

PARAMOUNT COMMUNICATIONS LIMITED

WIRING THE WORLD WITH THE BEST



INVESTOR PRESENTATION
August, 2023



> SAFE HARBOR

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




PARAMOUNT AT A GLANCE

Paramount, a global company with over six decades of expertise in the wires and cables industry, serves prestigious public and private sector clients. The Company's brand "Paramount Cables" is highly regarded for its quality and reliability.



10,000+
Retail touch points



2
Production units



2,500+
Product SKUs

1st
Manufacturer in India

- Laying & Repairing Undersea Cable
- Non-toxic, lead-free house wires



~50%
Exports



25
Product Portfolio



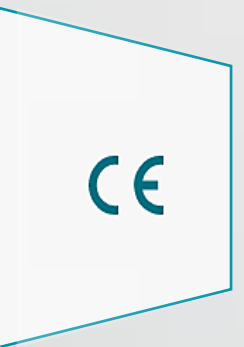
500+
Institutional Clients



FY23:

- Revenue Growth: 37.10%
- EBITDA Growth: 165.75%
- PAT Growth: 482.16%

CERTIFICATIONS



GLIMPSE OF OUR PRODUCT PORTFOLIO

Our Diverse Products

POWER CABLES



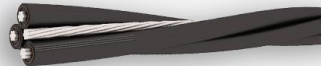
LT Power



HT Power



LT Aerial
Bunch Cables



HT Aerial
Bunch Cables

TELECOM CABLES



Optic Fibre



Jelly Filled



FTTH



Jumpers

SPECIAL CABLES



Thermocouple



Solar Cables



Railway Cables



Fire survival cables

OTHERS



Building wire



Underwater
submarine cable



Multicore



Television cables

Serving Across Multiple Industries



Power

Domestic Wires



Telecom

Railways

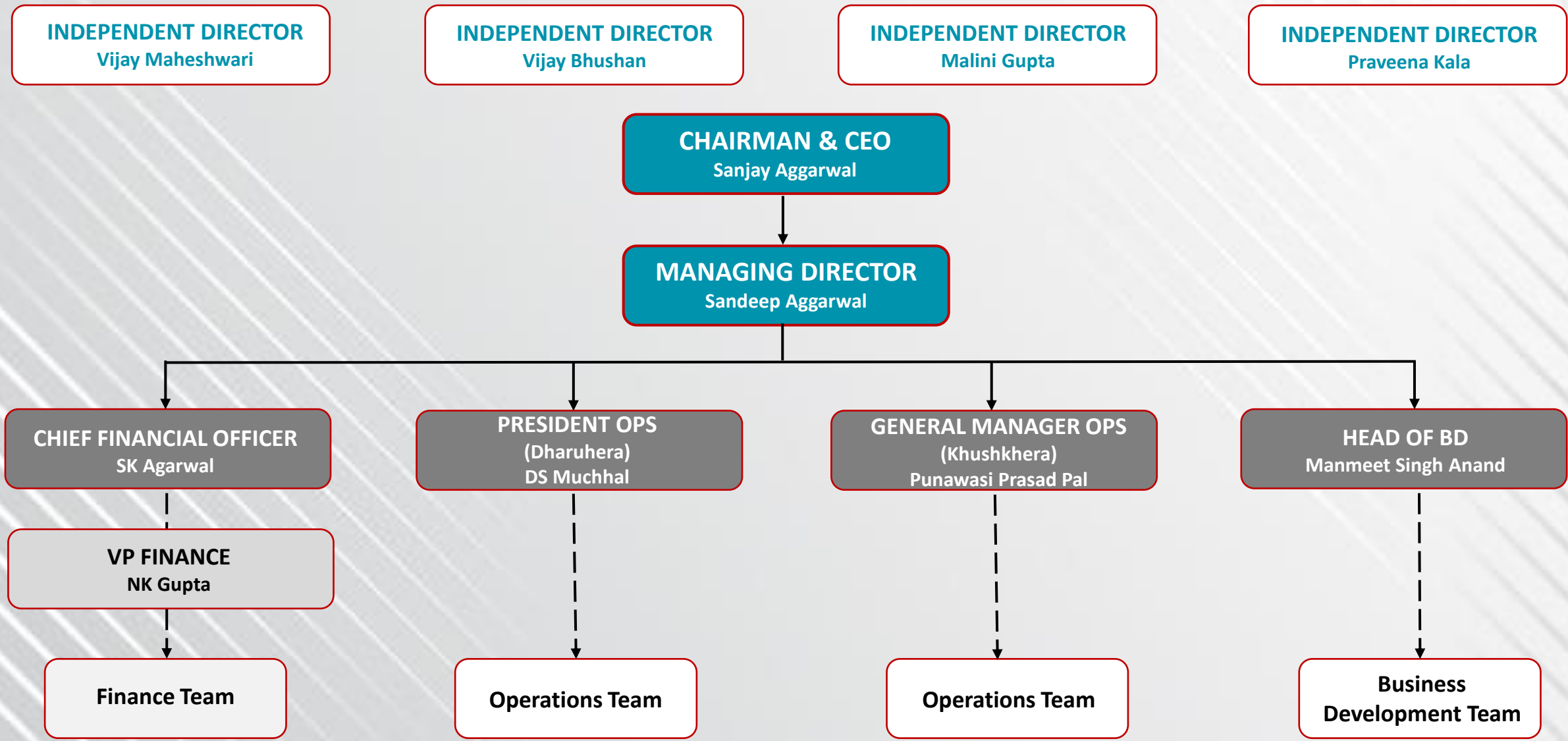


Special cables

Turnkey services



ORGANIZATION STRUCTURE



OUR TEAM



Sanjay Aggarwal
(Chairman and CEO)

Sanjay is Chairman & CEO of the Company. He joined the Company straight after completing his B.Com (Hons) from Sri Ram College of Commerce in 1983. He has been an integral part of the growth story of the Company, from a small-scale industrial unit to one of the largest cable manufacturers in India. Sanjay has personally led various key initiatives for the Group including the public issue on BSE in 1994, the transformation of the Company into a medium scale enterprise with the launch of its PIJF Telecom Cable plant and further expansion and diversification into Optical Fiber Cables in 2001 and High Voltage Cables in 2007.



Sandeep Aggarwal
(Managing Director)

Sandeep is the Managing Director and Promoter of Paramount. He studied BA Eco(Hons) from the prestigious Sri Ram College of Commerce, Delhi University and joined Paramount in 1986. Sandeep is the Chairman of Telecom Equipment and Services Export promotion Council (TEPC). He has received numerous awards from social, cultural and industry organizations over the past 30 years.



S.K. Agarwal
(CFO)

Mr. Agarwal is a Chartered Accountant from India and a law graduate. He has over 3 decades of experience in financial Planning, Budgeting & Reporting and Corporate Restructuring. He is acclaimed for developing & implementing financial control and processes in various organizations.

Manmeet Singh Anand
(Business Development Head)

Mr. Singh has over 4 decades of experience in the Business Development and Marketing of Wires and Cables. He has full knowledge of Indian and International Cable Market, and is skilled in Negotiation, Sales Management, and Business Development Worldwide. Mr. Singh has been associated with Paramount for the last 15 years and has been managing the Power Cable business with great efficiency.



D.S. Muchhal
(President Operations-Dharuhera)

Mr. Muchhal is a Bachelor of Engineering (Mechanical) and has a Diploma in Industrial and Business Management. He has been associated with the Company since 1997 and has over 40 years of work experience in Product development, implementation of efficient operations and cost-effective systems and administration.

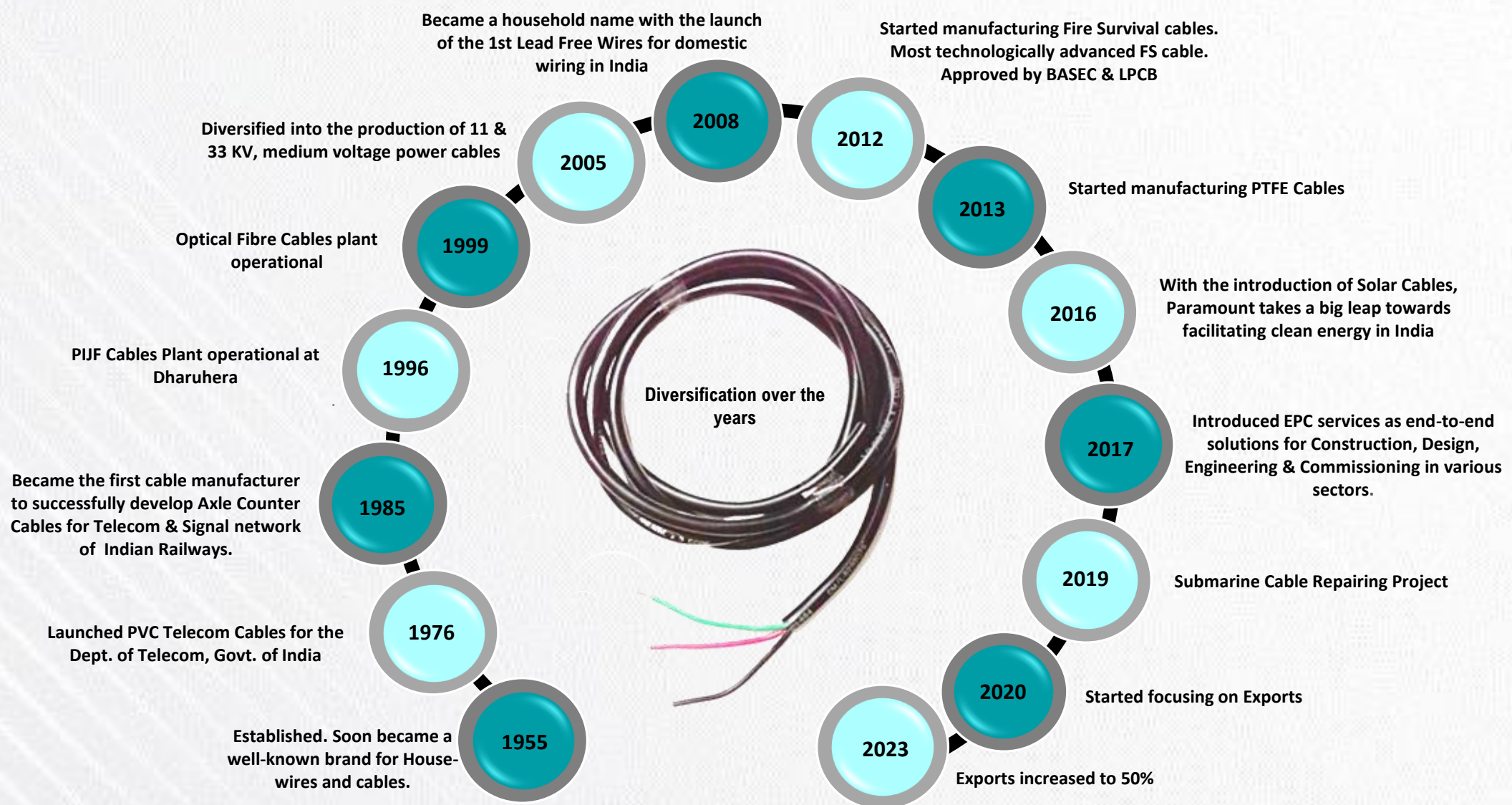


Punawasi Prasad Pal
(GM Operations–Khushkhera)

Mr. P. Pal is a Bachelor of Technology from JRN Rajasthan Vidyapeeth University. He has been associated with the Company since 1999 and has over 3 decades of work experience in product development, implementation of efficient operations and cost-effective systems and administration.



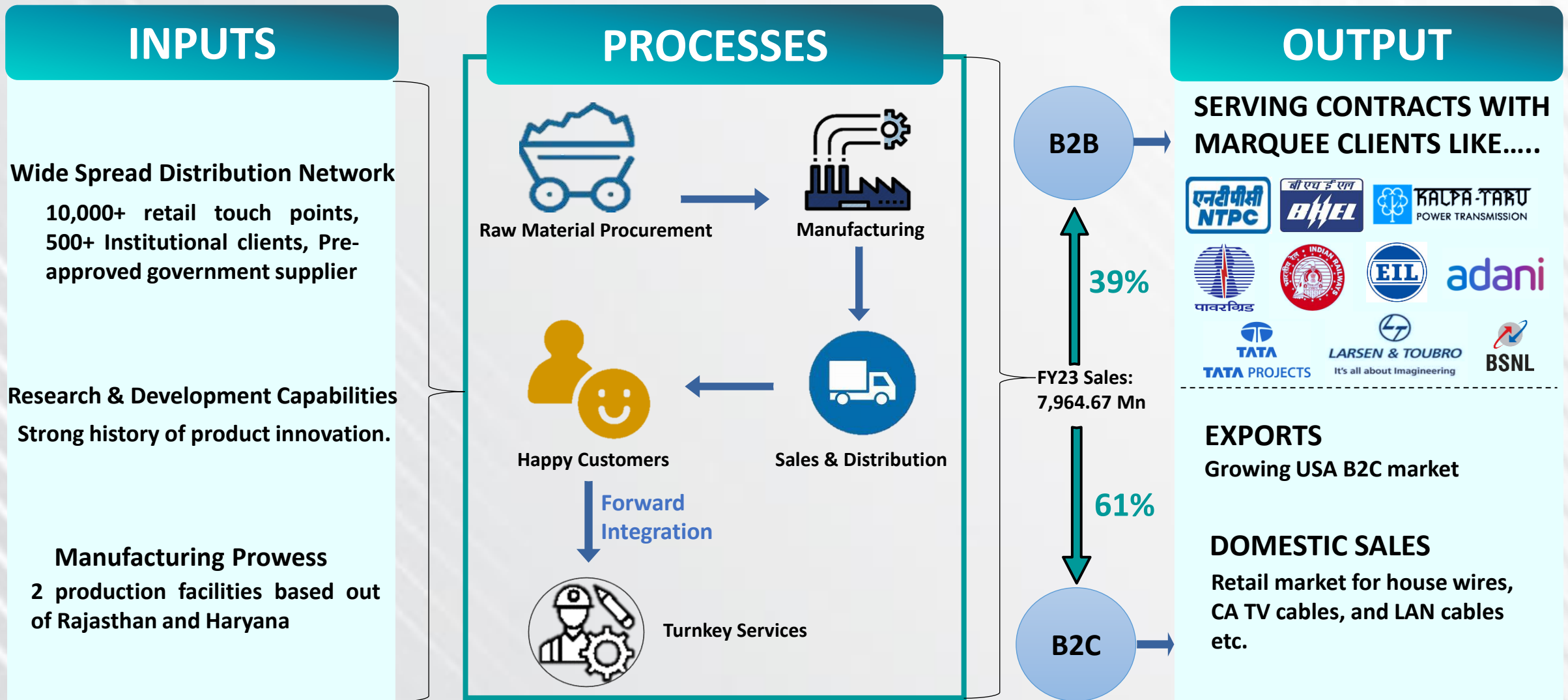
EVOLVING BUSINESS MODEL



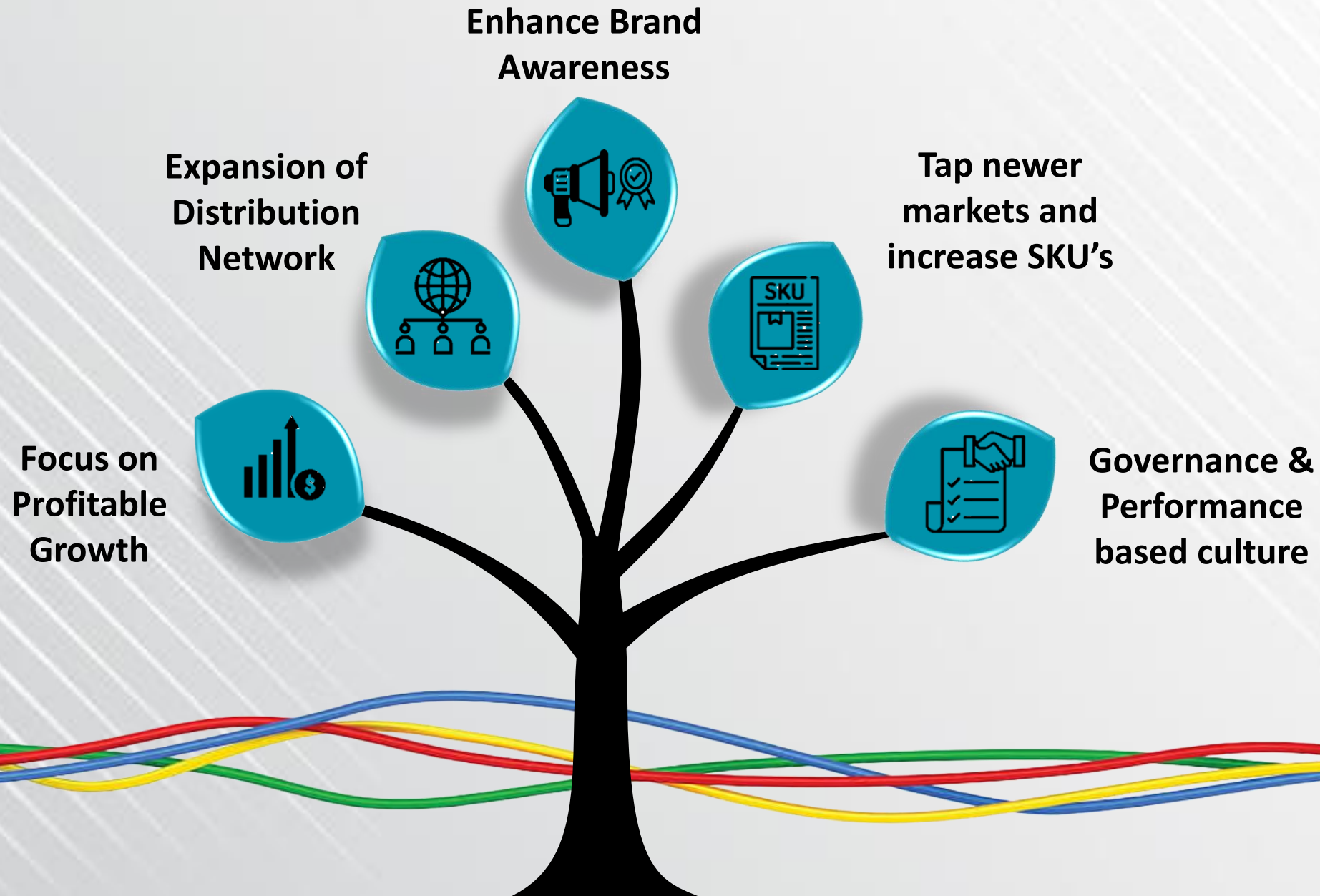
Paramount over the years has carefully mitigated concentration risk by innovating and developing various products to diversify product basket across multiple industries.

OUR VALUE CHAIN

Ability to scale quickly on back of manufacturing capability and capacity to deliver high quality products.



KEY MANAGEMENT INITIATIVE



EXPORT CONTRIBUTION

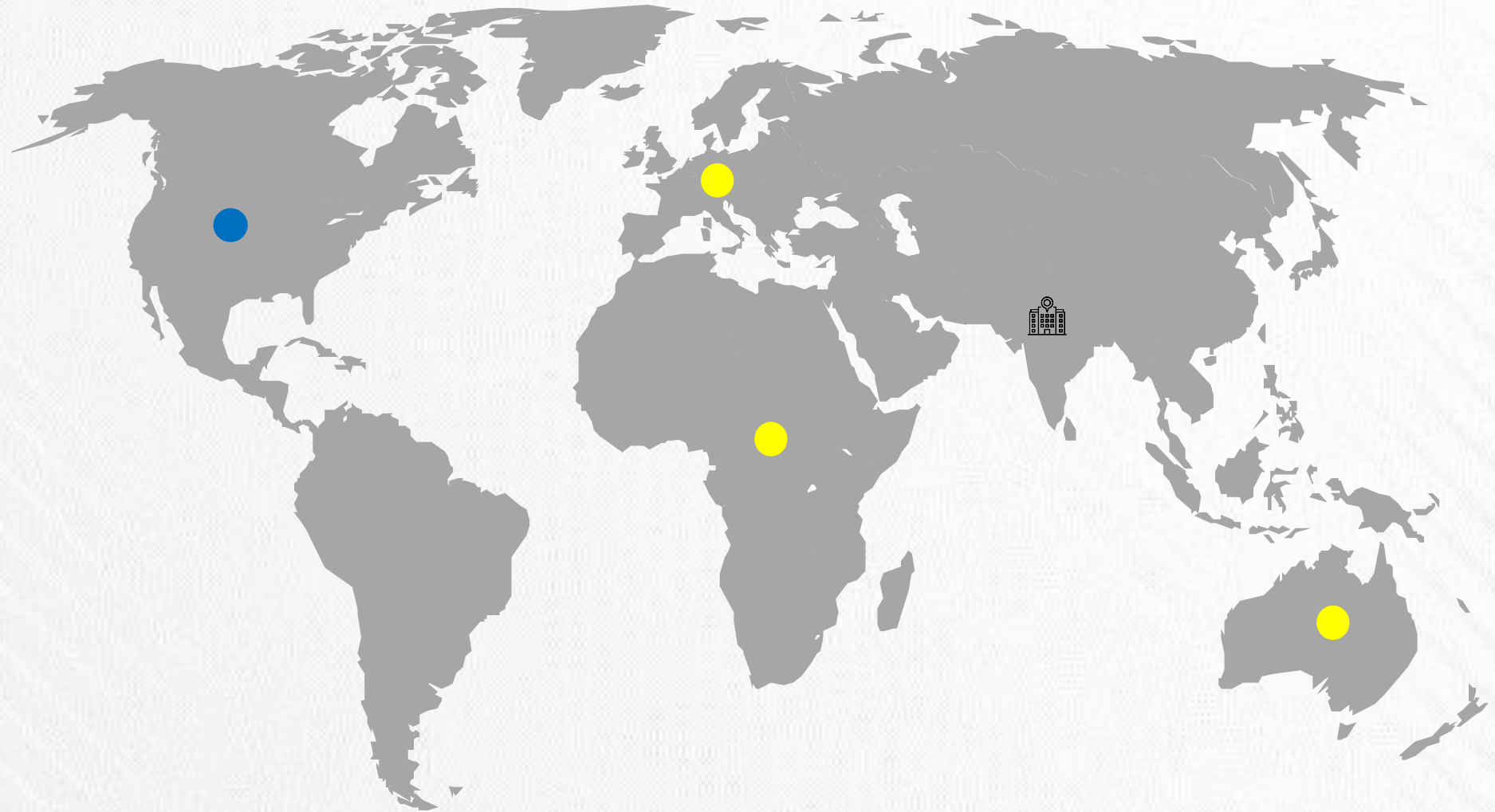
Exports

4.3%  **50%**
FY20 FY23

Number of Dealers in USA

Tripled since last
1.5 years

Focused on replicating similar success story as USA on back of superior product quality in other geographies.



DELHI (INDIA)
Head Office



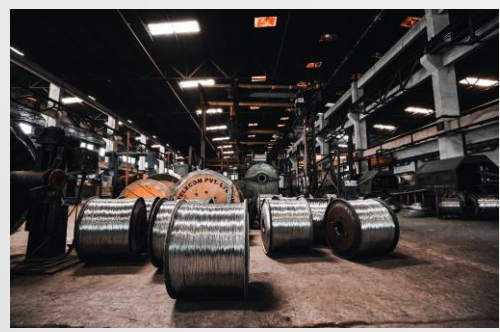
USA:
Largest Export Market



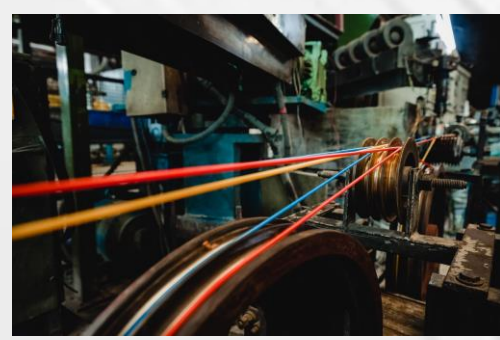
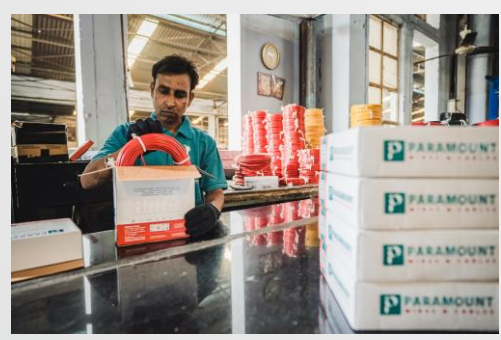
Growth Opportunities

MANUFACTURING FACILITY

Khushkhera Plant – Rajasthan (India)



Dharuhera Plant – Haryana (India)



MARQUEE CLIENTS

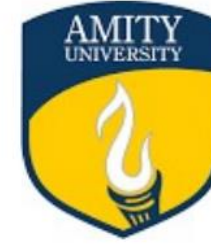


and many more.....

AWARDS & RECOGNITION



Udyog Ratna Award 2019
from Institute of Economic Studies (India)



Corporate Excellence Award 2010
from Amity University (India)



Niryat Shree Award 2010
from Federation of Indian Exports Organization (FIEO)



Star Performer Award for 2006, 2008, 2011, 2012, 2013, 2014 & 2015
from EEPC (India)



Marketing Gold Award 1992
from Institute of Marketing & Management (India)



National Entrepreneurship Award 1984
from Ministry of Skills & Entrepreneurship



Community Service Award 2003
from Rotary Club of Delhi Central



Indo-African ICT Award 2017

TURNAROUND STORY

Paramount acquired 100% of AEI Cables, world's oldest cable manufacturing company based in UK. Paramount became the largest listed cable manufacturer in India.

Due to global financial crisis in this year and various unexpected set-backs Paramount suffered financial losses.

In July 2010 Paramount was forced to approach the banks for restructuring of its debt under the Corporate Debt Restructuring ('CDR') program.

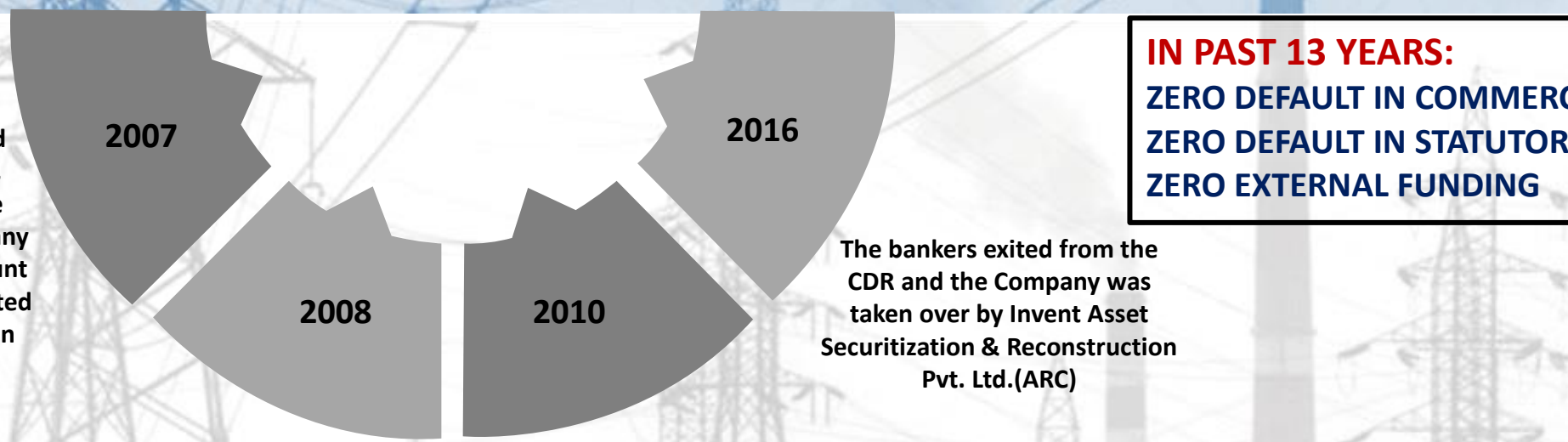
Start of Turnaround

ARC Debt: US\$24.23 Million repayable Over 8 years.

Profit generation on back of quality products and loyal clientele.

Retained Earnings Positive

Last installment repayable in November 2024 .



IN PAST 13 YEARS:
ZERO DEFAULT IN COMMERCIAL OBLIGATIONS
ZERO DEFAULT IN STATUTORY DUES
ZERO EXTERNAL FUNDING

The bankers exited from the CDR and the Company was taken over by Invent Asset Securitization & Reconstruction Pvt. Ltd.(ARC)

GROWTH STRATEGY

B2B Business growth

Developing and expanding relationships with other businesses to increase B2B revenue.

Capacity Utilization

Leveraging unused resources to increase productivity and output for higher margins.

Distribution Channel

Exploring, enhancing and utilizing new sales channels to reach a wider retail customer base.

Export Focus

Focusing on international markets to increase revenue and profitability.

Government Contracts

Pre-qualified to supply to government bodies backed by decades of history.



Paramount Advantage

Innovation



Quality



Supply Chain

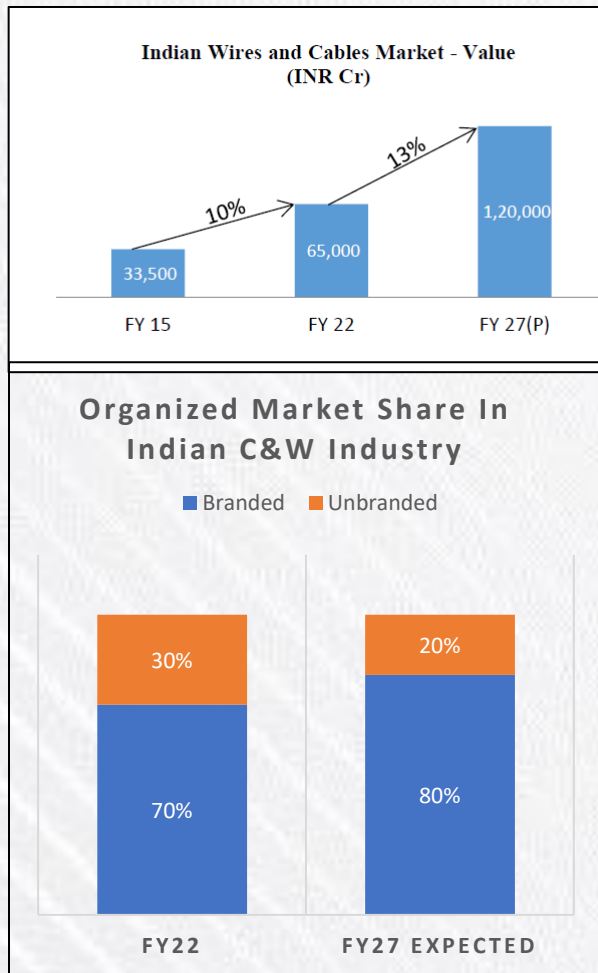


Clientele

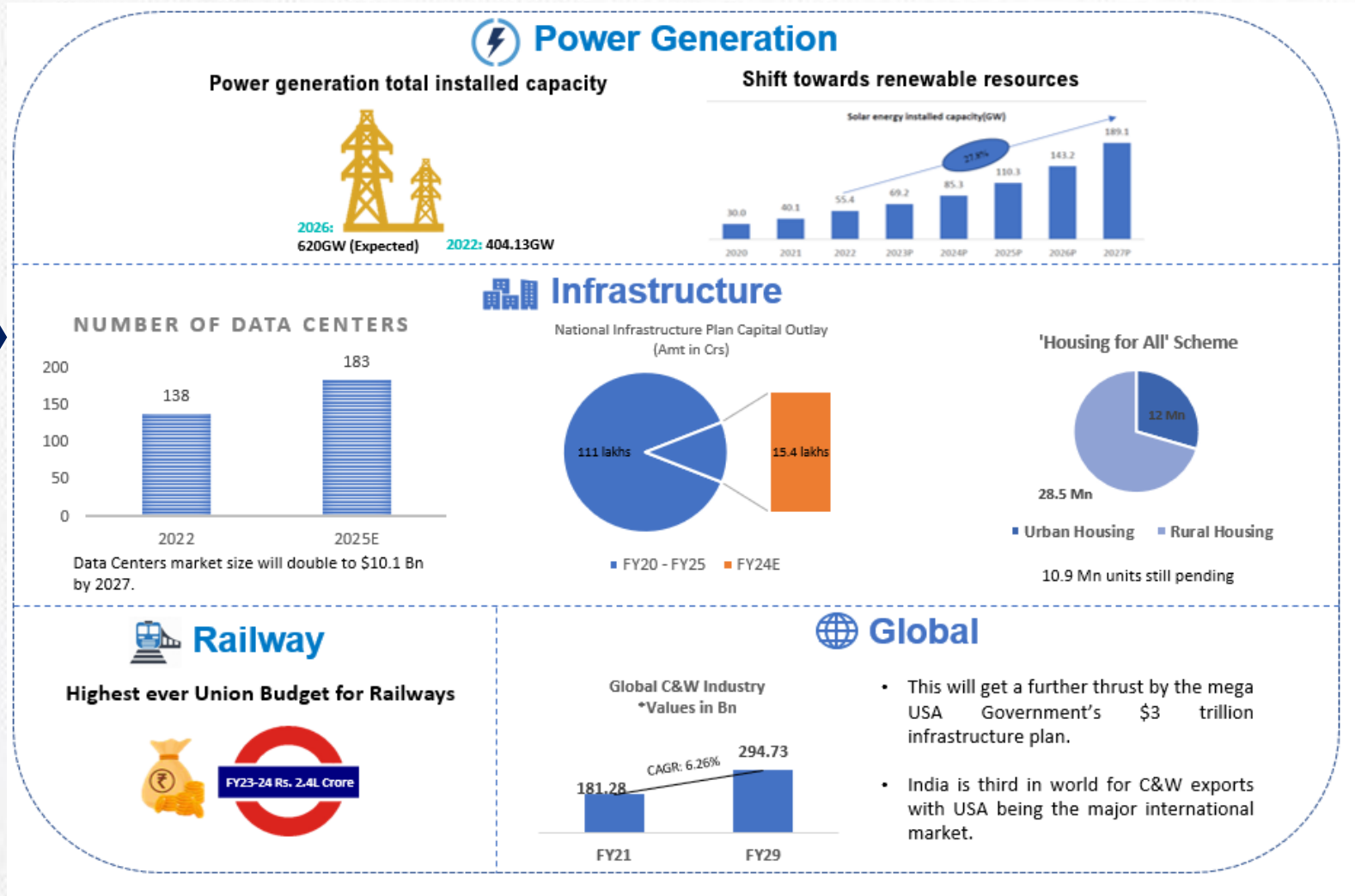


INDUSTRY OVERVIEW

Industry Growth



Growth Drivers

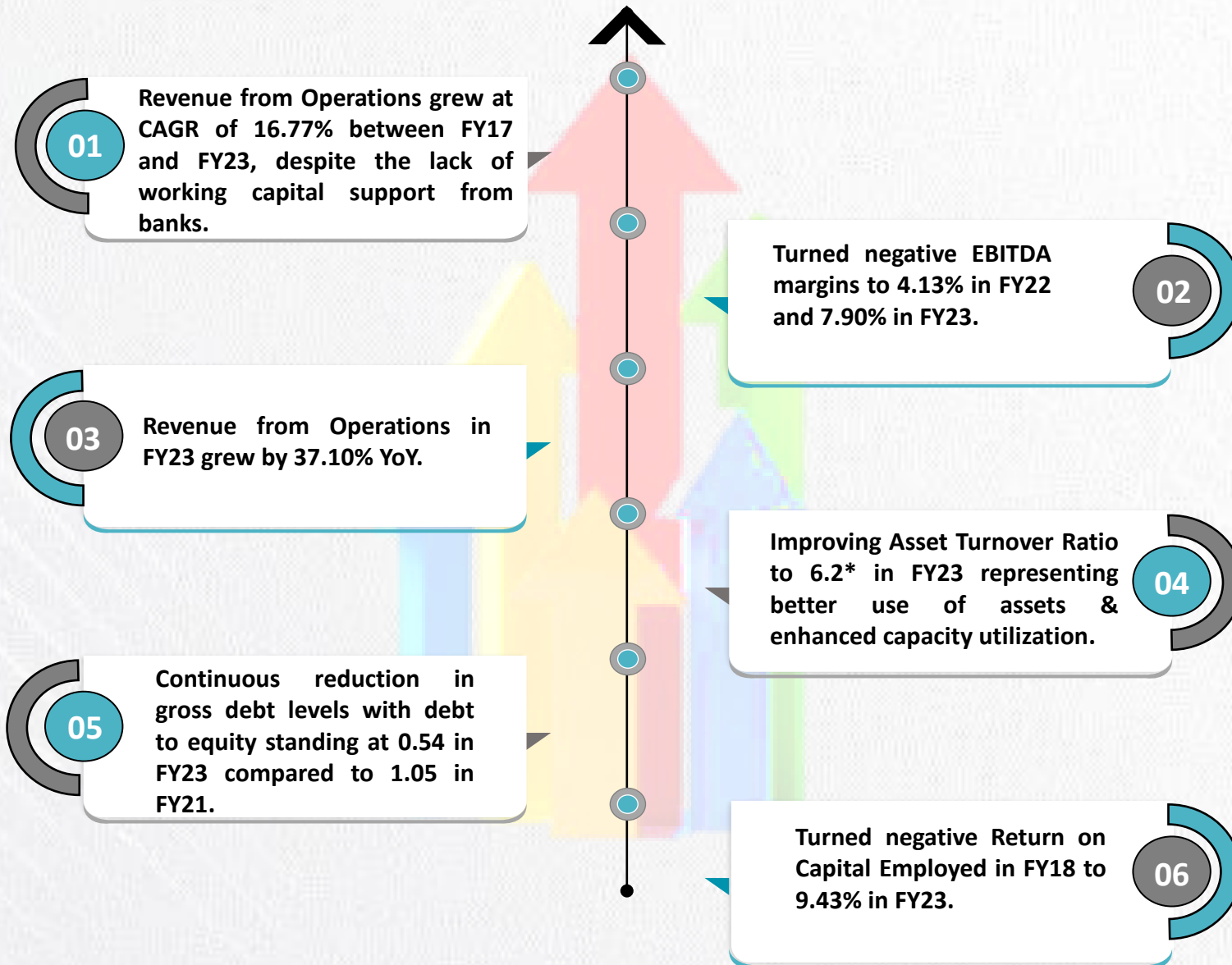


Growth is led by initiatives such as rural electrification, smart cities, awareness for safety standards, digitalization, distribution reach, demand for premium products and overall infrastructure development.

ANNUAL FINANCIALS

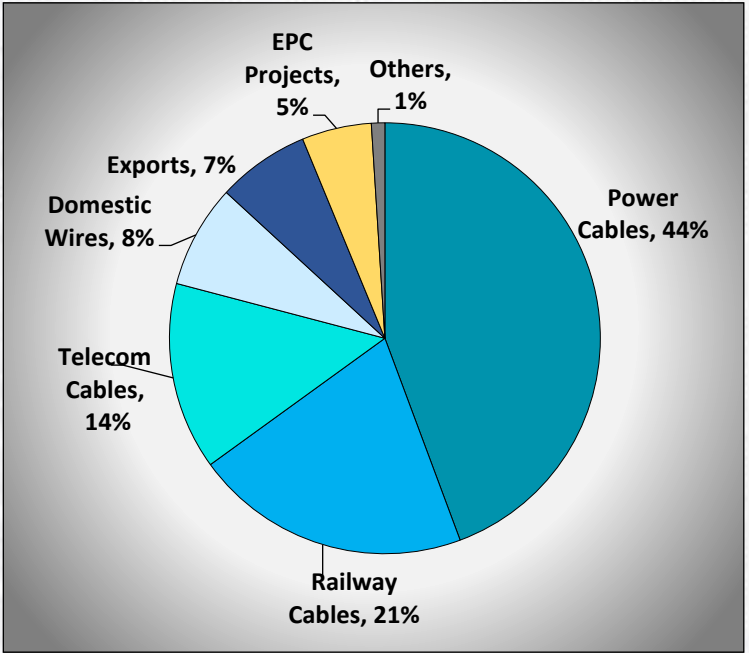


KEY FINANCIAL HIGHLIGHTS

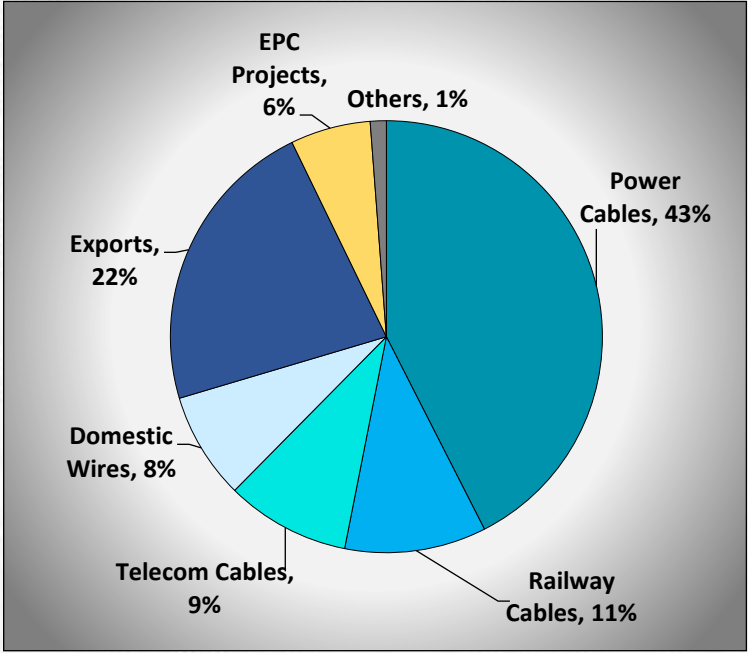


FINANCIAL METRICS: REVENUE MIX ANALYSIS

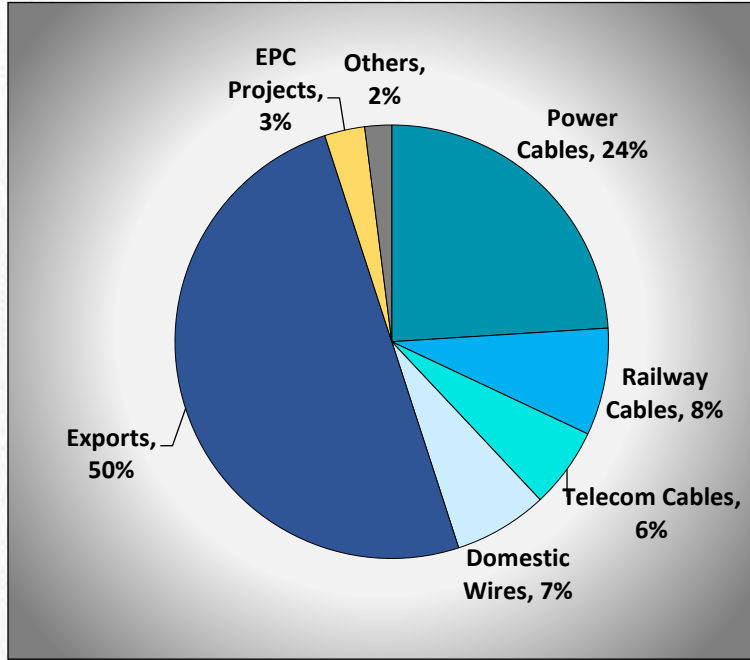
FY21



FY22



FY23

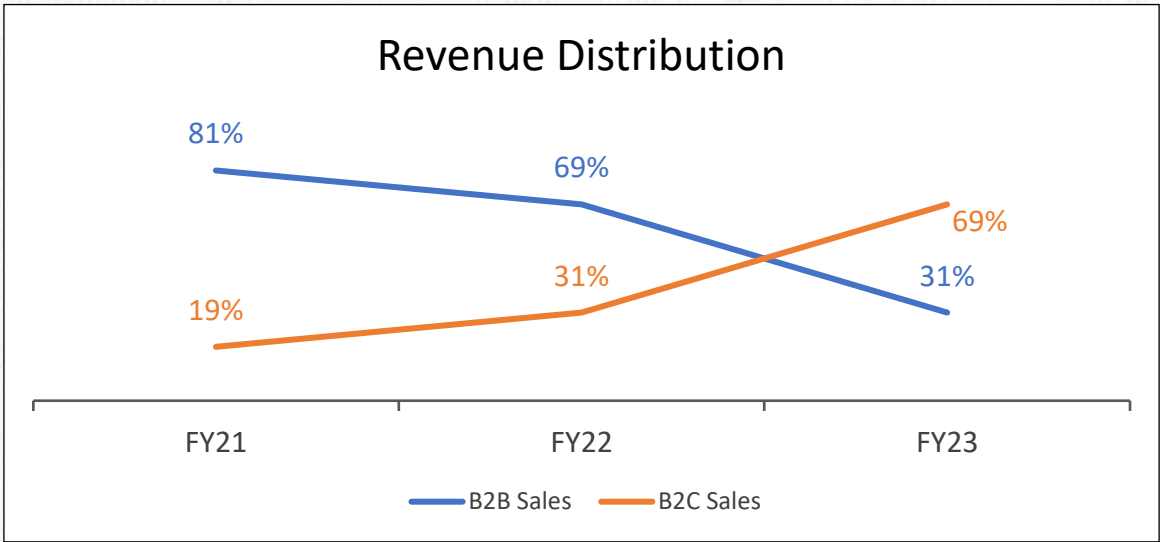
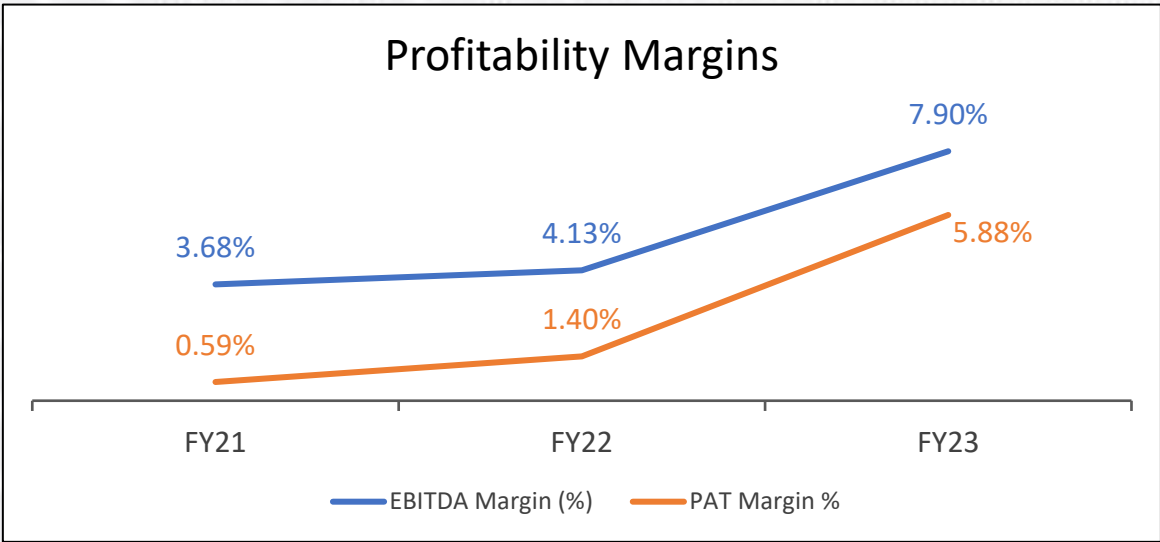
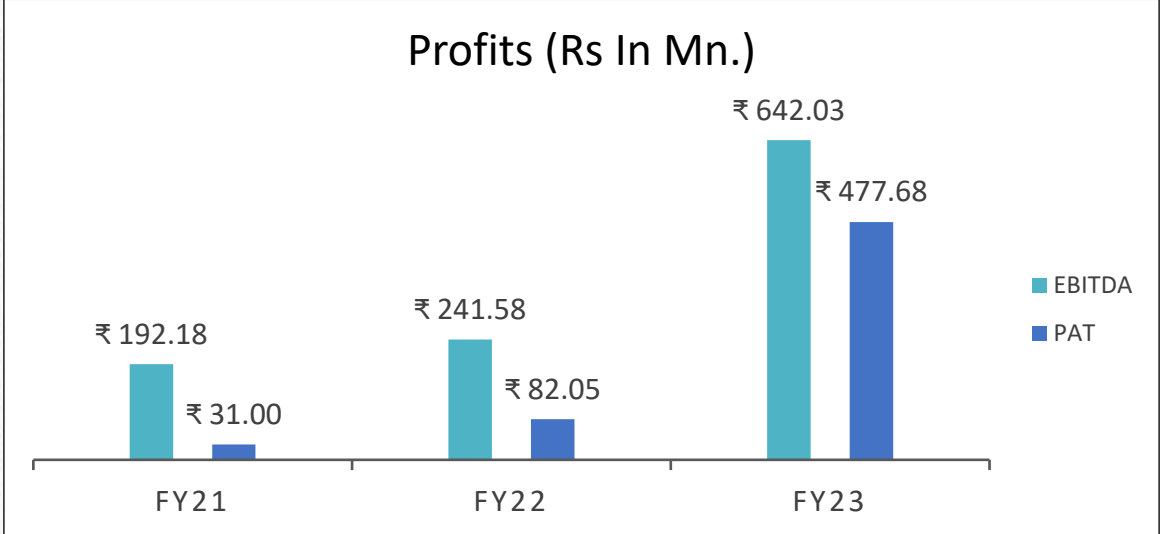
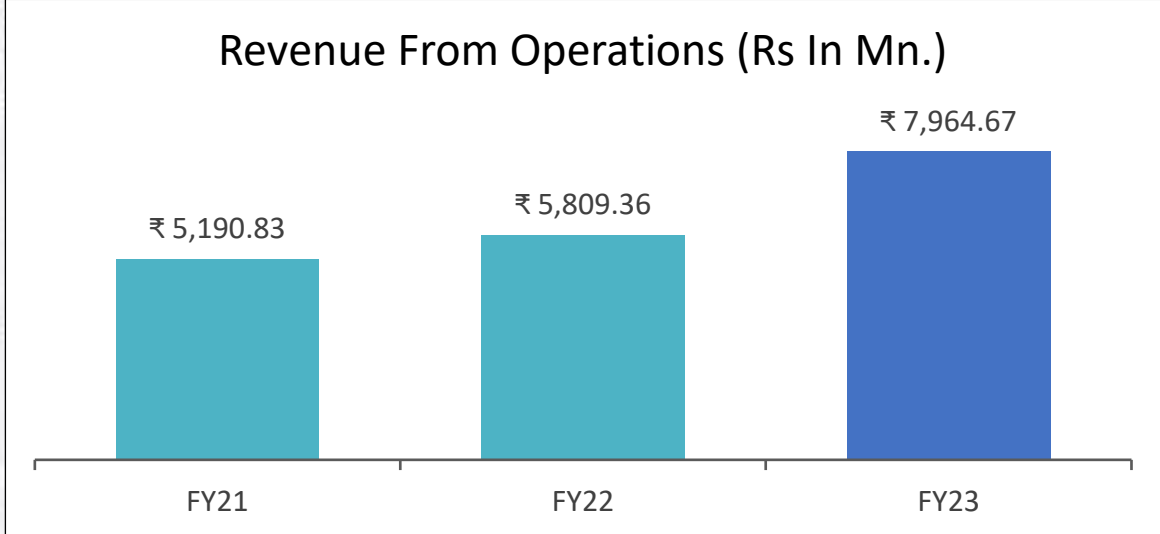


Power Cables continue to be in demand, contributing major chunks of revenue over the past 3 years.

Exports growing at the fastest rate with contribution of **50%** in FY23 compared to **7%** in FY21.

Increase in exports are direct result of B2C business growth in USA.

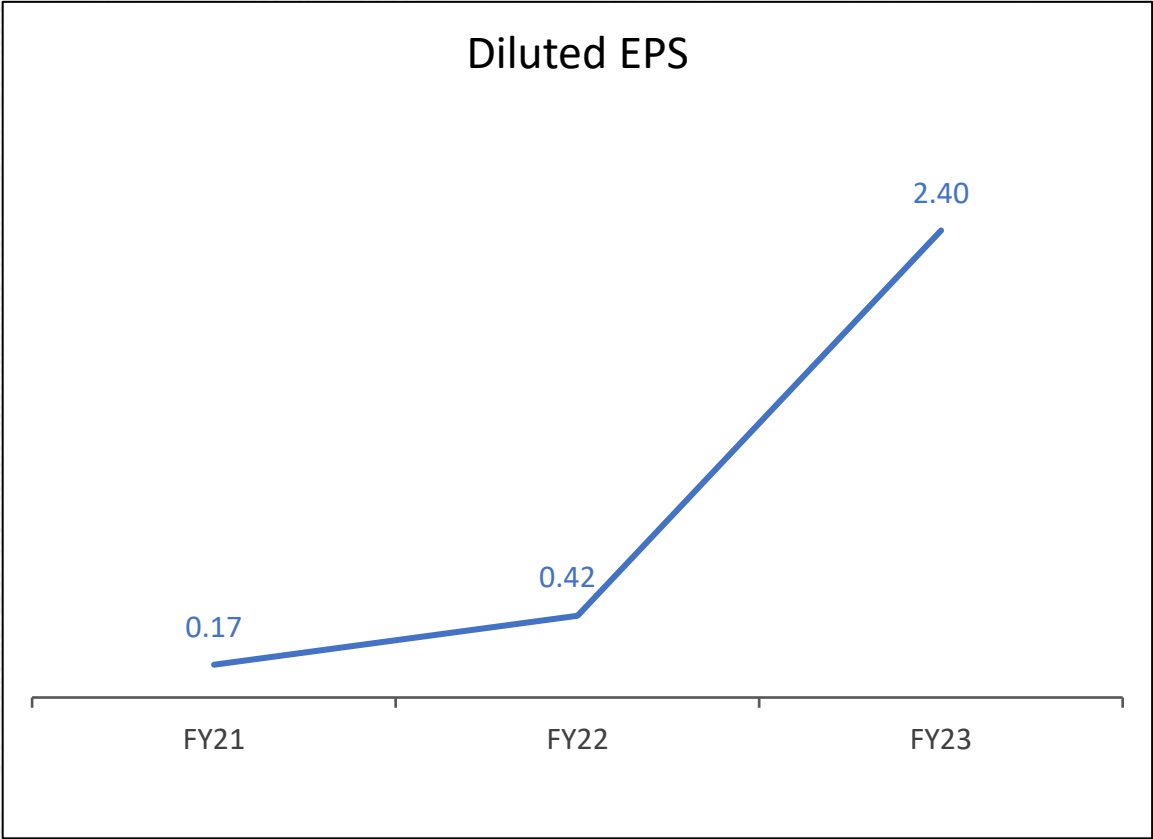
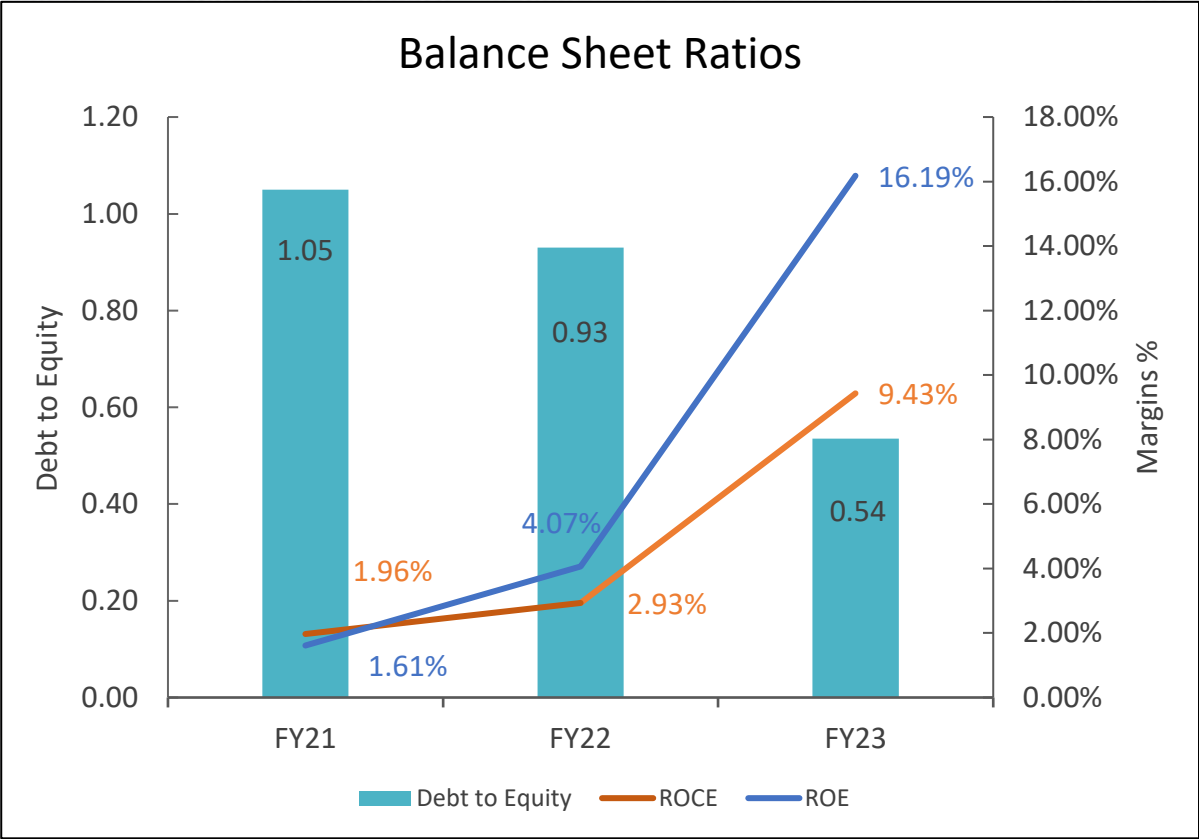
FINANCIAL METRICS



B2C expansion is due to increase in US exports.

FINANCIAL METRICS

Consistently reducing debt and improving return ratios.



FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT:

Particulars (Rs. Mn)	FY21	FY22	FY23
Revenue from Operations	5,190.83	5,809.36	7,964.67
Other Income	26.85	37.43	162.53
Total Revenue	5,217.68	5,846.79	8,127.20
Total Expenses excluding Depreciation, Amortization & Finance Cost	5,025.50	5,605.21	7,485.17
EBITDA*	192.18	241.58	642.03
EBITDA Margin %	3.68%	4.13%	7.90%
Depreciation & Amortization	90.72	95.45	92.58
Finance Cost	70.46	64.09	71.77
PBT before Exceptional Item	31.00	82.05	477.68
Exceptional Items	-	-	-
PBT	31.00	82.05	477.68
Tax	-	-	-
PAT	31.00	82.05	477.68
PAT Margin %	0.59%	1.40%	5.88%
Other comprehensive profit / loss	3.21	5.86	3.55
Net PAT	34.21	87.91	481.22
Diluted EPS	0.17	0.42	2.40

Notes for Consolidated Income Statement:

- ❑ Revenue from operations for **FY23** grew by **37.10%** on the back of increase in operational efficiency and higher capacity utilization.
- ❑ EBITDA Margins increased by **377 bps** in **FY23** led by higher margin products and increase in B2C exports to USA.
- ❑ PAT Margins jumped to **5.88%** in **FY23** over **1.40%** in **FY22**.

*EBITDA in calculated including other income #Minor differences may be due to rounding off

FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET:

Particulars (Rs. Mn)	As at 31.03.2022	As at 31.03.2023
Assets		
Non-current assets		
Property, plant and equipment	957.71	976.39
Right of use assets	381.74	289.09
Intangible Assets	15.10	10.87
Financial Assets		
-Loans	0.20	0.33
-Other Financial Assets	144.61	97.72
Other non-current assets	4.62	10.24
Total non-current assets	1,503.97	1,384.64
Current Assets		
Inventories	1,146.09	1,130.96
Financial Assets		
-Investments	-	100.20
-Trade Receivables	1,736.10	1,687.69
-Cash & Cash equivalents	13.87	179.74
-Bank balances	127.19	122.02
-Loans	2.19	4.32
-Other Financial Assets	34.51	29.29
Other Current Assets	205.07	381.77
Current Tax Assets	40.89	18.47
Total current assets	3,305.92	3,654.46
TOTAL ASSETS	4,809.89	5,039.10

Particulars (Rs. Mn)	As at 31.03.2022	As at 31.03.2023
Equity & Liabilities		
Equity		
Equity share capital	388.37	388.37
Other equity	1,629.06	2,562.45
Total equity	2,017.43	2,950.82
Non-current liabilities		
Financial Liabilities		
-Borrowings	1,573.36	1,123.20
-Lease Liabilities	102.76	22.59
Provisions	10.51	5.98
Total non-current liabilities	1,686.63	1,151.76
Current liabilities		
Financial Liabilities		
-Borrowings	174.05	455.76
-Lease Liabilities	16.60	0.81
-Trade Payable	835.04	398.15
-Other Financial Liabilities	43.62	43.58
Provisions	8.25	0.84
Other Current Liabilities	28.27	37.38
Total current liabilities	1,105.83	936.52
TOTAL EQUITY & LIABILITIES	4,809.89	5,039.10

CASH FLOW STATEMENT

Cash Flow Statement (Rs. Mn)	FY21	FY22	FY23
A. CASH FLOWS FROM OPERATING ACTIVITIES:	143.34	146.44	110.96
B. CASH FLOWS FROM INVESTING ACTIVITIES:	(32.65)	(10.71)	(163.44)
C. CASH FLOWS FROM FINANCING ACTIVITIES:	(53.29)	(194.52)	218.35

Cash and Cash Equivalents increased by **Rs. 165.87** Mn in **FY23** on the back of positive cash generation from operations and issue of share warrants.

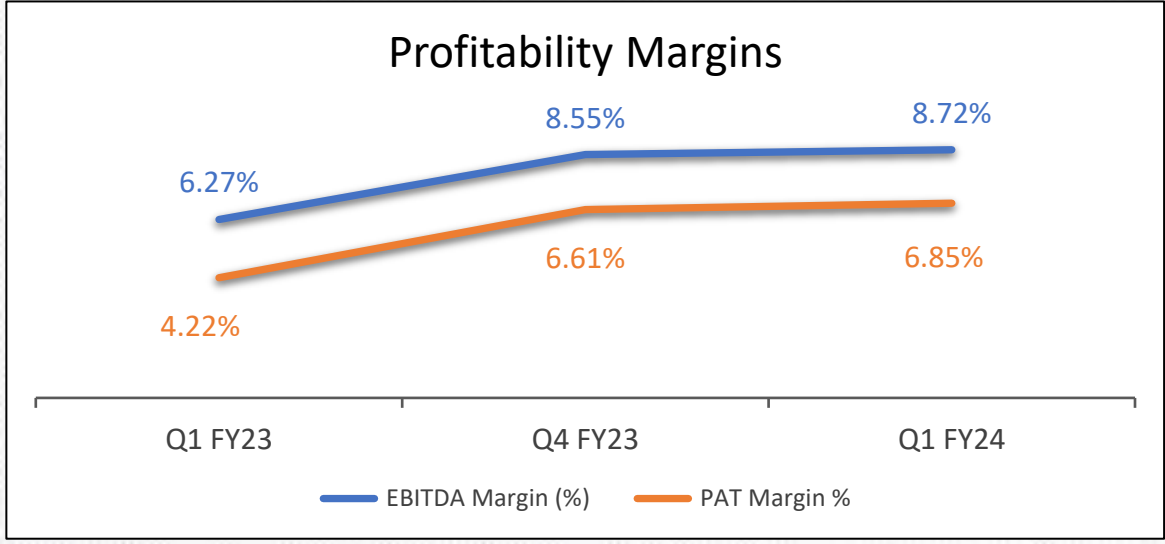
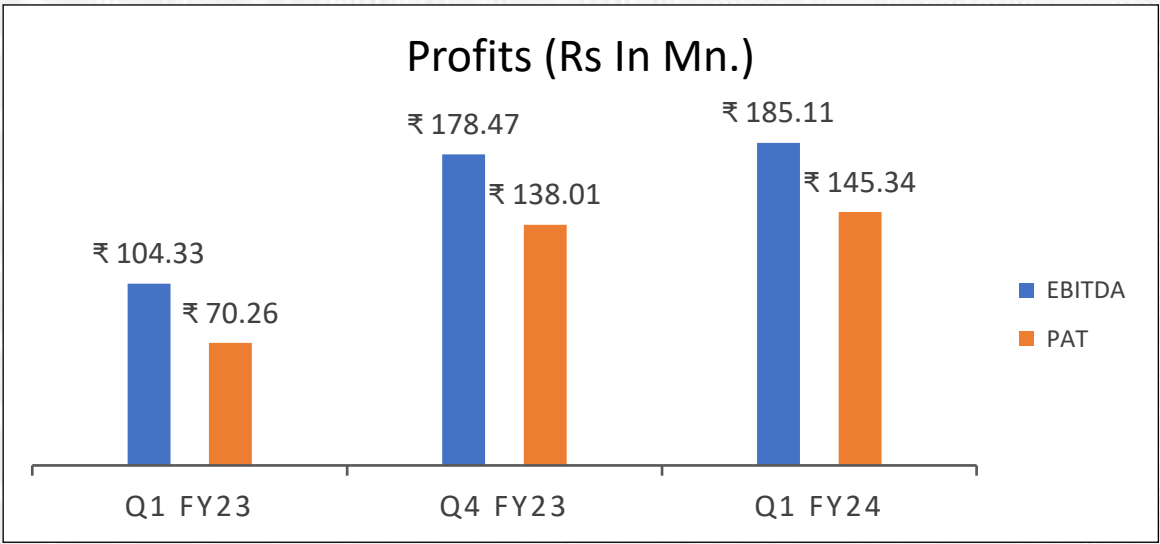
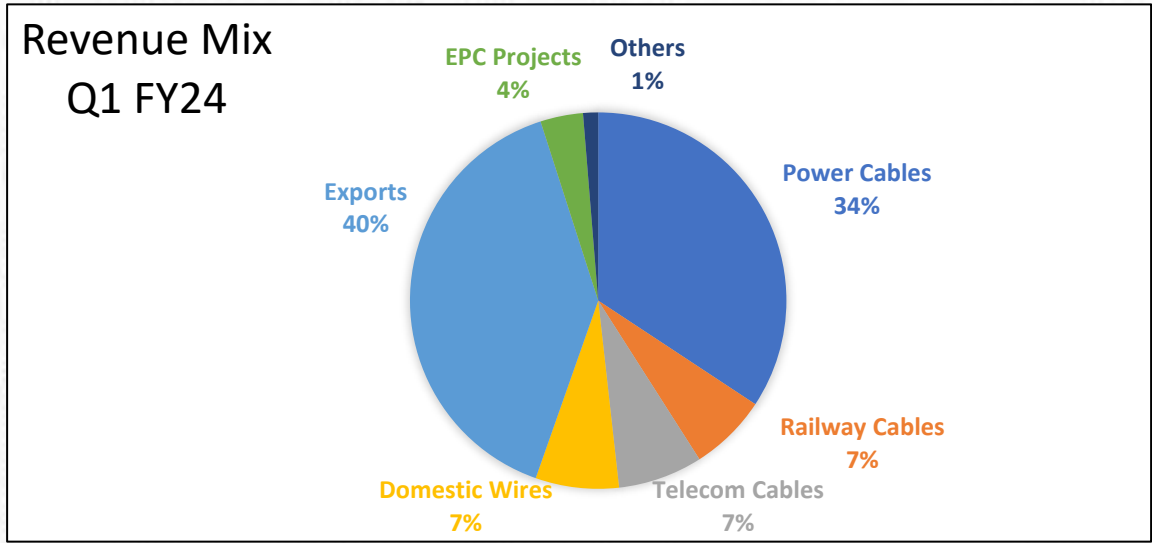
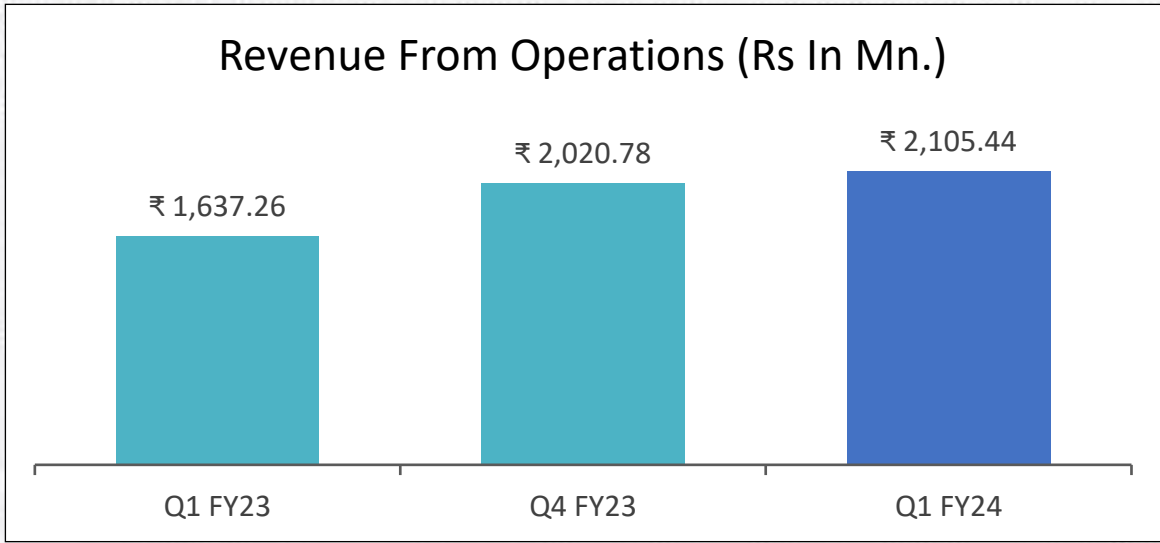
QUARTERLY FINANCIALS



Q1 FY24



FINANCIAL METRICS



QUARTERLY FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT:

Particulars (Rs. Mn)	Q1 FY24	Q1 FY23	YoY%	Q4 FY23
Revenue from Operations	2,105.44	1,637.26	28.60%	2,020.78
Other Income	17.27	26.42		65.95
Total Revenue	2,122.71	1,663.68		2,086.74
Total Expenses excluding Depreciation, Amortization & Finance Cost	1,937.61	1,559.35		1,908.27
EBITDA*	185.11	104.33	77.43%	178.47
EBITDA Margin %	8.72%	6.27%		8.55%
Depreciation & Amortization	21.75	23.00		22.81
Finance Cost	18.02	11.07		17.65
PBT before Exceptional Item	145.34	70.26		138.01
Exceptional Items	-	-		-
PBT	145.34	70.26		138.01
Tax	-	-		-
PAT	145.34	70.26	106.86%	138.01
PAT Margin %	6.85%	4.22%		6.61%
Other comprehensive profit / loss	0.89	1.46		(0.84)
Net PAT	146.23	71.73		137.17
Diluted EPS	0.72	0.36		0.67

Notes for Consolidated Financial Performance – Q1 FY24 v/s Q1 FY23

- ❑ Revenue from operations increased by **28.60 %** to ₹ **2,105.44 Mn** in Q1 FY24 from ₹ **1,637.26 Mn** in Q1 FY23 on account of **increase in order execution of Power Cables, Railway Cables and Exports.**
- ❑ EBITDA margins stood at **8.72%** in Q1 FY24, an increase of **245 bps** due to increase in scale of economies.
- ❑ PAT stood at ₹ **145.34 Mn** in Q1 FY24, compared to ₹ **70.26 Mn** in Q1 FY23, margins improved from **4.22%** in Q1 FY23 to **6.85%** in Q1 FY24.

CHAIRMAN'S NOTE

"As we embark on another year of growth and progress at Paramount Communications Limited, I am pleased to reflect on our accomplishments and look ahead to the exciting opportunities that lie before us.

*Revenue from Operations stood at **Rs 2,105.44 Mn** showcasing an increase of **28.60% YoY** in **Q1 FY24** due to strong demand for power cables, railway cables and house wires in USA. The wires and cables industry overall is experiencing strong tailwinds driven by robust demand from both domestic and international markets. Domestic demand is being boosted by a growth in private capital expenditure, real-estate expenditures, and government infrastructure programs such as highway building, urban railway systems, metro railways, smart cities, and other large infrastructure investments across the country. Additionally, the proliferation of data centers and the nationwide implementation of 5G technology have fueled the demand for transmission cables that are also contributing to overall growth. We also observed a rise in demand for power cables from power distribution companies led by implementation of the Revamped Distribution Sector Scheme. This has bolstered the requirement for reliable and efficient power transmission infrastructure. Additionally, the growing focus on renewable energy sources has led to a robust demand for solar cables. We are also looking to further expand our global presence, with exports now accounting for ~50% of our revenue.*

Our commitment moving forward is to consistently deliver high-quality products and services that enhance our customers' experience. To achieve this goal, we place great emphasis on manufacturing excellence and staying up-to-date with the latest technologies and trends. By leveraging these tools, we will continue to diversify and expand our product portfolio, ensuring that we remain at the forefront of our industry.

While the contribution from exports to the United States remains a significant source of B2C revenue, we have strategic plans to expand our domestic distributor supply chain. This will pave the way for B2C sales in the domestic market, driven by Paramount's brand. These measures will enhance our penetration of the retail segment and strengthen our market presence.

In conclusion, I am immensely proud of what we have achieved together as a team, and I am highly optimistic about the future of Paramount Communications Limited. Let us continue to work together, inspire each other, and make our vision a reality."



**Sanjay Aggarwal, Chairman & CEO,
Paramount Communications Limited**

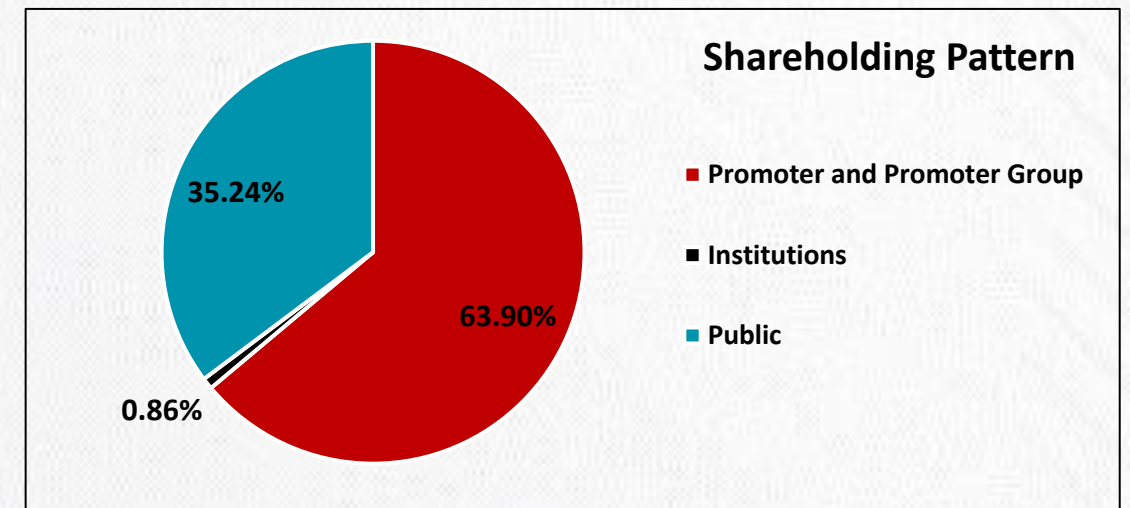
CAPITAL MARKET INFORMATION

Incorporated	1955
Listed on	BSE & NSE
BSE Scrip Code / NSE Symbol	530555 / PARACABLES
Issued Shares	23,41,59,890
Share Price (As at 10 th August, 2023)	49.35
Market Capital (Rs. Million)	11,555.79
52 Weeks High/Low	51.20/11.80



Shareholding Pattern as at 30th June, 2023:

Particulars	% Shareholding
Promoter and Promoter Group	63.90%
Institutions	0.86%
Public	35.24%
TOTAL	100.00%



Thank You



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