

25th June, 2021

PCL/CS/15872

The Secretary
The Bombay Stock Exchange Ltd,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400001
Fax:-022-22723121

Sub: Outcome of Board Meeting– Audited Financial Results for Quarter/Year ended 31st March, 2021

Dear Sir,

Pursuant to the Regulation 30 (6) read with Part A of Schedule III and Regulation 33 (3) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, we would like to inform you that the Audited Annual and Quarterly Financial Results of the Company for the Year/Quarter ended 31st March, 2021 together with Statement of Assets & Liabilities as on report date and Cash Flow Statement for the period ended 31st March, 2021 has been considered and approved by the Board of Directors in the 207th Board Meeting of the Company held on 25th June, 2021.

Further, please find enclosed herewith the following information/documents in the prescribed given format:

1. The Audited Financial Results of the Company for the Quarter/Year ended 31st March, 2021.
2. The Statement of Assets & Liabilities of the Company as on the year ended 31st March, 2021 as per Regulation 33(3)(f) of SEBI (LODR) Regulations, 2015
3. The Cash Flow Statement for year ended 31st March, 2021 as per Regulation 33(3)(g) of SEBI (LODR) Regulations, 2015.
4. The Independent Audit Report on Audited Financial Results for the Year ended 31st March, 2021 as provided by our Statutory Auditors -M/s Raj Gupta & Co., Chartered Accountants.
5. Declaration pursuant to Regulation 33(3)(d) on the Audited Financial Results for the period ending 31st March, 2021.

This is for your information & records please.

Thanking you.

Yours faithfully
For Punjab Communications Ltd.

Company Secretary

(Rs in Lacs)

Sr. No.	Particulars	PART I				
		Quarter Ended			Year Ended	
		31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1	Revenue from operations					
2	Other income	718.63	637.21	608.72	2057.55	2759.84
3	Total Revenue (1+2)	212.59	207.93	266.46	846.76	896.53
4	Expenses :	931.22	845.14	875.18	2904.31	3656.37
a)	Cost of materials consumed				460.62	911.37
b)	Purchases of Stock-in-Trade	127.35	159.29	365.00	321.74	600.45
c)	Change in inventories of finished goods, Stock-in-Trade and work-in-progress	127.00	112.00	34.86	272.99	12.24
d)	Excise duty	73.31	79.41	(51.85)	-	-
e)	Employee benefits expense	-	-	-	-	-
f)	Finance costs	652.52	642.58	711.37	2,586.75	2,695.19
g)	Depreciation and amortisation expense	0.58	0.10	0.59	2.89	5.35
h)	Other expenses	8.89	8.75	8.73	35.15	44.02
	Total expenses (4)	144.85	103.36	112.92	414.46	530.79
5	Profit/(Loss) before exceptional items and tax (3-4)	1,134.50	1,105.49	1,181.62	4,094.60	4,799.41
6	Exceptional Items	(203.28)	(260.35)	(306.44)	(1,190.29)	(1,143.04)
7	Profit/(Loss) before tax (5-6)	-	-	-	-	-
8	Tax Expense	(203.28)	(260.35)	(306.44)	(1,190.29)	(1,143.04)
	(a) Current Tax	-	-	-	-	-
	(b) Deferred Tax	-	-	-	-	-
9	Profit / (Loss) for the period from continuing operations (7-8)	-	-	-	-	-
10	Profit / (Loss) for the period	(203.28)	(260.35)	(306.44)	(1,190.29)	(1,143.04)
11	Other Comprehensive Income	(203.28)	(260.35)	(306.44)	(1,190.29)	(1,143.04)
	Items that will not be reclassified to profit or loss					
	(i) Re-measurement gains/(losses) on defined benefit obligations					
	Other Comprehensive Income/(Expenses)	56.47	49.31	(48.85)	76.20	(93.47)
12	Total Comprehensive Income for the period (10+11) (Comprising Profit(Loss) and Other Comprehensive Income for the period)	56.47	49.31	(48.85)	76.20	(93.47)
13	Earnings per Equity Share (EPS) :	(146.81)	(211.04)	(355.29)	(1,114.09)	(1,236.51)
	(a) Basic	(1.69)	(2.17)	(2.55)	(9.90)	(9.51)
	(b) Diluted	(1.69)	(2.17)	(2.55)	(9.90)	(9.51)
14	Paid up Equity Share Capital (Face value of the share is Rs 10/-)	1,202.36	1,202.36	1,202.36	1,202.36	1,202.36
15	Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year	-	-	-	3,507.80	4,621.89

Notes :

- The aforesaid Audited Financial Results for the Quarter and Year ended 31st March, 2021 have been taken on record by the Board of Directors in their meeting held on 25th June, 2021.
- The above financial results are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 being mandatory w.e.f. April 1, 2017.
- In terms of Regulation 33(2)(a) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Chief Executive Officer and Chief Financial Officer do hereby certify that financial results do not contain any false or misleading statement or figures and do not omit any material fact which may make the statements or figures contained therein misleading.
- The company is primarily engaged in the business of telecom and its spares. As the basic nature of these activities are governed by same set of risks and returns, the sales have been grouped as single segment in the accounts as per Ind AS-108 dealing with "Operating Segments". Other income for the year includes a sum of Rs.440.07 Lacs being interest on the investments made by the company.
- Disclosure related to the impact of global health pandemic COVID-19 on financial statements:**
 COVID-19 pandemic has rapidly spread throughout the world, including India. Governments in India have taken significant measures to curb the spread of the virus including imposing mandatory lockdowns and restrictions in activities which have adversely impacted the company's operations in terms of customer demand, supply chain matters, reduced travelling to project sites having pan-India spread, resulting in delays in project completion and recovery from customers.
 However, as the major customers of the company are Government departments like Railways and State Power Corporations, therefore no permanent impairment of debtors is estimated and the company expects to recover the carrying amount of these assets in due course.
 Overall operational and financial performance will depend on future developments, including the duration, spread and intensity of the pandemic, all of which are uncertain and difficult to predict considering the rapidly increasing spread of virus. As a result, it is not currently possible to ascertain the overall impact of COVID-19 on the Company's business. However, if the pandemic continues to evolve into a severe worldwide health crisis, the disease can have adverse effects on the company's business, results of operations, financial condition and cash flows.
- The figures for the previous period have been regrouped and restated wherever necessary, to make them comparable.
- Further, the figures for the last quarter ended 31.03.2020 & 31.03.2021 are the balancing figures between audited figures in respect of the respective full financial year and the published figures for the nine months ended 31.12.2019 & 31.12.2020 respectively.

for and on behalf of the Board of Directors

(Neelima), IAS
 Managing Director

(J. S. Bhatia)
 CFO

Place : S. A. S. Nagar
 Dated : June 25, 2021



PUNJAB COMMUNICATIONS LIMITED

CIN No: L32202PB1981SGC004616

Part -I - BALANCE SHEET AS ON 31st MARCH, 2021

Particulars	Amount (Rs. In Lacs)	
	As on 31 st March 2021	As on 31 st March 2020
ASSETS		
(1) Non-Current Assets		
a) Property Plant & Equipment	353.99	420.27
b) Investment Property	108.53	76.85
c) Financial Assets		
Investments	698.74	698.74
Loans and advances	78.64	145.89
Other Financial Assets	73.37	35.03
d) Deferred tax assets (net)	-	-
e) Other non-current assets	170.02	331.47
(2) Current Assets		
a) Inventories	409.27	859.37
b) Financial Assets		
Trade receivables	1824.45	2,428.28
Cash and cash equivalents	593.85	523.56
Other Bank Balances	6125.89	5,926.01
Loans and advances	56.50	75.99
Other Financial Assets	470.96	503.79
c) Other Current Assets	21.06	78.27
TOTAL	10985.27	12,103.52
EQUITY AND LIABILITIES		
Equity		
a) Share Capital	1204.80	1,204.80
b) Other Equity	3507.80	4,621.89
Liabilities		
(1) Non-Current Liabilities		
a) Financial Liabilities		
Other Financial liabilities	38.51	35.32
b) Provisions	576.78	593.08
c) Other Non Current Liabilities	10.31	13.64
(2) Current Liabilities		
a) Financial Liabilities		
Borrowings	-	38.82
Trade Payables	1554.05	1,591.49
Other Financial liabilities	3659.04	3,607.05
b) Other Current Liabilities	229.32	190.62
c) Provisions	204.66	206.81
TOTAL	10985.27	12,103.52



PUNJAB COMMUNICATIONS LIMITED

CIN No: L32202PB19815GC004616

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2021

(Amount Rs. In Lacs)

	For the Year Ended 31 st March, 2021	For the Year Ended 31 st March 2020
(A) CASH FLOW FROM OPERATING ACTIVITIES		
PROFIT BEFORE TAX	-1,190.29	-1,143.04
Adjustment for :-		
Depreciation & Amortization	35.15	44.02
Long term Provision for Employee Benefits	59.90	115.41
Short term Provision for Employee Benefits	-2.16	139.92
Provision for doubtful written back	-0.39	16.77
Interest & other financial expenses	2.89	5.35
Provision for slow moving stock	21.46	-18.34
Interest/Rental Income	-828.55	-841.88
OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES	-1,902.00	-1,681.80
Adjustment for :-		
Trade and Other Receivables	604.21	331.56
Inventories	428.64	446.36
Trade and Other Payables	-37.44	-378.50
Other current financial liabilities	51.99	8.36
Other Non current liabilities	-3.33	-3.32
Other current liabilities	38.71	-64.60
Short Term Loans and Advances	19.52	9.94
Other Financial assets	32.83	219.91
Other Non Current Assets	161.46	60.13
Other Current assets	57.20	-0.23
Long Term Loans and Advances	67.25	15.39
Movement in Non Current financial Liabilities	3.19	2.92
CASH FROM/(USED IN) OPERATIONS	-477.77	-1,033.87
Income Tax Paid	-	-
NET CASH FROM/(USED IN) OPERATING ACTIVITIES	-477.77	-1,033.87
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	-0.55	-9.30
Movement in Non- Current Financial Assets	-38.34	-2.92
Other Bank Balances (Incr)/Dec	-199.89	591.88
Interest/Rental Income	828.55	841.88
NET CASH FROM/(USED IN) INVESTING ACTIVITIES	589.78	1,421.53
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	-2.89	-5.35
Movement in Working Capital Borrowings	-38.82	38.60
NET CASH FROM/ (USED) IN FINANCING ACTIVITIES	-41.71	33.25
Net Change in Cash & Cash Equivalents (A+B+C)	70.30	420.92
Cash & Cash Equivalents at the beginning of the year	523.56	102.63
Cash & Cash Equivalents at the end of the year	593.85	523.56



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INDEPENDENT AUDITOR'S REPORT

The Members,
Punjab Communications Limited.

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Punjab Communications Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2021, and the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and Notes to the financial statements, including a summary of significant accounting policies and other explanatory information

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and profit/loss, changes in equity and its cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our Report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.





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We would like to draw the attention on the following matters:

The Company had invested a sum of Rs. 698.74 Lacs (Face Value Rs.700 Lacs) net of commission amounting to Rs.1.26 lacs in the Bonds of UP Co-operative Spinning Mills Federation Ltd. (UPCSMFL) for a tenure of 18 months, which was duly guaranteed by the UP State Government. The Company approached UPCSML for redemption of bonds on due date i.e. 20th December, 1999. Upon failure of UPCSML to redeem the bonds on due date, the Company invoked the aforesaid Government Guarantee through suit filed on 28th November, 2001 at Lower Court, Chandigarh against UPCSML & UP State Govt. for recovery of the aforesaid amount and the Hon'ble Lower Court passed decree in favor of the Company vide its order dated 30th January, 2004.

UP State through Special Secretary filed an application under Order 9 Rule 13 for setting aside the above said Decree being ex pane on 2nd September 2004 and also applied for stay of execution at the Lower Court Chandigarh. Stay application of UP State was dismissed on 13th September 2004 and the application under 9/13 was kept pending.

UP State Govt, filed the Revision Petition, against the order of dismissal of stay by the lower court, at Hon'ble Punjab & Haryana High Court, Chandigarh. In order to admit their Revision Petition, the Court ordered UP State Govt. to deposit a sum of Rs.735.63 lacs (50% of the Decretal amount). The aforesaid sum of Rs.735.63 lacs was released to the Company against furnishing of Bank Guarantee of equivalent amount on 22nd April, 2006.

On 12th March 2010 the application filed by UP State under Order 9 Rule 13 was dismissed by the Lower Court Chandigarh. UP State filed an Appeal in the Court of Add. Dist. Judge Chandigarh and got the stay on 21st July 2010. The application of UP State for Stay got dismissed on 10th November, 2012.

UP State filed Civil Revision against the order of Distt. Judge Chandigarh at Punjab and Haryana High Court Chandigarh. The Civil Revision filed by UP State was dismissed by the Hon'ble Punjab and Haryana High Court on 20th September, 2013.

UP State Govt. filed appeal against the aforesaid order of the Hon'ble Punjab & Haryana High Court with the Hon'ble Supreme Court through SLP. The Hon'ble Supreme Court vide its order dated 19th January, 2015 directed the company to refund the aforesaid sum of Rs 735.63 Lacs to the UP-State Government. In compliance with the aforesaid orders of the Hon'ble Supreme Court, the company refunded Rs.735.63 Lacs by allowing the Hon'ble Court to invoke the Bank Guarantee of the equivalent amount submitted to the court earlier.

In view of the aforesaid order passed by Hon'ble Supreme Court maintaining that the UP State was not a party defended before the trial court, the company was constrained to file a fresh civil suit against the state of U.P at District Court Chandigarh as on 11th March 2016 for recovery of Rs 68,40,31,048/- in order to preserve its right of huge claim. Later on, after aforesaid invocation of the Bank guarantee of Rs 7,35,63,325/- the company filed a revised claim on 30th October 2018 to the tune of Rs.75,75,94,373/- (Rs 68,40,31,046/- plus Rs7,35,63,325/-) which is pending.





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UPCSMFL, is presently under liquidation and the company has filed its claim with the Official Liquidator on 23rd May, 2016 at Kanpur and later, on account of invocation of Bank Guarantee, a revised claim was filed on 26th September 2018 to the tune of Rs. 1,10,75,01,023/- with interest as on 28th August, 2018 in order to maintain its valuable rights in future. The revised claim was sent through the authorized representative of the company and was duly acknowledged by the officials of UPCSML. It was also sent through the Registered Post which has not been received back thus duly served.

In the light of the aforesaid orders of Hon'ble Supreme Court the decree is not maintainable against the State of U.P, therefore the Company filed a fresh execution application against the principal debtor i.e UPCSML at the Hon'ble Lucknow Court on 30th January, 2016 (as the Decree was issued against both the parties viz., UPCSML and the State of UP).

The company has reflected the value of investment in bonds at cost. Further, the principal amount of bond is fully guaranteed by the UP-State Government, but due to the protracted litigation the time of recovery is indeterminable. (Also Refer note 5 and 42(a) of Balance Sheet for the FY 20-21.

Emphasis of Matters

We would like to draw the attention on the following matters:

1. Accounting Policy 1(b): Regarding certain items of income and expenditure which have been accounted for as and when these are incurred, ascertained or settled. During the year under audit, no entries deviating from accrual basis of accounting were noticed.
2. As per the information and explanations given to us, the company has been selected for disinvestment by Cabinet Committee on Disinvestment, Government of Punjab. During the FY 2019-20, the Directorate of Public Enterprises and Disinvestment, Government of Punjab had appointed M/s Resurgent India Limited, Gurgaon (Haryana) as Transaction Advisor for Puncom Disinvestment. During financial year 2020-21, the Government of Punjab has closed the submission of "Expression of interest" (EOI) by eligible bidders on 1st February, 2021. Further as part of disinvestment, the company is under the process of Due Diligence activity to be conducted by shortlisted bidders.
3. Receivable & payable shown in the balance sheet which significantly consist of Trade receivable, trade payable, are subject to confirmation. (Refer note no 9 & 21 of notes to accounts of financial statements)

Our opinion is not modified on the matters mentioned at item (1) in Key Audit Matters and in item (1) to (3) in Emphasis of Matters here in above.





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Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, "implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.





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As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also,

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit





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We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure A', a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) In terms of GSR 463 dated 05th June, 2015 issued by MCA, the provisions of section 164(2) of Companies Act, 2013 regarding the disqualifications of Directors are not applicable to Government Company. Hence the same have not been reported by us.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".





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- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its notes to financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

FOR RAJ GUPTA & CO
Chartered Accountants

ERN:000203N



CA Sandeep Gupta

Partner

M.No.-529774

Place: Chandigarh

Dated: June 25, 2021



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"ANNEXURE - A" TO THE INDEPENDENT AUDITORS' REPORT

1. (a) As per the information and explanations provided to us, the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
(b) The company has a regular system of verification of fixed assets at the end of each year which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Fixed assets were verified by the company and no discrepancy was noticed.
(c) As per the information and explanations provided to us, the title deeds of immovable properties of the company are held in the name of company.
2. The company has a regular system of verification of the inventory at the end of each year which, in our opinion, is reasonable having regard to the size of the company. The inventory was verified and the discrepancies noticed on physical verification between physical stock and book records were not material and have been adequately dealt in the books of account.
3. As per the information and explanations given to us, the company has not granted any loans, secured or unsecured to companies, firms, LLPs or other parties covered in the register maintained under section 189 of the Companies Act.
4. In our opinion and according to the information and explanations given to us in respect of loans, investments, guarantees and securities, the company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013.
5. According to the information and explanations given to us, we are of opinion that the company has not accepted any deposit in pursuance of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.





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6. The company was not required to maintain cost records as per the provisions of Section 148(1). Accordingly, this point is not applicable.
7. (a). According to the information and explanations given to us and books and records as produced and examined by us are in accordance with generally accepted auditing practices in India and also based on management representation, the company is regular in depositing undisputed statutory dues including provident fund, employees state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, GST and any other statutory dues with the appropriate authorities. Further, we report that no undisputed amount payable in respect to such statutory dues were outstanding as at March 31, 2021 for a period of more than six months from the date they became payable.
- (b). According to the information and explanations given to us, there are no dues of provident fund, employees state insurance, income-tax, sales tax, service tax duty of customs, duty of excise, value added tax, cess, and any other statutory dues which have not been deposited on account of any dispute. However, the following demands have been raised in respect of disputed dues pending before various statutory authorities:

S. No.	Particulars	Tentative Amount involved	Matter Cases pending since	Forum where dispute is pending	Current Status / Reason for pendency
1	Sales Tax Demand	Rs.14.85 Lacs	FY 2011-12	Sales tax Appellate Tribunal Andhra Pradesh.	Appeal against the Sales Tax Demand for FY 2004-05 was admitted. Matter not listed for hearing yet.





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2	Sales Tax Demand	Rs.102.92 Lacs	FY 2019-20	Appeal filed before Additional Commissioner, Ghaziabad, UP against EX – Parte assessment.	Appeal against the Sales Tax Demand for FY 2014-15 was admitted. Matter not listing for hearing yet.
3	Sales Tax Demand	Rs.45.71 Lacs	FY 2020-21	Appeal filed before additional commissioner, Ghaziabad, UP against Ex-parte assessment	Appeal against the Sales Tax Demand for FY 2015-16 was admitted. Matter not listing for hearing yet.

8. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to the financial institutions or banks. We further report that the company has no debenture holders during the year.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year under audit.
10. According to the information and explanations given to us, no fraud by or on the company by its officers/employees has been noticed or reposed during the course of our audit.
11. The Section 197 read with Schedule V to the Companies Act, in relation to the managerial remuneration is not applicable to Government companies as per Notification No GSR 463E dated 5 June 2015.
12. The company is a manufacturing company and not a chit fund or a Nidhi Company. Therefore, this clause is not applicable to the Company.
13. The company transactions with the related parties are in compliance with section 188 and 177 of Companies Act, 2013 and the details have been disclosed in the financial statement as required by the Indian Accounting Standards and Companies Act, 2013 and amendments thereon.
14. The company has not made any preferential allotment/private placement of shares or fully or partly convertible debentures during the year.





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15. As per information and explanation provided to us, no such non cash transactions were entered into by the Company with Directors or persons connected with it.
16. According to the information and explanations given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

FOR RAJ GUPTA & CO
Chartered Accountants

FRN:000203N



CA Sandeep Gupta
Partner

M.No.-529774

Place: Chandigarh

Dated: June 25, 2021



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"ANNEXURE - B" TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Punjab Communications Limited ("the Company") as of 31st March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI').

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing





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the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertains to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provides reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provides reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.





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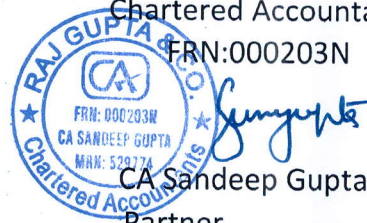
Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31" March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of Internal control stated in the guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR RAJ GUPTA & CO

Chartered Accountants

FRN:000203N



CA Sandeep Gupta

Partner

M.No.-529774

Place: Chandigarh

Dated: June 25, 2021

UDIN: 21599774AAAACL4890



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REPORT ON DIRECTIONS u/s 143(5) of the Companies Act 2013

As per the directions issued under Section 143 (5) of the Act, we report that:

1. As per information and records produced before us, the company has clear title deeds for immovable properties.
2. As informed to us, there is no case of waiver/write off of debts/loans/interest during the year under review.
3. As informed to us, no such inventories are lying with third parties and no assets have been received by the company as gifts from Government or other authorities during the year under audit.
4. As informed to us, there is no dispute in any contract for supply of hardware or software except cases against which company has made provisions.
5. As informed to us, the company does not provide manpower services to any agency. Therefore, it is not applicable.
6. As per information and explanations provided to us, no franchise agreement had been entered into by company during the year under audit.
7. As per information and explanations provided to us, no cases have come to our notice wherein software, hardware and IT enabled systems are redundant/outdated.
8. No grants have been received by the company during the year under audit.

FOR RAJ GUPTA & CO
Chartered Accountants

FRN:000203N



CA Sandeep Gupta
Partner

M.No.-529774

Place: Chandigarh

Dated: June 25, 2021



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COMPLIANCE CERTIFICATE

We have conducted the audit of accounts of PUNJAB COMMUNICATIONS LIMITED for the year ended 31.03.2021 in accordance with the directions/sub-directions issued by the Comptroller and Auditor General of India under Section 143(5) of the Companies Act, 2013 and certify that we have complied with all the directions/sub-directions issued to us.

FOR RAJ GUPTA & CO
Chartered Accountants

FRN:000203N



CA Sandeep Gupta
Partner

M.No.-529774

Place: Chandigarh

Dated: June 25, 2021

Date:- 25th June, 2021

Subject:- Declaration pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2016 and SEBI Circular No. CIR/CFD/CMD/56/2016 dated 27.05.2016

In compliance of Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2016 as amended by Circular No. CIR/CFD/CMD/56/2016 dated 27.05.2016, we hereby declare that the Statutory Auditors of the Company, M/s Raj Gupta & Co. Chartered Accountants (FRN: 000203N) have issued Audit Report with unmodified opinion in respect of the standalone audited financial results for the financial year ended 31st March, 2021.

Thanking You,
Yours faithfully
For Punjab Communications Limited


J.S. Bhatia
Chief Financial Officer