to comply with the Directions of the CDR-Empowered Group approving the Corporate Debt Restructuring (CDR) re-work package of the Company on 11th July, 2012 to infuse fresh funds into the company for repaying debts as rescheduled by the banks in the said CDR re-work package.

(b) The proposal of the promoters, directors or key management personnel of the Company to subscribe to the offer:

The select Promoters/Promoter Group of the Company named as proposed allottees intend to subscribe equity shares mentioned against their names respectively. However, none of the other directors and other Promoters or management personnel intends to subscribe in the preferential offer of the equity shares.

(c) Shareholding pattern before and after the preferential issue:

CATEGORY	PRE-ISSUE		POST-ISSUE*	
	No. of Shares held	% of Shares held	No. of Shares held	% of Shares held
A. Promoters Holding				
-Individual / HUF	2,21,81,155	23.84	2,21,81,155	9.38
-Bodies Corporate	1,01,38,302	10.90	15,36,38,302	64.96
Sub-Total	3,23,19,457	34.74	17,58,19,457	74.34
B. Public Shareholding				
-Mutual Funds / UTI	-	-	-	-
-Financial Institutions / Banks	10,00,000	1.08	10,00,000	0.42
-Foreign Institutional Investors	1,00,000	0.11	1,00,000	0.04
-Bodies Corporate	1,79,90,467	19.34	1,79,90,467	7.61
-Indian Public	3,75,19,156	40.33	3,75,19,156	15.86
-NRIs	11,45,527	1.23	11,45,527	0.48
-Others	26,50,608	2.85	26,50,608	1.12
Sub-Total	6,04,05,758	64.94	6,04,05,758	25.53
C. Shares held by Custodian and against which DRs have been issued				
	3,01,750	0.32	3,01,750	0.13
GRAND TOTAL	9,30,26,965	100.00	23,65,26,965	100.00

*The percentage are depicting post issue shareholding after allotment of all i.e. 14,35,00,000 equity shares which may be allotted in one or more tranches as explained in below point no. (d) thus the shareholding of the Company in between that period may suitably be varied.

(d) The time within which the preferential issue shall be completed:

As required under Regulation 74 (1) of The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, the Company shall complete the allotment(s) of specified securities on or before the expiry of 15 days from the date of passing of the special resolution by the shareholders granting consent for the preferential issue or within 15 days from date of any approval(s) from any regulatory authority or the Central Government from the date of such approvals as the case may be.

However according to the proviso to the above Regulation 74(1) the requirement of allotment within fifteen days shall not apply to the allotment of specified securities on preferential basis pursuant to a scheme of corporate debt restructuring as per the corporate debt restructuring framework specified by Reserve Bank of India. As the present allotment is being made pursuant to the CDR package of the Company, the Company may avail the relaxation as provided herein.

(e) The identity of the proposed allottee(s), the percentage of the post preferential issue capital that may be held by them and change in control, if any, in the Company consequent to the preferential issue:

The equity shares are proposed to be allotted to the Promoter(s) / Promoter Group in the following manner:

S. No.	Name of the Proposed Allottees	Existing Shareholding		No. of equity shares to be issued	Post Issue Shareholding	
		No. of Shares held	% of Shares held		No. of Shares held	% of Shares held
1.	Paramount Telecables Ltd.	35,20,000	3.78	10,00,00,000	10,35,20,000	43.77
2.	April Investment and Finance Pvt. Ltd.	21,65,172	2.33	4,35,00,000	4,56,65,172	19.31

The allotment of equity shares would not result in any change in the control or management of the affairs of the Company or in the Board of Directors of the Company. However, there could be consequential changes in the voting rights /shareholding pattern of the Company.

(f) Pricing of the Issue:

The price of one equity share shall be Rs. 2.30/- (Rupees Two Paisa Thirty only) having face value of Rs. 2/- each (i.e. at a premium of Rs.0.30/- per share) arrived on the basis of relevant date i.e. 11th July, 2012, which is the date of approval of the Corporate Debt Restructuring Package. The price of the equity shares has been calculated in accordance with the Regulation 71 and 76 (1) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time. The issuer hereby undertakes that it shall re-compute the price of specified securities in terms of provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time, at the instance of any regulatory authority or where it is required to do so.

(g) The equity shares allotted on preferential basis to the Promoter(s) / Promoters Group shall be subject to lock-in-period as specified in Chapter VII, Regulation 78 of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009. In the event, re-computation of price is required the specified securities shall continue to be locked in till the time any amount is payable on account of re-computation of price.

(h) The allotment of equity shares shall be in compliance with the provisions of SEBI (Substantial Acquisition & Takeover) Regulations, 2011 as amended from time to time.

The Company has obtained a certificate from the Statutory Auditors, in accordance with the Regulation 73(2) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, to the effect that the said allotment of equity shares is being made in accordance with the requirements of these Regulations and is available for inspection. It would also be placed before the shareholders at the time of declaration of results.

The members are therefore requested to accord their approval to the proposed resolution set out in the convening Notice by way of Special Resolution. The resolution is to be passed by postal ballot.

None of the directors, except in capacity of promoters, are concerned or interested in the proposed resolution.

Item No. 2 & 3.

Presently the Authorised Share Capital of the Company is Rs. 50,00,00,000 (Rupees Fifty Crores) divided into 25,00,00,000 Equity Shares of Rs. 2/- each. The Corporate Debt Restructuring-Empowered Group (CDR-EG) has approved the Company's CDR re-work package and according to the said package the promoter and promoters group has been directed to bring in an amount up to 33 Crore as part of promoter's contribution. The Board of Directors of the Company at its meeting held on 12th February, 2013 has proposed to issue 14,35,00,000 (Fourteen Crore Thirty Five Lac) equity shares to the Promoter/Promoter Group on preferential basis at a price of Rs. 2.30/- per share aggregating to Rs. 33.005 Crores.

One of the CDR lenders has given approval for settlement of its dues under One Time Settlement (OTS) arrangement. To strengthen net worth and to reduce debt burden of the Company, the Promoters/Promoter Group will infuse further funds not exceeding Rs. 10,00,00,000 (Rupees Ten Crores) into the Company by way of Preference Share Capital to settle dues under the OTS arrangement as approved by the CDR-EG. The Promoters / Promoter Group have limitation to further subscribe into equity capital of the Company.

In view of above it is hereby proposed that the Authorised Share Capital of the Company be increased to Rs. 60,00,00,000 (Rupees Sixty Crores) classified as:

1. Rs. 50,00,00,000 (Rupees Fifty Crores) divided into 25,00,00,000 Equity Shares of Rs. 2/- each and
2. Rs. 10,00,00,000 (Rupees Ten Crores) divided into 10,00,000 Redeemable Preference Shares of Rs. 100/- each

Consequent to increase in the Authorised Share Capital, Clause VI of the Memorandum of Association of the Company requires alteration. The Board recommends its acceptance.

The members are therefore requested to accord their approval to the proposed resolution set out in the convening Notice by way of Special Resolution.

A Copy of the Memorandum of Association of the Company as referred to in the resolution will be available for inspection to the shareholders of the Company at its registered office on all working days between 10.00 A.M. to 01.00 P.M. till March 25th, 2013.

None of the Directors are concerned or interested in this resolution.

Item No.4.

Mr. Sanjay Aggarwal was appointed as Chairman & CEO of the Company for a term of three years which expired on 31.10.2012. His re-appointment w.e.f. 01.11.2012, subject to approval of Central Government, was approved by the members by way of an ordinary resolution in the Annual General Meeting of the Company held on 21.09.2012, however the Company was directed by the Central Government that such approval was to be approved by way of special resolution therefore the members' approval is once again sought by way of special resolution for the re-appointment of Mr. Sanjay Aggarwal as Chairman & CEO w.e.f 01.03.2013.

Mr. Sanjay Aggarwal has been the Director of the Company since its inception and is looking after the affairs of the Company since then. He has offered himself for re-appointment. The Board of Directors hereby recommends reappointment of Mr. Sanjay Aggarwal as Whole Time Director (to be designated as Chairman & CEO) of the Company for a period of five years. The appointment/reappointment of Mr. Sanjay Aggarwal as Chairman & CEO and payment of proposed remuneration requires the approval of the members of Company by way of special resolution and is also subject to approval of Central Government.

The remuneration and terms and conditions of the appointment of Mr. Sanjay Aggarwal, Chairman & CEO of the Company as recommended by the Remuneration Committee of Board of Directors are as follows:

Salary : Rs. 4,00,000/- per month

It includes Company's contribution for him to Provident Fund, superannuation fund or Annuity fund or leave encashment (if any) in accordance with the Rules and Regulations of the Company and Gratuity at a rate not exceeding half a month's salary for each completed year of service. Leaves shall be allowed to him as applicable to the senior executives of the Company.

The Board of Directors of Company considers that the remuneration payable to Mr. Sanjay Aggarwal is commensurate with his duties and responsibilities as Chairman & CEO of the Company. The resolution as set out in the convening Notice be considered accordingly and the Board recommends its acceptance.

The members are therefore requested to accord their approval to the proposed resolution set out in the convening Notice by way of Special Resolution. The resolution is to be passed by postal ballot.

Mr. Sanjay Aggarwal is concerned or interested in the above resolution in his personal capacity, Mr. Sandeep Aggarwal being related to Mr. Sanjay Aggarwal may be deemed to be interested in the above resolution. No other director of Company is concerned or interested in the above resolution. This may also be regarded as an abstract of terms of remuneration payable to Mr. Sanjay Aggarwal as Whole Time Director of Company and memorandum of interest under Section 302 of the Companies Act, 1956.

Item No.5.

Mr. Sandeep Aggarwal was appointed as Managing Director of the Company for a term of three years which expired on 31.10.2012. His re-appointment w.e.f. 01.11.2012, subject to approval of Central Government, was approved by the members by way of an ordinary resolution in the Annual General Meeting of the Company held on 21.09.2012, however the Company was directed by the Central Government that such approval was to be approved by way of special resolution therefore the members' approval is once again sought by way of special resolution for the re-appointment of Mr. Sandeep Aggarwal as Managing Director w.e.f 01.03.2013.

Mr. Sandeep Aggarwal has been the Director of the Company since its inception and is looking after the affairs of Company since then. He has offered himself for re-appointment. The Board of Directors hereby recommends reappointment of Mr. Sandeep Aggarwal as Managing Director of the Company for a period of five years. The appointment/reappointment of Mr. Sandeep Aggarwal as Managing Director and payment of proposed remuneration requires the approval of the members of Company by way of special resolution and is also subject to approval of Central Government.

The remuneration and terms and conditions of the appointment of Mr. Sandeep Aggarwal, Managing Director of the Company as recommended by the Remuneration Committee of Board of Directors are given herein below:

Salary : Rs. 4,00,000/- per month

It includes Company's contribution for him to Provident Fund, superannuation fund or Annuity fund or leave encashment (if any) in accordance with the Rules and Regulations of the Company and Gratuity at a rate not exceeding half a month's salary for each completed year of service. Leaves shall be allowed to him as applicable to the senior executives of the Company.

The Board of Directors of Company considers that the remuneration payable to Mr. Sandeep Aggarwal is commensurate with his duties and responsibilities as Managing Director of the Company. The resolution as set out in the convening Notice be considered accordingly and the Board recommends its acceptance.

The members are therefore requested to accord their approval to the proposed resolution set out in the convening Notice by way of Special Resolution. The resolution is to be passed by postal ballot.

Mr. Sandeep Aggarwal is concerned or interested in the above resolution in his personal capacity, Mr. Sanjay Aggarwal being related to Mr. Sandeep Aggarwal may be deemed to be interested in the above resolution. No other director of Company is concerned or interested in the above resolution. This may also be regarded as an abstract of terms of remuneration payable to Mr. Sandeep Aggarwal as Managing Director of Company and memorandum of interest under Section 302 of the Companies Act, 1956.

Annexure A

Information of Directors seeking appointment/re-appointment under Item No. 4 & 5 of the Postal Ballot Notice of the Company in terms of Clause 49 of the Listing Agreement.

1. Name : Mr. Sanjay Aggarwal
 Date of Appointment : 01.11.1994
 Educational Qualifications : B.Com (H) from University of Delhi.
 Expertise in specific functional area :

Mr. Sanjay Aggarwal is a creative thinker and future oriented industrialist having vast experience of more than 28 years in Cable Industry. He has actively involved himself in all major activities of the Company including Production, Marketing, Exports, Finance and Commercial. He has always promoted talent among employees and takes keen interest in building their managerial skill for effective performance.

He has been associated with various apex industrial associations and industry forums in India in different capacities. Presently he is serving industry as:

- ♦ Member, CII National Committee on Exports
- ♦ Member, Building Funds Committee, PHD Chamber of Commerce and Industry
- ♦ Member, Managing Committee, PHD Chamber of Commerce and Industry
- ♦ Member, Power Transmission & Distribution Committee, PHD Chamber of Commerce and Industry
- ♦ Member, Rajasthan Affairs Committee, PHD Chamber of Commerce and Industry
- ♦ Member, Committee on Trade with Western & Northern Africa of Engineering Export Promotion Council (EEPC)

List of Outside Directorships

1. Paramount Wires and Cables Ltd.
2. AEI Cables Ltd, United Kingdom
3. AEI Power Cables Ltd., United Kingdom
4. Paramount Holdings Ltd., Cyprus

List of Memberships/Chairmanships held in the committee(s) of Board of Directors of all Companies in which Mr. Sanjay Aggarwal is a Director.

Name of the Company	Name of the Committee	Chairmanship/Membership
Paramount Communications Ltd.	Investor Grievance Committee	Member
	Share Transfer Committee	Chairman
Paramount Wires & Cables Ltd.	Audit Committee	Member

2. Name : Mr. Sandeep Aggarwal
 Date of Appointment : 01.11.1994
 Educational Qualifications : B.A. Hons. (Economics) from University of Delhi.
 Expertise in specific functional area :

Mr. Sandeep Aggarwal's managerial style is one of constant mentoring, attention to detail and encouraging new thinking in the organization. He is a technocrat in the true sense and plays a major role in the successful management of the Company's operational, production and technical affairs.

A true humanitarian, he is very actively associated with the promotion of social causes in and around Delhi and is currently Director, Rotary Foundation, Rotary Club of Delhi South Central. Since over a decade, he has been strongly associated with Rotary Blood Bank and Blood Donation Camps, apart from his work with various educational and vocational centers.

List of Outside Directorships

1. Paramount Wires and Cables Ltd.
2. AEI Cables Ltd, United Kingdom.
3. AEI Power Cables Ltd., United Kingdom.
4. Paramount Holdings Ltd., Cyprus.

List of Memberships/Chairmanships held in the committee(s) of Board of Directors of all Companies in which Mr. Sandeep Aggarwal is a Director.

Name of the Company	Name of the Committee	Chairmanship/Membership
Paramount Communications Ltd.	Investor Grievance Committee	Member
	Share Transfer Committee	Member

POSTAL BALLOT FORM

(Please read the instructions printed overleaf carefully before completing this form)

Sr.No._____

1. Name(s) of shareholder(s)/
(in block letters)
(including Joint holders, if any)
2. Registered address of the sole/
first named shareholder
3. Registered Folio No./
DP ID No.*/ Client ID No.*
(*Applicable to investors holding
shares in dematerialized form)
4. No. of shares held
5. I/We hereby exercise my/our vote in respect of the ordinary/special resolutions to be passed through postal ballot for the businesses set out in the notice of Postal Ballot dated 12.02.2013 issued by the Company by sending my/our assent /dissent to the said resolutions by placing the tick (✓) mark at the appropriate column below.

Item No.	Description of Resolutions	No. of shares	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
1.	Special Resolution under Section 81(1A) for issue of 14,35,00,000 equity shares at a price of Rs.2.30/- each to promoters/ promoter group Companies on preferential basis and approval of CDR re-work package entered into by the Company.			
2.	Pursuant to Section 31 and other applicable provisions of the Companies Act, 1956, Alteration of Articles of Association of the Company to enable issue of redeemable preference shares.			
3.	Pursuant to Section 94 and other applicable provisions of the Companies Act, 1956 and in accordance with Articles of Association of the Company, increase and re-classification of Authorised Share Capital of the Company by creation of 10,00,000 redeemable preference shares of Rs. 100/- each by Special Resolution.			
4.	Special resolution for appointment of Mr. Sanjay Aggarwal as Whole Time Director (to be designated as Chairman & CEO) for a period of 5 years w.e.f. 01.03.2013 at a remuneration not exceeding Rs. 4,00,000/- per month.			
5.	Special resolution for appointment of Mr. Sandeep Aggarwal as Managing Director for a period of 5 years w.e.f. 01.03.2013 at a remuneration not exceeding Rs. 4,00,000/- per month.			

Place:

Date:

(Signature of the shareholder)

INSTRUCTIONS

1. A member desiring to exercise vote by postal ballot should complete this Postal Ballot Form and send it to the company in the attached self-addressed postage pre-paid envelope/envelope with postage stamps which should be properly sealed with adhesive or adhesive tape. Postage will be/have been borne and paid by the Company. However, envelopes containing postal ballots, if sent by courier or registered post at the expenses of the registered shareholder will also be accepted.
2. The self-addressed envelope bears name and address of the scrutinizer appointed by the Board of Directors of the company.
3. This form should be completed and signed by the shareholder (as per the specimen signature registered with the Company). In case of joint holding, this form should be completed and signed (as per the specimen signature registered with the Company) by the first named shareholder and in his absence, by the next named shareholder. Holders of Power of Attorney (POA) on behalf of member may vote on the Postal Ballot by enclosing an attested copy of POA with this form.
4. Incomplete, Unsigned or Incorrect Postal Ballot Forms will be rejected.
5. The Board of Directors has appointed Sh. Sanjay Aggarwal, Director and Mr. Ratan Aggarwal, CFO & Company Secretary of the Company as the persons responsible for the entire postal ballot process.
6. The Board of Directors has appointed Mr. Shanker Singal, Practicing Chartered Accountant of Shanker Singal Associates, Chartered Accountants, 407, Sethi Bhawan, Rajendra Place, New Delhi-110008 as the scrutinizer for conducting the postal ballot process. The self-addressed envelope attached to this notice bears the address to which duly completed postal ballot form is to be sent.
7. Duly completed Postal Ballot Form should reach the Scrutinizer on or before close of working hours on March 25th, 2013 failing which; it will be strictly treated as if no reply has been received from the Member.
8. Voting rights shall be reckoned on the paid up value of shares registered in the name of the shareholders as on the February 18th, 2013.
9. In case of shares held by Companies, trusts, societies, etc. the duly completed Postal Ballot Form should be accompanied by a certified true copy of the Board Resolution/Authority and preferably with attested specimen signature(s) of the duly authorized signatory(s) giving requisite authority to the person voting on the Postal Ballot Form.
10. Members are requested not to send any paper (other than the resolution/authority as mentioned under item no. 3&7 above) along with the Postal Ballot Form in the enclosed self-addressed postage pre paid envelope/envelope with postage stamps as all such envelopes will be sent to the Scrutinizer and if any extraneous paper is found in such envelope the same would not be considered and would be destroyed by the Scrutinizer.
11. The exercise of vote by Postal Ballot is not permitted through Proxy.
12. There will be only one Postal Ballot Form for every Folio/Client ID irrespective of the number of Joint Member(s).
13. The Scrutinizer's decision on the validity of a Postal Ballot shall be final.
14. The result of voting on the resolutions will be declared at the Registered Office of the Company at C-125, Naraina Industrial Area, Phase-I, New Delhi-110028 on March 28th, 2013 at 4:00 P.M.