



CMI Limited

Annual Report 2016-17



Contents

01

Corporate Overview

Our Mission & Vision 03

Our Values 05

Chairman's Speech 07

Our Company 09

Management Reports

Management Discussion
& Analysis 13

Directors' Report 32

Corporate Governance
Report 62

02

03

Financial Statements

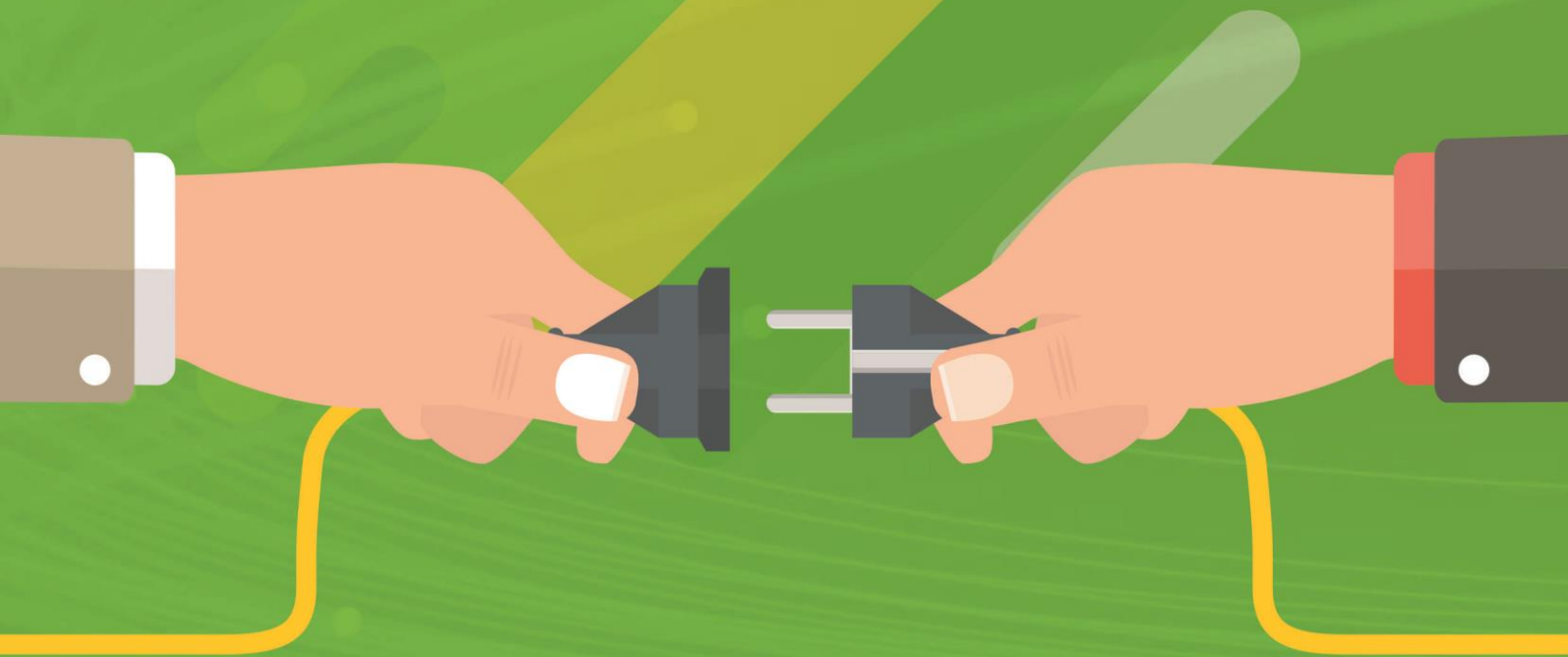
Standalone Financial
Statements & Notes 84

Consolidated Financial
Statements & Notes 114

04

Notice of AGM 142

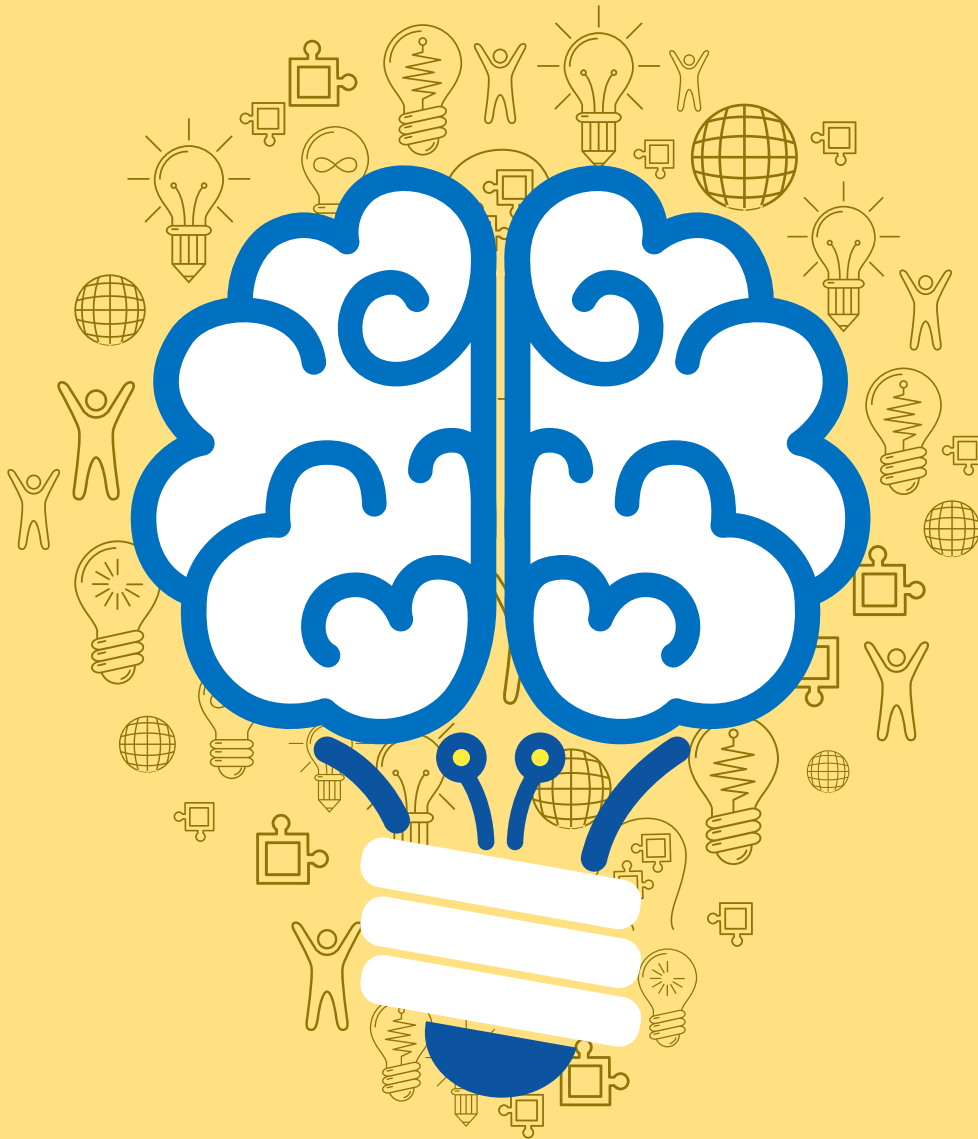
OUR MISSION & VISION



Mission

“Sustainable growth through innovation”

Our mission is to achieve sustainable growth by delivering high-quality, innovative products that meet new, undefined or existing market needs in unique ways. We achieve this by fostering innovation which helps us to stay ahead in the competition, provide meaningful differentiation and gain increased recognition in the wires and cables industry.

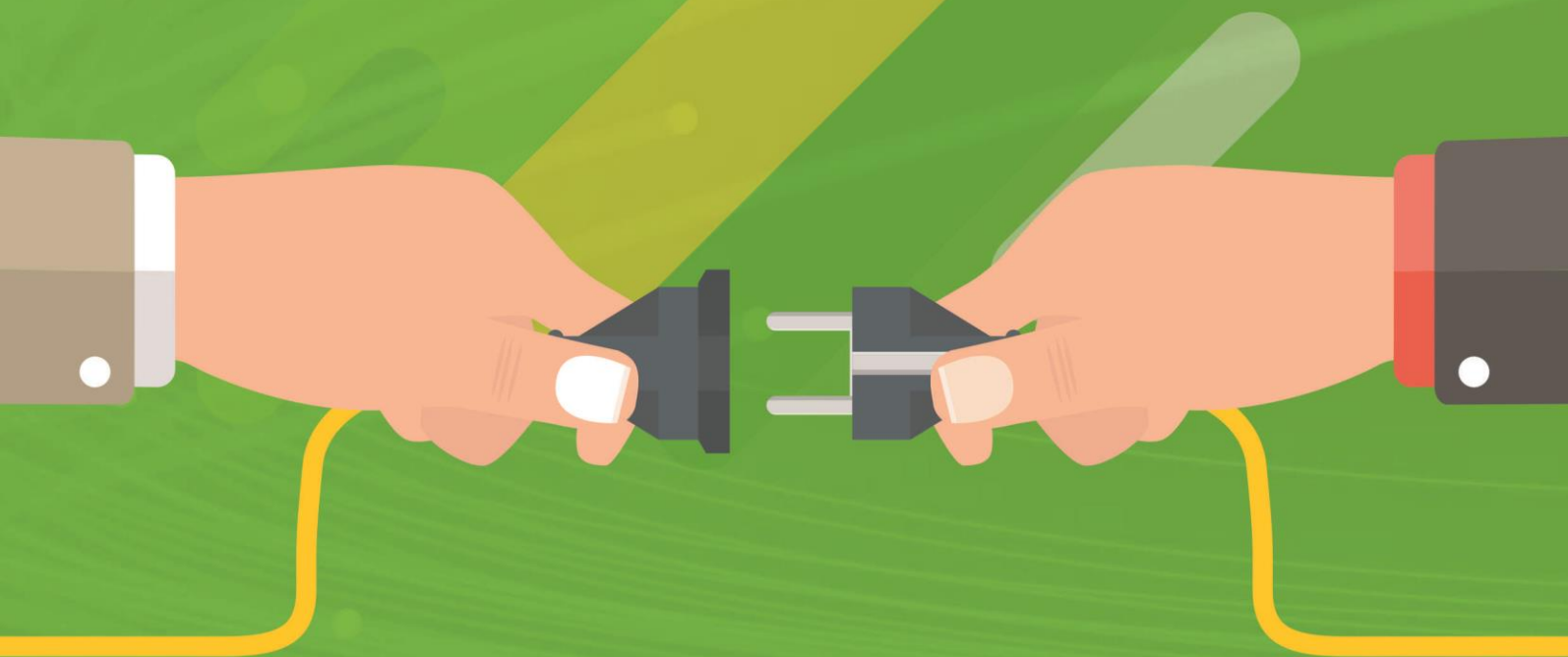


Vision

“To maximize shareholders value through leadership position in the global specialty cable space”

Our vision is to become one of the world's leading cable manufacturers by utilizing state-of-the-art manufacturing facilities and best-in-class resource pool. We aim to be the first choice amongst significant players in the specialty cable manufacturing industry by delivering products which exceed customers' expectations. Our priority is to maximize shareholders value through product development, improved efficiency and open culture within the Company.

OUR VALUES



Our Values



Integrity

A pledge to follow ethical business practices and be honest in all our business dealings



Excellence

A commitment to excel in all our operations by demonstrating teamwork, trust and efficiency



Customer Satisfaction

A guarantee of total customer satisfaction with products meeting international quality standards

Respect

A promise to treat all employees, customers and other stakeholders with dignity and respect

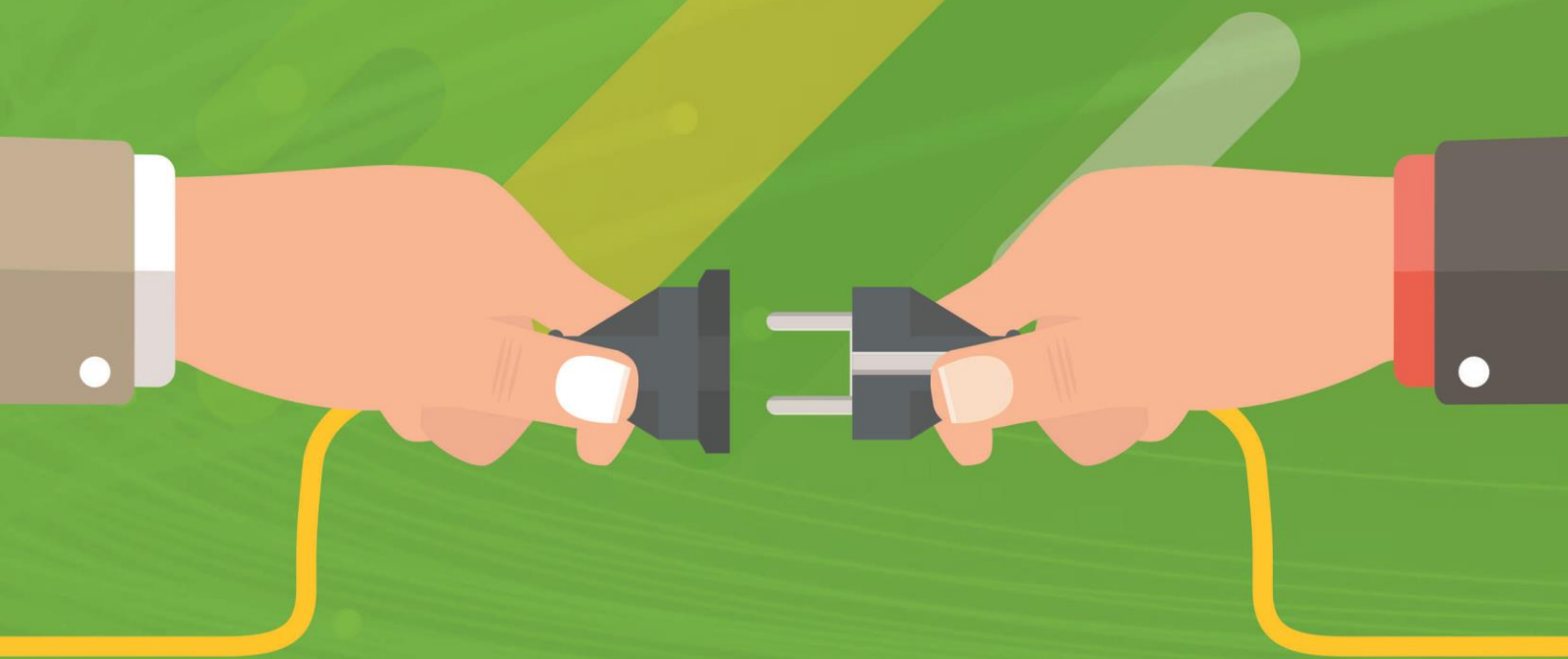


Safety

An assurance of safety and security to all by framing and following thorough safety rules



CHAIRMAN'S SPEECH





Chairman's Speech

Dear Shareholders,

It is with a great sense of pride that I address you with another year of commitment to deliver strong performance both operationally and financially. The journey of transformation which began in 1967 with modest operations has started to bear fruits now, as CMI Limited strengthened its presence in the highly competitive Indian wire and cable market. The synergetic acquisition completed in the last fiscal year has been moving steadily towards the envisioned direction, as evidenced by higher capacity utilization, increased average realizations and growth across products and sectors. The Company has yet again delivered robust financial performance on a standalone basis, with gross sales rising to Rs.343.8 crores from Rs.269.9 crores posted in the previous year and net profit increased to Rs.20.1 crores from Rs.17.0 crores reported in the corresponding period last year. This impressive financial performance underpins the strength of our business model and our strong positioning in the wire and cable market. On a consolidated basis, gross sales climbed to Rs.420.7 crores from Rs.269.9 crores a year ago, while net profit excluding extraordinary items grew from Rs.27.0 crores in FY2015-16 to Rs.30.1 crores posted in the current fiscal year.

The past year signified our acquisition of General Cable Energy India Private Limited, presently known as CMI Energy India Private Limited (CMIE), a wholly owned subsidiary of CMI Limited. During the year, we focused to enhance the capacity utilization at our CMIE plant located at Baddi which started to contribute substantially to our topline. Our product offering from CMIE not only complements our current product portfolio but also provides us with an opportunity to cross-sell and acquire new clients across sectors and geographies. On the operational front, Indian Railways continued to remain our top customer, while we explored new business avenues in the renewable space through our offerings of cables for solar power projects. During the year, we bagged significant orders from Indian Railways, Bharat Heavy Electricals Limited and other PSUs and continued to receive approvals for newer products from our clients. At the end of the year, we have orders in hand worth more than Rs.300 crores for both the plants located at Faridabad and Baddi, to be executed within the timeframe of six-to-eight months, providing significant revenue visibility for the near term. Our strong order book,

experience in implementing large projects and highly capable management team empowers the Company to steer in the right direction going forward.

The rejuvenation of the Indian economy in the past three years is a big positive for the overall wire and cable industry. With the International Monetary Fund (IMF) projecting the Indian economy to be one of the fastest growing economies in the world, we believe that our Company is well placed to benefit from the expected traction in the Indian economy post the demonetization and ongoing structural reforms such as the recent introduction of the Goods and Services Tax (GST). The Government of India's impetus to boost the economy through several of its key projects such as 'Make in India', 'Smart City Programme', 'Housing for All', 'Power for All' and 'Digital India' are likely to translate into higher orders for our Company. Similarly, the government's massive planned capital expenditure for Indian Railways, Metro projects, Infrastructure, Housing and Power T&D sector is likely to prove beneficial to our Company in the long-term.

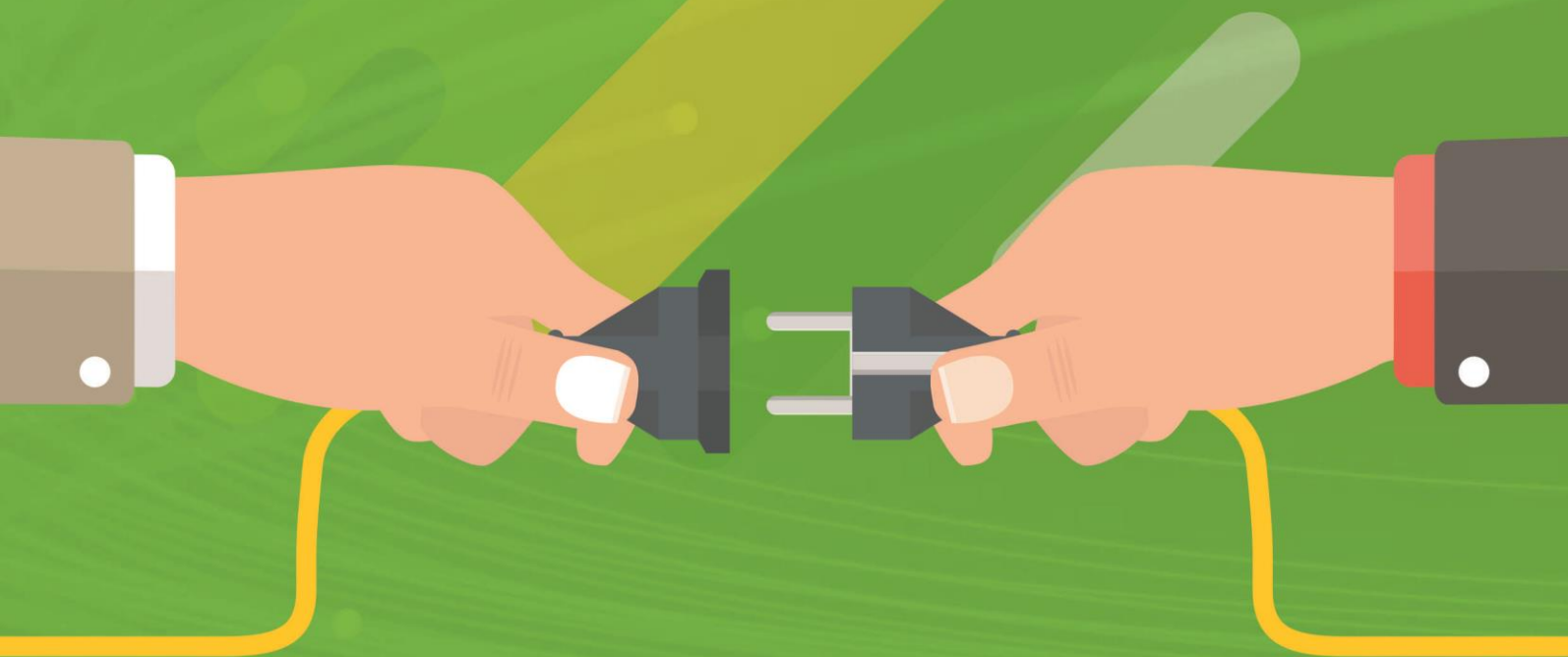
We continue to acknowledge integrity, excellence, customer satisfaction, respect and safety for people as the fundamental cornerstones of our eventful journey. We are moving forward to achieve sustainable growth for our organization through investment in R&D and commitment towards delivering high-quality, innovative products. To further expand our product offerings, we have envisaged a capital expenditure to the tune of Rs.20 crores in plant and machinery. We always thrive to maximize shareholders value and have taken a step forward in that direction by recommending a final dividend of Rs.1 per equity share for the financial year ended 31 March 2017.

I take this opportunity to thank all our shareholders for their continued support and trust in the Company and the management. I also sincerely extend our gratitude to all the employees for their immense contribution and dedication in nurturing the growth of the Company. I remain optimistic that we together can make a difference and achieve newer peaks for the Company, going forward.

Amit Jain

Chairman cum Managing Director

OUR COMPANY



About Our Company



CMI Limited

Headquartered in Delhi, CMI Limited (hereinafter “the Company”/“CMI”/“CMI Limited”), an ISO 9001 accredited Company, is engaged in manufacturing cables for various industries such as Railways, Oil & Gas, Telecommunications, Energy, Industrial, Power, Petrochemicals, etc. We are present in the entire value chain of the wire and cable industry, starting from design, development and manufacturing to marketing and distribution of cables. With our diversified range of cables, we cater to the requirements of a broad spectrum of industries and clients. Our comprehensive product portfolio includes electric cables for Railways, Metro projects, Utilities, Buildings, Data Transmission, Instrumentation, Submarine Cables, Control Cables, Special Cables and Extra High Voltage (EHV) Cables, which conform to several domestic and international specifications. We are one of the few approved vendors to supply signalling cables to Railways. We provide signalling cables and other safety cables to Railways and other government agencies which form our primary source of revenue. Our plants located at Faridabad and Baddi possess state-of-the-art production lines along with R&D and testing facilities. Apart from the capabilities to serve clients across industries, the plant at Baddi is equipped to manufacture cables used in the solar power projects.

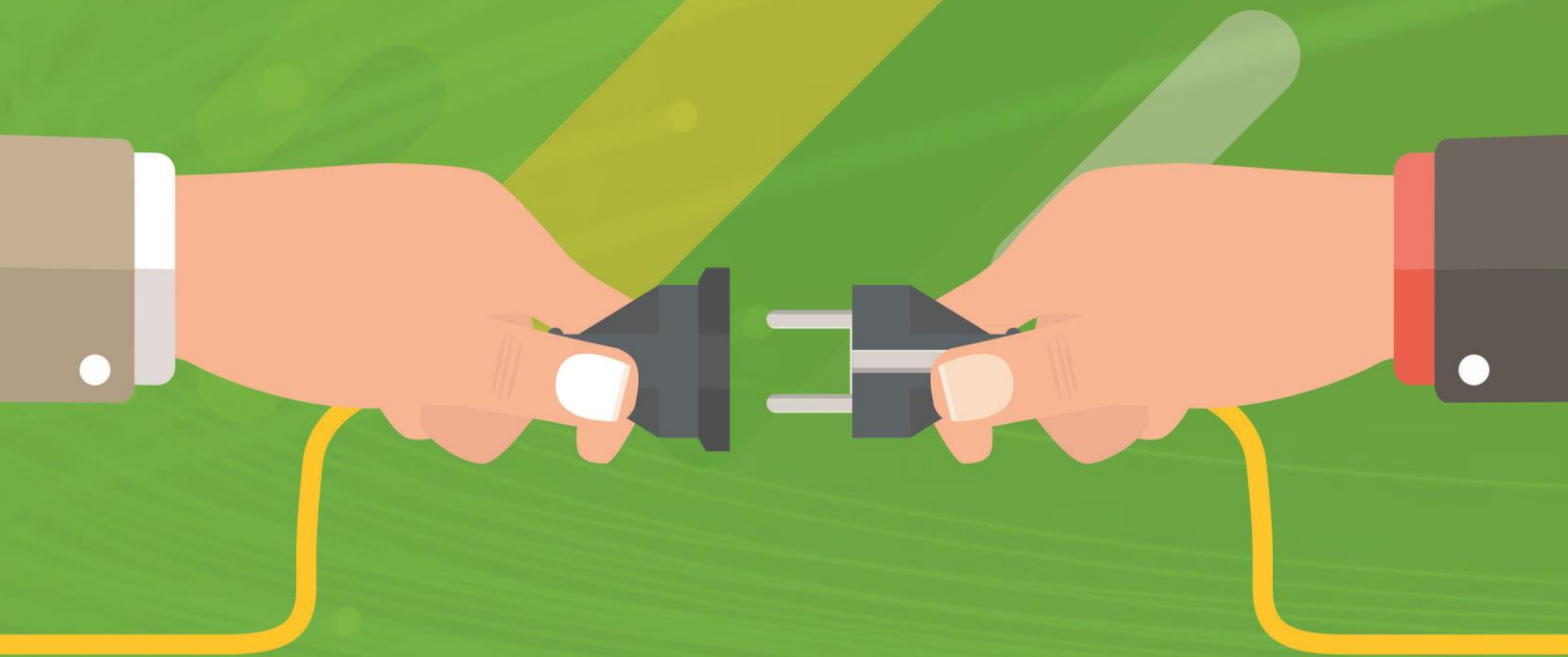
General Corporate Information

Registered Office Address	Flat No. 501 - 503, 5th Floor, New Delhi House, 27 Barakhamba Road, New Delhi - 110 001 Phone: 011 - 49570000 Fax: 011 - 23739902
Website	www.cmilimited.in
Board of Directors	Amit Jain - Chairman-cum-Managing Director Vijay Kumar Gupta - Whole-Time Director Pyare Lal Khanna - Non-Executive Independent Director Ramesh Chand - Non-Executive Independent Director Archana Bansal - Non-Executive Independent Director Kishor Punamchand Ostwal - Non-Executive Independent Director Manoj Bishan Mittal - Non-Executive Independent Director
Chief Financial Officer	Rattan Lal Aggarwal
Company Secretary & Compliance Officer	Subodh Kumar Barnwal
Statutory Auditors	M/s Krishna Neeraj & Associates, Chartered Accountants H No. 54, Rajendra Place, New Delhi - 110 008 M/s J. K. Manocha & Associates Chartered Accountants 27/55, Street No.8, Vishwas Nagar, Shahdara, Delhi - 110032
Internal Auditor of the Company	Raj Kumar
Secretarial Auditor of the Company	M/s Pooja Anand & Associates, Practicing Company Secretaries 101, Sita Ram Mansion, 718/21, Joshi Road, Karol Bagh, New Delhi - 110 005
Bankers of the Company	Syndicate Bank Parsavnath Metro Tower, Shahdara, Delhi - 110 032
Audit Committee	Ramesh Chand - Chairman Pyare Lal Khanna - Member Vijay Kumar Gupta - Member
Nomination and Remuneration Committee	Pyare Lal Khanna - Chairman Ramesh Chand - Member Archana Bansal - Member
Stakeholder Relationship Committee	Pyare Lal Khanna - Chairman Ramesh Chand - Member Vijay Kumar Gupta - Member
Corporate Social Responsibility Committee	Ramesh Chand - Chairman Pyare Lal Khanna - Member Vijay Kumar Gupta - Member
Plant Address	Plot No. 71 & 82, Sector - 6, Faridabad - 121 006, Haryana Plant of CMI Energy India Private Limited (formerly known as General Cable Energy India Private Limited), wholly owned subsidiary of the Company is located at Village - Bhatouli Khurd, Tehsil - Nalagarh, Baddi, District - Solan - 173 205, Himachal Pradesh

Key Management Personnel of CMI Limited and CMI Energy India Private Limited

Sr. No.	Name	Designation
1	Munishvar Gaur	Group President
2	V. K. Maheshwari	President - Works, Faridabad
3	Rajesh Singh	GM Production, Baddi
4	S. K. Chopra	General Manager, Business Development
5	S. R. Sarup	General Manager, Sales
6	P. Aggarwal	General Manager, Technical
7	S. Suresh	General Manager, HV Cables
8	Mohit Madan	DGM - Marketing & Sales
9	Shyam Kumar Sarswat	DGM - Production
10	Madhurendu Bajpai	AGM - International Marketing
11	Aatif Rasheed Khan	AGM - Sales and Marketing
12	Natique Quamar	AGM - Technical

MANAGEMENT DISCUSSION & ANALYSIS



Company Overview

With the acquisition of CMI Energy India Private Limited (formerly known as General Cable Energy India Private Limited) in February 2016, CMI Limited has further strengthened its foothold in the highly competitive wire and cable industry in India. The Company's robust business model, the capability to adhere to domestic and international specifications and sharp business acumen of the management has led to the creation of high brand equity over the years. The Company's continuous focus on delivering a broad range of quality products and in-house R&D capabilities has helped to distinguish itself in the highly commoditized marketplace.

With its tag line "Cables That Empower" and with continuous focus on developing specialty products in the past years, the Company has served several elite clients in the infrastructure, solar, cement, power, oil & gas, telecom and other sectors including Indian Railways, Delhi Metro Corporation Limited, Schneider Electric, Larsen & Toubro Limited, Bharat Heavy Electricals Limited, Acme Cleantech Solutions, Bharat Oman Refineries Limited, Nuclear Power Corporation of India Limited, Monte Carlo Limited, Kalindee Texmaco Rail and Engineering Limited, Subhashree Agni Cement, KASA Anlagen India Private Limited, Angelique International Limited, and various State Electricity Boards (SEBs). The Company has been on a growth

trajectory over the past few years and has clocked gross sales of Rs.420.7 crores on a consolidated basis for the financial period ended 31 March 2017. The acquisition of CMIE in the previous fiscal year has been synergistic and has helped the Company to broaden its product and customer portfolio, especially in the renewable, cement sectors to name a few. The acquisition has provided the Company a platform and scale to bid for large projects which are expected to improve its order book going forward.

CMI is placed in a sweet spot to take advantage of the opportunities emanating both domestically and globally across business segment and sectors. CMI, with its wide range of product portfolio (such as EHV Power Cables, MV Power Cables, Aerial Bunched Cables (ABC), LV Power Cables, LV Control Cables, Individual and Overall Shielded Cables, Overall Shielded Cables, Compensating Cables, Thermocouple Extension Cables, Railway Signalling Cables, ACSR and AAC Conductors, Industrial/Flexible & House Wires and Telecom Cables), has emerged as the preferred vendor for many prestigious clients across industries. Supported by large product base and in-house R&D capabilities, the Company is well positioned to take advantage of opportunities arising from expected healthy economic growth in India.



Key Product Segments

The Company is one of the leading manufacturers of wires and cables, serving clients in India and abroad in various sectors, with all the latest certifications (ISO 9001, ISO 14001, OHSAS 18001). The broad segmentation of the products manufactured by the Company are as follows:

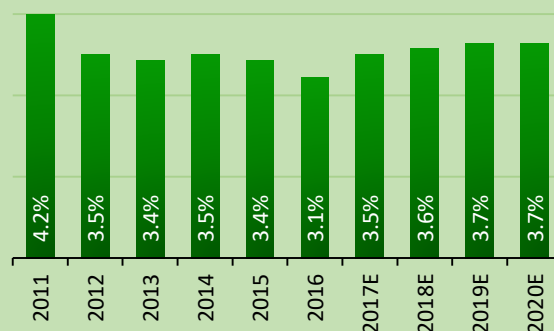
Types of Cables	Application
Quad Cables	Specialized safety cables used by Railways for counting incoming & outgoing axles/coaches at any particular section to ensure no coach is left behind.
Railway Signalling Cables	Used for transmitting signals to signal posts for smooth movement of trains.
Fire Survival Cables	Used to maintain circuit integrity in case of fire for 3 hours up to 950°C, to ensure transmission of signals to safety equipment.
Fire Retardant Low Smoke Zero Halogen (LSZH) Cables	Ensures better visibility and low toxicity in case of fire.
Highly Flexible Multi-core Copper Shielded Abrasion Resistant Thermoplastic Polyurethanes (TPU) Sheathed Cables	Used for gas insulated substations.
EHV/MV/HV/LV Power Cables	Used for supplying power.
LV Control Cables	Used for special purposes in various sectors.
Polythene Insulated Jelly Filled (PIJF) Telecom Cables	Used for last mile connectivity.
Fire Alarm & Communication Cables	Used for fire detection & alert equipment.
Ethylene Propylene Rubber (EPR)-Chloro-Sulfonated Polyethylene (CSP)-Polychloroprene (PCP)-Silicon Cables	Used at high temperature in mines, steel, ship building & wind energy generation industry.
Flexible and Building Wires	Building Wire cables - for building wiring on wall surface in conduit Industrial wiring cables - for wiring of pannel & other electrical equipments including UPS cabling.
Low Voltage Cables and Instrumentation and Control Cables	Used for power transmission, single transmission.
Aerial Bunch Cables	Used for power transmission and distribution.
High Voltage Cables	Used for power transmission.
Extra High Voltage Cables	Used for power transmission.
Overhead Conductors	Used for power transmission and distribution.

Global Economy

2016 was a year which could be defined by political shocks in the main advanced economies - firstly, the decision by the UK electorate in June to leave the Eurozone, followed by the election of Donald Trump as the US President in November. Moreover, an anemic performance of the global economy which grew 3.1% in 2016, compared to a 3.4% growth registered in the previous year, primarily due to weaker-than-expected growth performances in Japan, the US and several countries in Africa, the Commonwealth of Independent States (CIS), Latin America and the Caribbean. The sluggishness in the global economy has been characterized by a widespread slowdown in productivity growth in many parts of the world, weak investment, low wage growth, low inflation and rising debt levels. Low commodity prices have worsened these trends in many commodity-exporting countries since mid-2014, while conflict and geopolitical tensions continue to weigh on economic prospects in several regions. Additionally, 2016 got off to a shaky start, with risk assets selling off, as investors remained concerned about the risk of China devaluing its currency sharply. Additionally, the European Central Bank's extension of its quantitative easing programme until 2017, OPEC's decision to cut production at the end of November and the US Federal Reserve's raising of interest rates in December remained the key highlights during 2016. However, the global economic growth in 2016 was not

as bad as feared by some market participants, considering the influence of major political and policy upheaval last year such as the outcome of the Brexit vote and the US Presidential election. We believe that although 2016 has had its fair share of surprises and the decisions of the Trump administration would be critical for markets in 2017, politics will also continue to play a pivotal role in shaping the future of Europe.

Global Economic Growth



Source: International Monetary Fund

According to the IMF, the Indian economy is expected to remain the fastest growing economy in the world in the near term and would be an important driver for global economic growth.



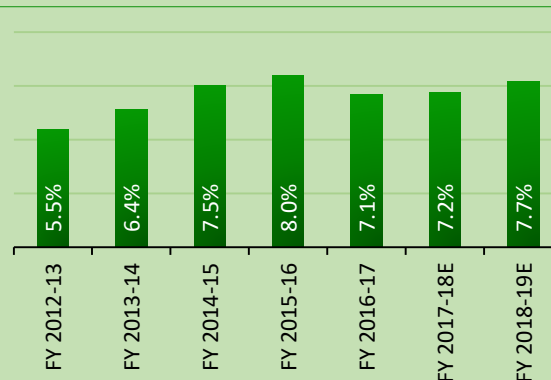
Indian Economy

In the last two and half years, the administration has moved from discretionary and favouritism based system to a more transparent one. Despite challenges in the external environment, the Indian economy has been resilient to mild shocks, with IMF forecasting India to be one of the fastest growing major economies in 2017. Major economic indicators have shown an encouraging trend such as inflation, current account deficit, FDI, etc., all being under control. At the beginning of FY2016-17, the Indian economic growth was sluggish until the favorable monsoon provided the necessary fillip. However, the recovery was disrupted at the end of 2016 due to the government's de-monetization initiative impacting key sectors including construction and financial services. Overall economic growth in India remained slower throughout the four consecutive quarters of FY2016-17.

The government continued with the path of fiscal consolidation, without compromising on public investments. Some transformational reforms were undertaken by the government during the year including the introduction of the GST from 1 July 2017, demonetization of high denomination bank notes, enactment of the Insolvency and Bankruptcy Code, amendment to the RBI Act for inflation targeting,

enactment of the Aadhar bill for disbursement of financial subsidies and benefits, etc. Additionally, the budget for the fiscal year 2017-18 contains three major reforms. First, presentation of Budget was advanced to February to enable the Ministries to operationalize all activities from the commencement of the financial year. Second, the merger of Railways Budget with General Budget to bring Railways to the center stage of Government's Fiscal Policy and third, removal of plan and non-plan classification of expenditure to facilitate a holistic view of allocations for sectors and ministries.

India GDP Growth



Source: International Monetary Fund, Media Articles

Looking ahead, the International Monetary Fund (IMF) expects the Indian economy to remain the fastest growing economy in the world in 2017-18 and continue to be an important driver for global economic growth. The IMF estimates, Indian economy would grow 7.2% in FY2017-18 and the growth rate would further accelerate to 7.7% in FY2018-19 and would remain at around 8% in the near term. The catalysts for near term growth of Indian economy include the implementation of key reforms, releasing of supply-side bottlenecks, increase productivity and suitable fiscal and monetary policies.

Ongoing infrastructure spending should continue to attract more foreign direct investments (FDI) and improve the business environment. Moreover, the “Make in India” campaign would continue to support India’s manufacturing sector, underpinned by growing domestic demand and further regulatory reforms. In the near run, demonetization would help banking sector liquidity, leading to lower interest rates regime boosting the economic activity. Civil services pay hikes and moderate inflation levels should enhance disposable income levels in the hands of citizens and fuel consumption growth. Government initiatives coupled with favourable key economic indicators should set a platform and provide significant investment opportunities for domestic companies.

The resilient economy coupled with strong infrastructure spending should open up favourable avenues for the domestic wire and cable industry going forward.



GST and Indian Wire and Cable Industry

The goods and services tax (GST), a significant reform, which is adopted by India should help in removing barriers to trade, improve economic efficiency and should drive faster economic growth in the long run.

The government earlier had proposed a higher rate of 28% GST on some electrical products including wires & cables, winding wires, transformers, LT switchgears, panels & switch boards, insulator fittings, electrical lamps, electrical joints, etc. However, with efforts of Indian Electrical and Electronics Manufacturers Association (IEEMA) and its members, GST rates for some of these items have been reduced to 18%.

The power generation sector has been the core component of the economy and is connected by vital limbs such as transmission and distribution. The transparency-based tax regime would essentially have a positive impact on the overall economy including the wire and cable industry. Additionally, the nature of the goods manufactured by the Company allows to easily pass on the additional tax burden to the client.

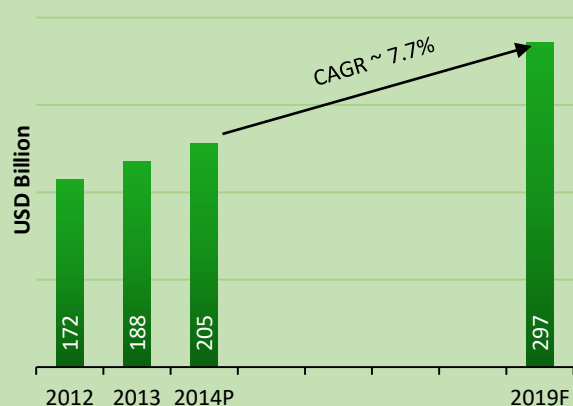


Global Wire and Cable Market

Wire and cable play an indispensable role in today’s digitally-enriched life and finds a wide-array of use across several applications in many industries. The increasing applications of wire and cable across the growing power, automotive, telecommunication, and construction industries are likely to bode well for the global consumption of wire and cable materials going forward.

According to BCC Research, the global wire and cable market is expected to grow from an estimated USD 205 billion in 2014 to USD 297 billion in 2019, registering a CAGR of 7.7% during the 2014-19 forecast period. The wire and cable materials market is categorized into two segments: power cables and those used in the telecom industry. The power cable segment is expected to grow at a CAGR of 7.5% during the forecast period to touch USD 219.7 billion by 2019, while the telecom sector is likely to register a CAGR growth of around 8.5% to reach nearly USD 78 billion in 2019. It is expected that the growth across the power transmission & distribution sector would propel the global wire and cable market demand going forward. Additionally, rapid urbanization and infrastructure development along with increasing transmission grid capacity, grid replacement and modernization initiatives are also expected to serve as a driver for market growth. Favorable government initiatives pertaining to the housing sector also provide several market growth opportunities. Additionally, the surge in demand across telecommunication sector is also expected to favourably impact the wire and cable market demand over the next several years.

Global Wire and Cable Market



Source: BCC Research

The key end-use industries for the wire and cable market, including telecommunication, power, automotive and construction, are all exhibiting healthy growth, especially across developing economies in Latin America and Asia Pacific. Asia Pacific presently dominates; accounting for over half of the global wire and cable materials market.

We believe that the presence of several manufacturing-based economies in the region will continue to drive the market for wire and cable materials and would create avenues for ample opportunities in the coming years.



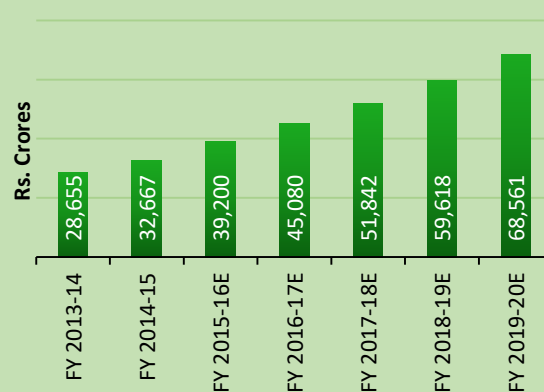
Indian Wire and Cable Market

The Indian wire and cable industry comprise several small and medium size companies operating in a highly commoditized business. As the wire and cable market matures and the buyers become more educated, the industry is expected to move towards a higher share of the organized market as compared to the unorganized market. It is important to note that unorganized market comprises of retail segment of the low voltage market, while organized market caters to the demand of high voltage durable and specialty cables.

Over the years, many factors have contributed to the growth of the Indian wire and cable industry, especially

the growing investment in railways, power, telecom and metro projects. According to data released by Indian Electrical and Electronics Manufacturers Association (IEEMA), the Indian wire and cable industry is estimated to be around Rs.39,200 crores in FY2015-16, representing a growth of 20% over the previous year. It is interesting to note that the CAGR of the last five years to FY2014-15 stood at 10%. We believe that the industry drivers are well placed to drive the Indian wire and cable sector at a CAGR of around 15% over the next four-five years to touch around Rs.68,561 crores in FY2019-20.

Indian Wire and Cable Market



Source: IEEMA Annual Reports, Industry Estimates

We believe that a slew of factors would contribute to the growth of the electric wire and cable market in India and in turn our Company. Some of them are as listed below:

Increased investment in Indian Railways and metro projects: The government has embarked upon a massive four times rise in capex plan for FY2015-19 vis-à-vis the 11th five-year plan for Indian Railways which is likely to accelerate the demand growth for wire and cable in India. Additionally, accelerated urbanization and growing concern over pollution is drawing more investment in metro rails for urban mass transportation which is likely to open tremendous growth opportunities for companies in the wire and cable sector. The country is predicted to develop metro rails in at least 50 cities across India.

Expansion and revamping of T&D infrastructure in India: Power cables, a critical segment of the power sector, is experiencing robust demand on account of growth in power generation infrastructure in India. Additionally, rapid industrial development and urbanization in the country, revamping of old T&D infrastructure and rural electrification are some major factors which are expected to propel the growth of the electric wire and cable market in India.

Growth in renewable power generation in India: There has been a huge emphasis on commercializing renewable energy which is expected to create an enormous demand for electric wire and cable as most of these renewable energy resources are set up in places where proper transmission and distribution infrastructure is not available.

Higher capex on telecom sector: Telecom services providers have been making significant investments in network modernization and greater coverage area. According to a Telecom Regulatory Authority of India (TRAI) report, capital investments (gross block) in the Indian telecom sector grew 20.6% in FY2016, with private sector witnessing a rise of 29.7%. These significant investments in the telecom sector are expected to consume a broad range of wire and cable products, which is projected to keep the dynamics of the Indian wires and cable industry attractive.

Growing focus on smart cities: The Indian government has planned to develop 100 smart cities and has identified 90 to be developed in the next few years. The Government of India would fund Rs.500 crores for each smart city to be developed. It is estimated that USD 1.2 trillion investment would be required in the next 20 years to develop 100 such smart cities for the future under the Smart City Mission. Such massive investment would open avenues for the Indian cable and wire industry.

Railways

The government has focused on massive investments to transform once an ailing state-run entity into a nimble-footed and a result oriented entity. From a meagre Rs.24,307 crores of average yearly spending during FY2004-09 period, capital investment reached Rs.58,718 crores in FY2015 and touched Rs.1,11,000 crores in FY2017. The government has also embarked upon a massive four times rise in capex plan for FY2015-19 vis-à-vis the 11th five-year plan. Under the current transformation project of the Prime Minister Narendra Modi-led government, plans are to invest Rs.8.56 lakh crores in the next five years. Of this, about Rs.1.9 lakh crores each would be spent on network expansion including electrification and network decongestion, while Rs.1.27 lakh crores and Rs.1.02 lakh crores would go towards improving safety aspects and increasing supplies of locomotives, coaches and wagons, respectively.

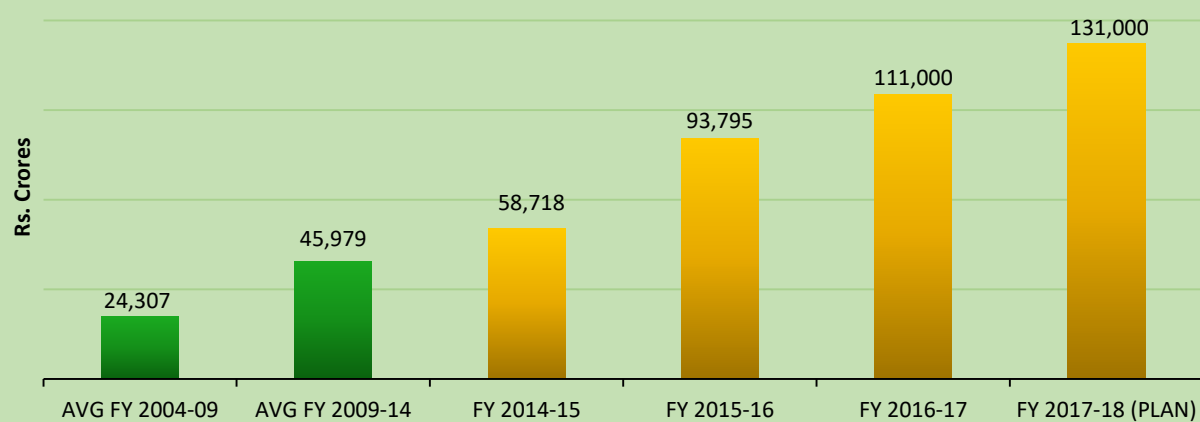
All these efforts of the government are coupled with the fact that the Indian Railways is one of the largest customer of the Company and create avenues for the



future growth prospects of the Company. It is important to note that, in the 64 years between 1950 and 2014, while freight loading rose by 1,344% and passenger kilometres grew by 1,642%, route kilometres went up by a meagre 23%. Therefore, the above-discussed plans of the government appear significant and a step in the right direction.

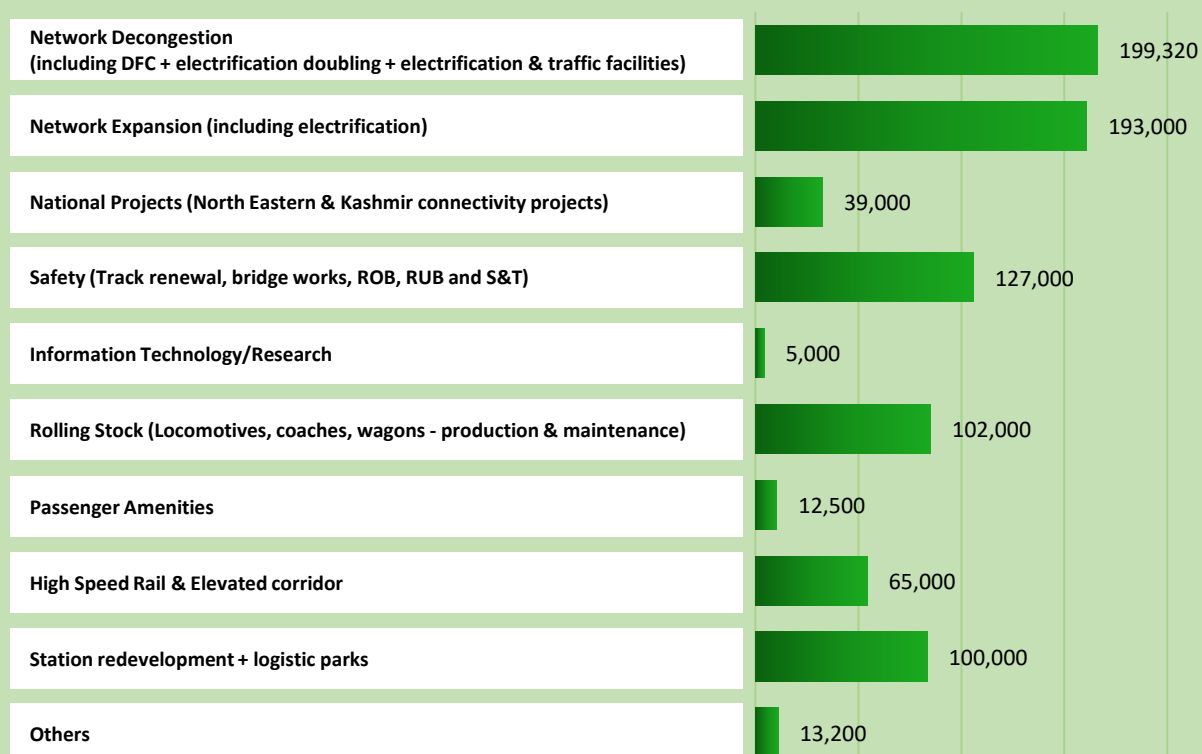
It is anticipated that decongestion, safety, rolling stock and passenger amenities might be funded through budgetary support, LIC and IRFC, while new lines, high-speed rail and station redevelopment are expected to be financed through PPP, state JVs and internal accruals which need structural reforms to materialize.

Capital Investments in Railways



Source: Indian Railways - Three Year Performance Report

Capex in Key Segments FY15-19 - Total = Rs.8,56,020 crores



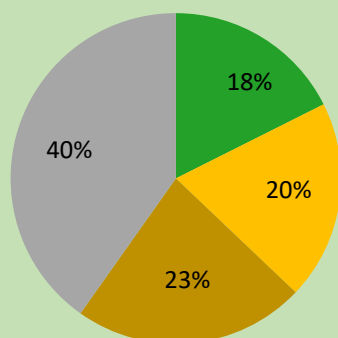
Source: Indian Railways - Three Year Performance Report

Note: DFC - Dedicated Freight Corridor; ROB - Rail Overbridge; RUB - Rail Underbridge; S&T- Signal & Transmission

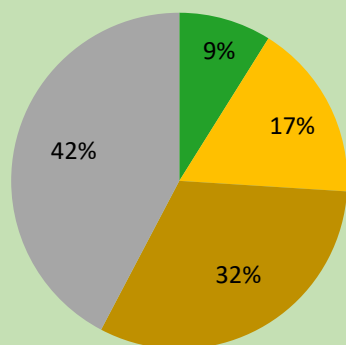
Additionally, the government is setting the right priorities in place and spending on de-congestion (doubling and electrification) rather than constructing new lines. The government is currently targeting to electrify 10,000 km in the next five years (currently ~25,000 km) to improve throughput.

Prioritization of Railway Lines

FY2012-14: 3,178 Annual Avg. Kms



FY2015-19 (Target): 4,669 Annual Avg. Kms



■ New Lines ■ Gauge Conversion
■ Doubling ■ Railway Electrification

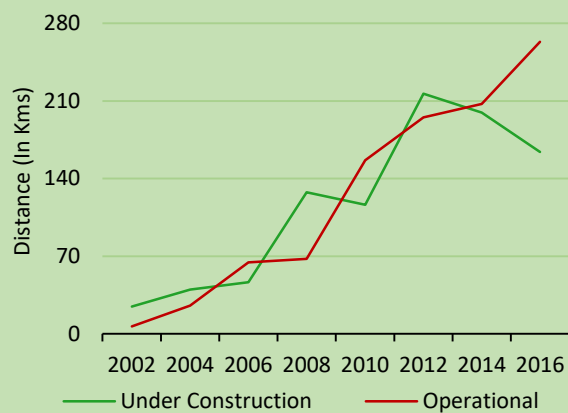
Source: Indian Railways White Paper, News Articles, Company Estimates

The management believes that significant capital expenditure planned over the coming years and strong relationship with Indian Railways (being one of the largest customers of the Company) would build strong order book for the Company in the near future.

Metro Projects

Urban transport is the key to the economic growth and quality of life in a city. In India, it has been increasingly realized that metro rail systems are one of the efficient means to give a fast, reliable and safe mode of public transport in large cities. New metro rail networks have been developed to improve the urban transport situation in India. While Tier-II cities like Lucknow, Kanpur, Ahmedabad and Nagpur are setting up their dedicated metro networks, the proposals for cities such as Chandigarh, Bhopal, Ludhiana and Kozikode are being evaluated. The government's focus on manufacturing through 'Make in India' is also serving as a catalyst for a lot of the design, engineering and innovation work being undertaken for metro networks across the country.

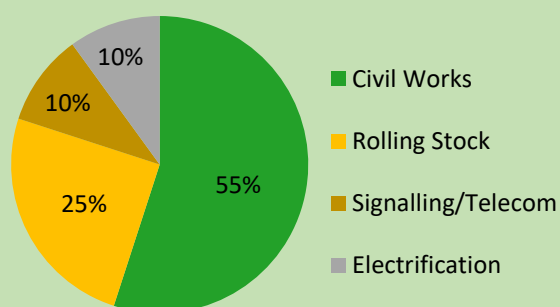


Metro Rail Growth

Source: Ministry of Housing and Urban Affairs

According to Company estimates, around 10% each of the total capital expenditure in metro rail goes to signalling/telecom and electrification. The remaining 80% of capital expenditure is dedicated to civil works and rolling stock. Our Company has an extensive portfolio of products which can cater to the demand arising from the signalling/telecom and electrification segment of the metro rail and should benefit in the long term. Additionally, the government recently mandated that 25% of critical equipment and sub-systems in metro projects would be produced in the country. The government has also stipulated procurement of nine types of signalling equipment from within the country. The government intends to ensure that Indian companies are associated with the production of a wide-range of signalling and train control project equipment.

These aforesaid government efforts to promote signalling equipment manufactured in India builds promising future for the Company and would rank the Company in higher growth trajectory going forward.

General Metro Rail Capex Breakdown

Source: Company Estimates

Currently, the development of the metro rail is being planned in over 30 Indian cities, most of which have a population of over 1 million. Presently, the metro rail network is operational/partly operational in nine cities and another five cities have under-implementation metro projects. In addition to the extension of the metro rail network in these cities, a new metro rail is also being developed in another 15-20 cities. The overall cost of the expansion of operational/under implementation approved metro projects is over Rs.2.5 lakh crores, thus supporting the order books of many players in the entire value chain including companies in signalling and communication systems, power transmission, etc. Further, metro rail projects worth another Rs.2 lakh crores are in various stages of approvals and are likely to come up for bidding within the next five years.

Metro Projects Pipeline - Ordering Expected Over FY17-19

Project Name	Length (Km)	Cost (Rs. crores)
Bengaluru - Phase II	72	26,405
Ahmedabad - Phase I	38	10,773
Delhi - Phase IV	103	50,000
Chennai - Phase II	60	36,000
Visakhapatnam	45	13,488
Pune - Phase 1	32	11,420
Indore	32	7,522
Vijaywada	26	6,823
Bhopal	28	6,963
Thiruvananthapuram	21	4,219
Gurgaon - Phase II	7	2,423

Source: Various News Articles

The government efforts to promote signalling equipment manufactured in India along with robust pipeline of metro projects is a big positive for our Company and should place us in higher growth trajectory going forward.

The management believes that even a small share of the overall spend for metro projects expected over the FY2017-19 period should provide the Company a mammoth opportunity to expand within this product segment.

Power Transmission and Distribution Sector

Power generation capacity in India has been continuously on the rise. Power sector plays a vibrant role in the growth of Indian economy and it is growing at rapid pace. In the last three years, India's total power capacity has increased from 243 GW in March 2014 to 320 GW in March 2017, a rise of 31%. Policy initiatives taken by the current government in the year 2014 and 2015 have started producing results. Energy shortages have come down from 42,428 million units (about 4.2%) in 2014 to 7,459 million units (0.7%) in 2017. Power generation growth between 2014 and 2017 stood at 6.4% (provisional). Generation growth and energy demand would be further enhanced by energy efficiency activities such as UJALA, rural electrification initiative under Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY) and schemes such as UDAY addressing inefficient operation of the power distribution companies.

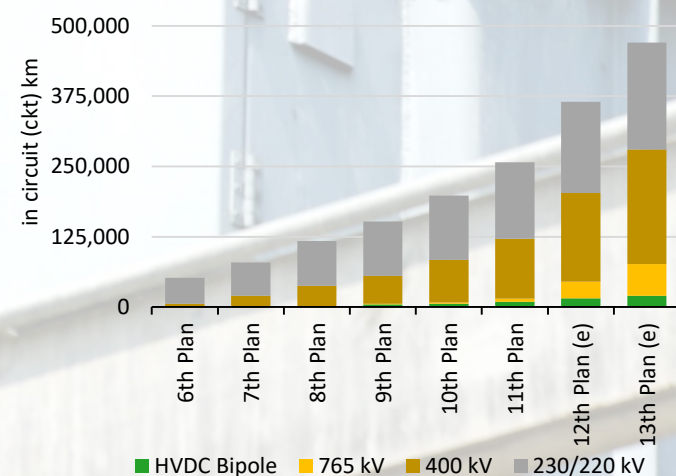
With the growth in power generation sector in India, power transmission sector is set to rise. According to the Central Electricity Authority (CEA), investments in India's power transmission sector is estimated to increase to Rs.2,600 billion during the 13th plan (2017-22), enhancing the power transmission capacity of the inter-regional links by 45.7 GW.

The Indian government is pushing for a greater share of renewable energy, with 100 GW of solar energy installations targeted by 2022. In the coming years, setting up evacuation infrastructure for renewable energy is expected to drive major investments. In the transmission segment, the CEA also expects investments of nearly Rs.2.6 trillion by 2022 which is 1.4 times higher than those planned for the Twelfth Plan period. Of the expected Rs.2.6 trillion spending, nearly Rs.300 billion would be invested in the transmission system at the 220 kV voltage level and below. Moreover, Rs.1.6 trillion would be spent on intra-state transmission projects while remaining Rs.1 trillion would be expended on interstate transmission projects.

The management is optimistic about the growth of power sector in India and further development of the transmission and distribution sector. Substantial capex pipeline estimated for the 13th plan period coupled with continued support by the government to the domestic power sector provides numerous opportunities to the Company, subsequently driving the overall profitability of the Company.



Growth in Transmission Sector



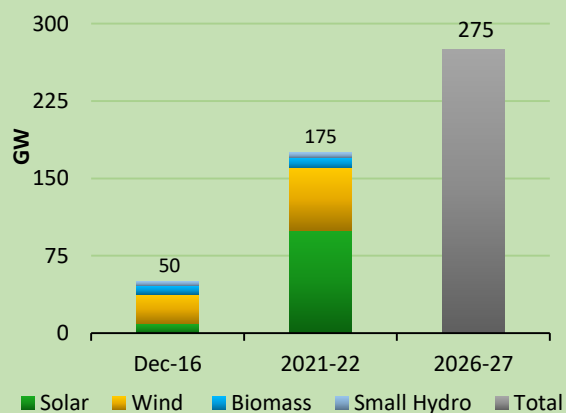
Source: CEA, Media Articles

Renewable Energy Sector

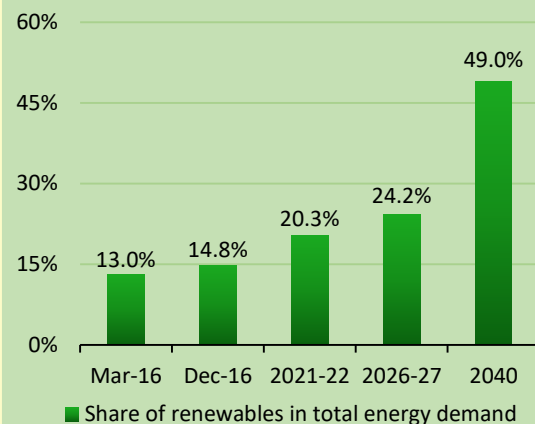
Over the past decade, the renewable energy sector in India has arisen as a significant contributor in the grid connected power generation capacity. Overall total installed power capacity in India reached 310 GW with renewables contributing 14.8% at the end of December 2016. The share of renewables is estimated to grow in the coming years, supported by major thrust given by Government of India in promoting renewable energy sources as these sources are clean and green. Additionally, renewable energy sources support the government's agenda of sustainable growth and energy security while playing a vital role in meeting nation's ever-growing energy needs. In the past five years, the renewable energy sector in India has witnessed significant policy changes with fast-tracked and ambitious plans to increase the share of solar energy. In the past two years, the government of India has taken various initiatives such as:

- the concept of solar parks,
- organizing RE-Invest 2015 - a global investors' meet,
- launching of a massive grid-connected rooftop solar programme,
- earmarking of Rs.38,000 crores for a Green Energy Corridor,
- eight-fold increase in clean environment cess from Rs.50 per tonne to Rs.400 per tonne,
- solar pump scheme with a target of installing 100,000 solar pumps,
- programme to train 50,000 people for solar installations under the Surya Mitra scheme,
- no inter-state transmission charges and losses to be levied for solar and wind power,
- compulsory procurement of 100% power from waste to energy plants, and
- Renewable Generation Obligations on new thermal and lignite plants, etc.



Immense Growth in Renewables Capacity Led by Solar

Source: MNRE Annual Report 2016-17

Growing Mix of Renewables in Generation Ahead

Source: National Energy Plan

Moreover, the Ministry of New and Renewable Energy (MNRE) is taking several steps to bring the government's clean energy dream into reality by undertaking largest renewable capacity expansion programme in the world. With 3% of wasteland being made available, India possesses a massive potential of about 900 GW commercially exploitable renewable energy sources including wind with 102 GW (at 80 metre mast height) potential; small hydro with 20 GW potential; bioenergy with 25 GW potential; and 750 GW solar power potential. Recently, the government of India increased its target for renewable power capacity to 175 GW by 2022 led by solar power contributing 100 GW, followed by wind backing 60 GW, 10 GW from bio-power and 5 GW by small-hydro power. According to MNRE,

renewable energy capacity of 100 GW is estimated to be added between 2022 and 2027, reaching the total renewable capacity to 275 GW.

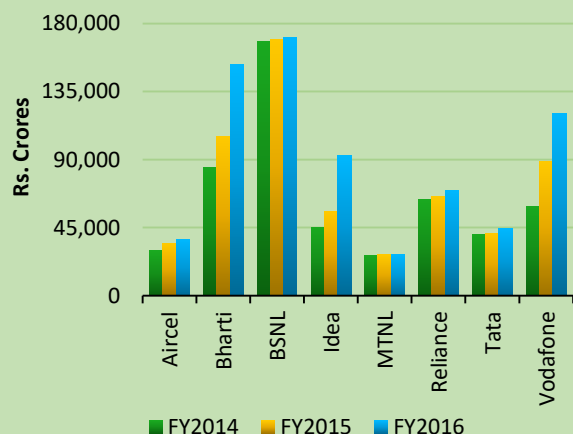
The management believes that stellar growth performance of Indian renewable energy sector would continue in the coming years, supported by the implementation of a wide range of schemes including fiscal and financial assistance and conducive policies by the government. With strong product portfolio targeted towards renewable energy generation sector, the Company is likely to be the key beneficiary of growth prospects of renewable energy industry.



Telecommunication Sector

Telecommunication sector in India is the second-largest market in the world and has witnessed strong growth momentum in the past 15 years. As a result, the Indian mobile economy is likely to contribute significantly to India's Gross Domestic Product (GDP). According to a study by GSMA - a global telecom industry association, Indian mobile services sector is expected to contribute 8.2% or Rs.14 lakh crores towards the GDP by 2020. Strong growth in data consumption on handheld devices and higher subscriber base supported the growth in the recent years. Telecom services providers have been making significant investments in network modernization and greater coverage area. According to a Telecom Regulatory Authority of India (TRAI) report, capital investments (gross block) in the Indian telecom sector grew 20.6% in FY2016, with private sector witnessing a rise of 29.7%.

Gross Block (Fixed Assets) of Major Telecom Service Providers



Source: TRAI Annual Reports

The management believes that telecommunications providers would continue to invest heavily in network infrastructure in the coming years which would increase the consumption of broad range of wire and cable products of telecom industry, subsequently drawing the growth of Indian wire and cable industry. Looking ahead, the Company will continue to focus on this important area, achieving higher share of sales and profitability in the aforesaid segment.



A large white circle with a thick yellow border, containing the text 'Smart Cities' in green. The background of the entire page features a city skyline at night, overlaid with various digital and network icons like Wi-Fi, a location pin, and an airplane, along with colorful diagonal stripes in green, yellow, and blue.

Smart Cities

Rapid urbanization in India has led to increased pressure on existing municipal infrastructure like energy, water supply & distribution, sewerage, transportation, energy consumption and other urban amenities. This has steered the Government of India (GOI) to undertake numerous measures, aiming to transform Indian cities through urban renewal and technology infusion as it is expected that nearly 600 million (40%) population would be residing in Indian urban areas by 2035. This has catapulted into launching of the most important flagship programme by the Government of India, the Smart Cities Mission (SCM). Under this mission, which was launched in June 2015, the Centre would provide

Rs.500 crores to each city over a period of 5 years for implementing various projects. In January 2016, the Narendra Modi government announced the names of the first 20 cities which would be developed into smart cities. With the latest announcement of 30 new cities as smart cities in June 2017, the total number of smart cities has reached 90. Smart cities aim to provide accommodation, jobs, civic amenities, efficient governance, fast communication means, speedy and hassle-free transport system, uninterrupted and clean power, water supply and good quality of life to its citizens.

Smart People

Better educational levels and skill building, health, lifelong learning and higher participation at community level

Smart Environment

Sustainable development, natural resource utilization - optimal use of water resources and energy, balance between built and green areas areas

Smart Living

Better access to city facilities and services like housing, utilities, etc. and thus improved quality of Life

Smart Mobility

Optimum movement of people, goods and information

Smart Economy

Economic development, higher employment, more investments

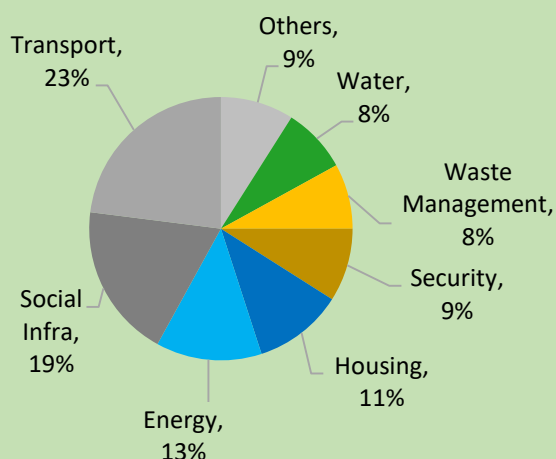
Smart Governance

Stakeholder involvement in policy making and implementation, leveraging technology to facilitate the process; better transparency & accountability

According to the government, the total investment approved under the smart city plans of 90 cities has gone up to Rs.191,155 crores. To develop 100 such smart cities for the future, the Smart City Mission requires an investment of about USD 1.2 trillion in the next 20 years. The Smart City Mission is being worked upon in close coordination with the projects like Make In India and Digital India. According to a Deloitte report, transport, social infrastructure and energy constitute almost 50% of the investments in the smart cities mission, with the energy sector providing our Company visibility for increasing the order book.

Additionally, our Company remains confident in the smart cities mission, as few smart cities are already coming up across the country such as Kochi Smart City, Gujarat International Finance Tec-City (GIFT) in Ahmedabad, Naya Raipur in Chhattisgarh, Lavasa in Maharashtra and Wave Infratech's 4,500-acre smart city near New Delhi.

Key Sectors for Investment Under SCM



Transport

- Smart cards (for multi-modal use), Smart traffic management system

Social Infra

- Tele-medicine for urban poor, Smart classrooms

Energy

- Smart metering, Energy efficient smart street lighting

Security

- CCTV network, Command and control center

Waste Management

- Smart bin management, Real time fleet management

Water

- Piping network management system, Automated remote metering

Source: Deloitte Report, April 2017

The government has also invited foreign partnership in developing smart cities. Deals have been signed to develop three smart cities in association with Germany, three with the US, and one each with Spain and Singapore. Japan has also agreed to invest USD 4.5 billion in the smart city mission. The Industrial Corridors, being developed to connect some of the mega cities, are further contributing to the smart city mission. The Delhi-Mumbai Industrial Corridor, the Chennai-Bangalore Industrial Corridor and the Bangalore-Mumbai Economic Corridor are expected to create smart cities in their sphere of influence. Three smart cities such as Ponneri in Tamil Nadu, Krishnapatnam in Andhra Pradesh and Tumkur in Karnataka are being developed with the help of the Japan International Cooperation Agency (JICA), which has taken up the master plan for these cities.

Other Initiatives

The Indian government has been taking a lot of efforts to keep economic growth engine running at a stellar pace on the front of power, housing, infrastructure and digitization. These efforts should pay dividends not only to these industries but also to its allied sectors. The government initiatives such as housing for all, power for all and internet for all should remain important catalysts for the growth of the wire and cable industry in the coming years. Increased focus on developing non-conventional sources of energy such as wind, solar, etc. should also bode well for the growth of the wire and cable industry.

Outlook

As estimated by the IMF, the Indian economy is expected to be one of the fastest growing economies in the world. This along with the Government of India's continuous focus on key sectors such as infrastructure, railways, housing, power and digital infrastructure is expected to benefit the economy and the wire and cable market in India.

We are also poised to benefit from the opportunity arising from these investments in the economy as we have huge operational capacity available at Baddi plant and foresee substantial demand for the Company's products. The planned massive infrastructure investments in India provides visibility for enhanced business volume going forward.



Performance of the Company

Operational Performance

During the year, the Company increased its production capacity and developed Catenary and Contact Wire, Multicore and Single Core Indoor and Railway Signalling Cable, thereby enhancing the existing product portfolio. With the acquisition of CMI Energy, the Company added new products to its portfolio such as ACSR, AAC Conductors, EHV Cables, MV and HV Cables, etc. to name a few.

The Company was able to expand its customer base and get new approvals for its products from some of the elite clients in the country. These approvals have opened up new avenues of business growth and revenue generation for the Company. Some of the approvals may be noted as under:

- Approval from Gujarat Narmada Valley Fertilizers and Chemicals Ltd. for Instrumentation Cables
- Approval from BPCL for Fire Survival Cables
- Corporate Center approval from NTPC for Instrumentation Cables
- Bokaro Steel Plant approval for various cables
- HSIIDC approval for Power Cables upto 66 kV, conductors and wires
- Project specific approval from RITES for cables
- Approval from various state utilities such as JVVNL, AVVNL, MSETCL, etc.

Financial Performance

On a standalone basis, the Company's gross sales stood at Rs.343.80 crores in FY2017, an increase of 27.4% as compared to Rs.269.91 crores in FY2016. The increase was supported by higher utilization, increase in average realizations and growth in all sectors and products. During the year, EBITDA (earnings before interest, tax,

depreciation and amortization) stood at Rs.45.34 crores which increased by 32.7% as compared to Rs.34.17 crores in FY2016. Net profit after tax for FY2017 stood at Rs.20.08 crores, higher than Rs.16.99 crores reported in FY2016. Total net worth of the Company stood at Rs.98.16 crores in FY2017, showing an increase of 24.4% as compared to Rs.78.92 crores in FY2016.

On a consolidated basis, gross sales climbed to Rs.420.73 crores from Rs.269.91 crores a year ago, while net profit excluding extraordinary items grew from Rs.26.98 crores in FY2016 to Rs.30.07 crores posted in the current fiscal. Total net worth of the Company stood at Rs.204.58 crores in FY2017, showing a rise of 16.7% as compared to Rs.175.35 crores in FY2016.

Internal Controls Systems & Adequacy

The Company has in place a robust and streamlined system of internal controls, ensuring regular:

- Authorization, recording and reporting of transactions.
- Recording and safeguarding of assets against unauthorized use or disruption.
- Maintenance of proper accounting records and reliability of financial information.

Your Company has also designed and implemented various internal control policies to ensure achievement of aforesaid objectives. Audit Committee regularly reviews the internal control system to ensure implementation and effectiveness.

Risks and Concerns

At CMI, we have a comprehensive risk management structure with benchmarks and reporting framework. Our objective is to identify, evaluate and counter potential risks through an institutionalized approach.

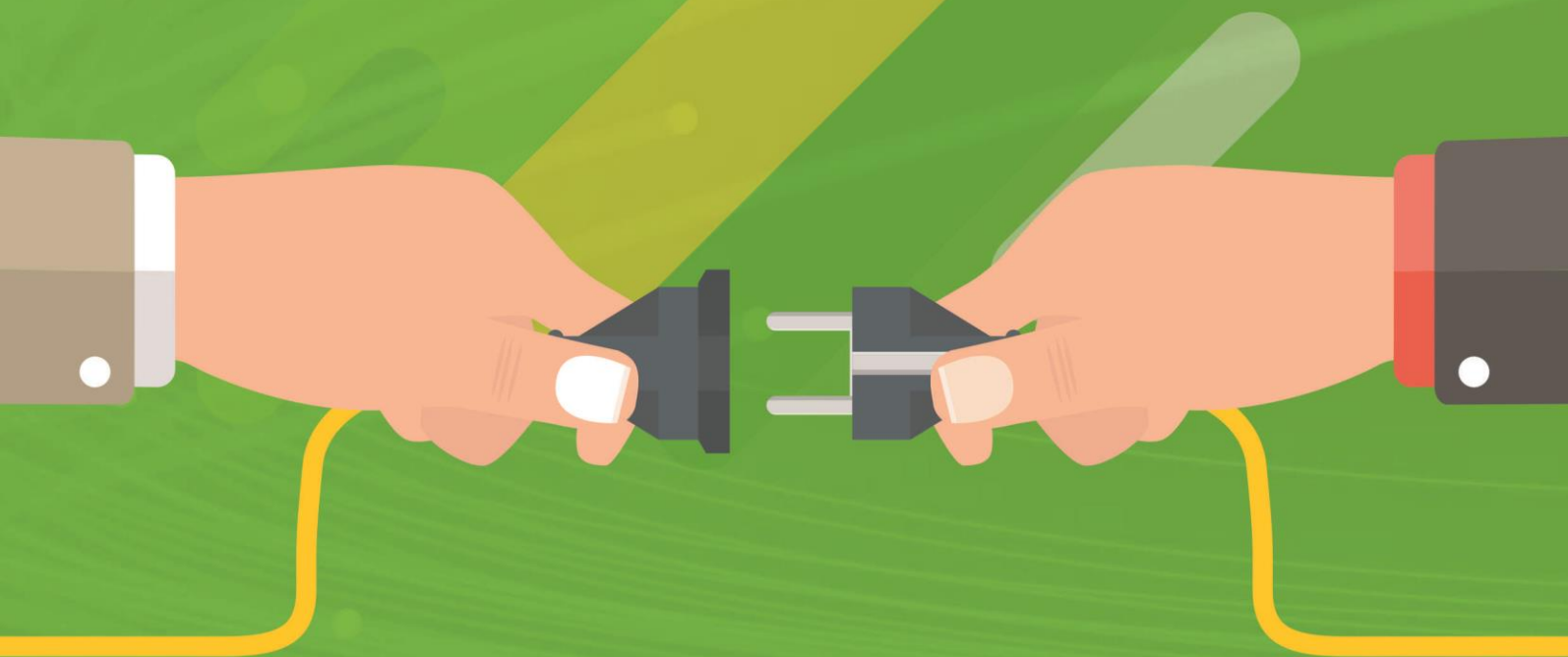
Nature of Risk	Risk Explanation	Risk Mitigation
Sectoral Risk - Railways, Oil, Gas, etc.	The Company's products are used primarily by railways, telecommunications and industrial segments. Any slowdown in these sectors can have a major impact on the demand for the Company's products.	The Company is continuously diversifying its product portfolio and expanding footprints in new sectors like Power Cables, Overhead Conductors, EHV Cables, etc.
Peer Risk	The Company's products, in general, can face challenges from other competitors.	The Company has established history of satisfactory performance in the past on consistent basis which helps in retaining the customer. Besides this, the Company has expanded its product portfolio, thereby giving one stop solution to its customers and improving retention levels.
Input Price Risk	Excessive volatility in the Company's raw material prices can have an impact on its profitability.	The Company has put in place procurement process to mitigate the risk arising from volatility in raw material prices; the Company incorporates price escalation clauses in most of the contracts.
Human Resource Risk	The pool of competent human resources is critical to the Company's business operations.	The Company has a well-established HR strategy, focused on grooming and retaining the talent.

Human Resources

Human Resources is the greatest asset that plays a vital role in achieving the growth, development and targets of the Company and helps the Company to gain and retain a stable position in the competitive market, ultimately contributing to the growth of the economy. We believe that people are at the heart of corporate purpose and constitute the primary source of sustainable competitive advantage. Market connectivity, proactive response to market signals, the unity of purpose and world class execution of strategy is the hallmark of CMI's performance culture. In pursuit of your Company's strategy to create new engines of growth by blending competencies residing in different parts of CMI, human resource strategies continue to focus on the development of distributed leadership at all levels in the organization. Your Company continues to

believe in trust, transparency, ethics, teamwork and improved employee productivity at all levels. CMI's commitment to harmonious industrial relations through partnership and collaboration has resulted in enhancing the effectiveness of operations, and enabled the achievement of international benchmarks in productivity and quality. Your Company's ongoing objective is to create an inspirational work climate where talented employees engage in creating sustained value for the shareholders and other stakeholders. Besides above, your Company has been taking various initiatives for overall development of its talented people by focusing on training and skill development.

DIRECTORS' REPORT



DIRECTORS' REPORT

To,

The Members of CMI Limited

The Board of Directors presents the Fiftieth (50th) Annual Report on the business and operations together with the Company's Audited Financial Statements and the Auditor's Report thereon for the financial year ended March 31, 2017. The consolidated performance of the Company and its wholly owned subsidiary has been referred to wherever required.

Financial Performance Summary

(Rs. in Lakhs)

Particular	Standalone		Consolidated	
	2016-17	2015-16	2016-17	2015-16
Financial Results				
Total revenue	30,946.46	24,170.54	38,269.36	25,296.38
Less: Total Expenditure excluding Depreciation	27,725.59	21,596.37	34,990.54	21,723.74
Profit before Depreciation and Tax	3,220.87	2,574.17	3,278.82	3,572.64
Less: Depreciation	133.87	127.90	1,013.32	127.90
Add: Exceptional items	0.72	5.58	0.73	5.59
Add: Extra-ordinary items	-	-	-	7,900.00
Profit Before Tax	3,087.72	2,451.85	2,266.23	11,350.33
Less: Current Tax	(1,030.95)	(862.00)	(1,030.95)	(862.00)
Deferred Tax	(48.43)	109.74	1,772.21	109.74
Net Profit for the Year carried to the Balance Sheet	2,008.33	1,699.60	3,007.49	10,598.07

OVERALL REVIEW

Overall, 2016-17 has been a very successful year; there is an increase of 27.37% in the turnover (standalone) of the Company. The Profit before depreciation and tax (standalone) has increased by 25.12% while the Net Profit (standalone) has increased by 18.16%. The Company has adopted adequate cost control measures throughout the year, and has been aggressive in its quest for new business and maintained pricing disciplines. This helped to deliver a decent revenue growth along the year with major improvement in margins. Your Company continues to focus on production of quality cables to broaden its customer base and to set a benchmark in the competitive market. With stable government at centre, the long term outlook of cable industry is expected to be favorable, driven by Power Sector Reforms, Modernization of Railways, new Metro Railways and other Infrastructures Developmental Projects.

DIVIDEND

The Board of Directors has recommended a final dividend of Re.1/- per equity share of Rs.10/- each, aggregating to Rs.177.86 Lakhs (including dividend distribution tax) subject to the approval of the shareholders etc. at the ensuing Annual General Meeting of the Company.

Total dividend (including dividend tax) as a percentage of net profit after tax is 8.86% as compared to 9.47% (interim dividend) in the previous year.

RESERVES

During the year under review, Reserves and Surplus as at 31st March, 2017 is Rs.8,338.18 Lakhs on the basis of Standalone Financial Statement and Rs.18,980.07 Lakhs as per Consolidated Financial Statement.

AUDITORS AND THEIR REPORT

M/s. Krishna Neeraj & Associates, Chartered Accountants, (Firm Registration No. 023233N) was appointed as the joint Statutory Auditor by the members in the 49th Annual General Meeting of the Company for one term of 5 consecutive years i.e. to hold office until the conclusion of the 54th AGM of the Company, subject to ratification of their appointment by the members at every AGM of the Company.

Further, the ratification by shareholders in respect of their appointment as the Statutory Auditors of the Company is proposed at ensuing AGM of the Company and in respect of which they have furnished a certificate of their eligibility confirming that ratification of their appointment, if made, at the ensuing Annual General Meeting would be within the limits specified under Section 139(1) and 141 of the Companies Act, 2013 and the rules framed thereunder.

The observations made in the Auditors' Report on the audited accounts of the Company for the year ended 31st March, 2017, are self explanatory and therefore, do not require further explanation. The Auditors' Report does not contain any qualification, reservation or adverse remark.

COST AUDITOR

As per the requirement of Central Government and pursuant to provisions of Section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 as amended from time to time, audit of cost records of the Company is being carried out. The Board of Directors, on recommendation of Audit Committee, has appointed M/s Ajay Kumar Singh and Co., Cost Accountants, as Cost Auditor to audit the cost records and accounts relating to cable manufacturing for the financial year ending March, 31 2018. As per the requirement of the aforesaid section, a resolution ratifying remuneration payable to Cost Auditors forms part of the Notice convening the 50th Annual General Meeting.

INTERNAL AUDITOR

As per the requirement of Section 138 read with Rule 13 of the Companies (Accounts) Rules, 2014 of the Companies Act, 2013, the Board of Directors on recommendation of Audit Committee has appointed Mr. Raj Kumar as an Internal Auditor of the Company.

Mr. Raj Kumar, Internal Auditor of the Company, presents report and makes presentations to the audit committee on internal audit, which is reviewed by the audit committee from time to time.

SECRETARIAL AUDITOR

Pursuant to provision of Section 204 of the Companies Act, 2012, and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors has appointed M/s Pooja Anand & Associates, Practicing Company Secretaries for conducting Secretarial Audit of the Company for the financial year 2016-17.

The Secretarial Audit Report is annexed as **Annexure-1**. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark, except the Company has spent Rs.2,18,000/- (Rupees Two Lakh Eighteen Thousand only) towards CSR which is less than the prescribed amount that the Company was required to spend pursuant to the provisions of Section 135 of the Companies Act, 2013 during the financial year under review but the Company is in process of conceptualizing a structured programme in the FY2017-18 to meet its CSR objective and to comply with the provisions of the aforesaid section.

INTERNAL CONTROL SYSTEM

The Company has a well placed, proper and adequate internal control system, which ensures that all assets are safeguarded and protected and that the transactions are authorized, recorded and reported correctly. The Company's internal control system comprises audit and compliance by in-house internal Audit Division. The Internal Auditors independently evaluate the adequacy of internal controls and concurrently audit the majority of the transactions in value terms. Independence of the audit and compliance is ensured by direct reporting of Internal Audit Division and Internal Auditor to the Audit Committee of the Board.

CREDIT RATING

During the year under review the Company has improved its long term credit rating to CARE BBB. The BBB rating awarded by Care Analysis and Research Limited (CARE) reflects moderate degree of safety regarding timely servicing of financial obligation. The Company's short term credit rating has also improved to CARE A3 by Care Analysis and Research Limited (CARE), reflecting moderate degree of safety regarding timely payment of financial obligations.

SEGMENT WISE PERFORMANCE:

Company operates only in one segment.

RISK MANAGEMENT

In compliance with the requirement of the Companies Act, 2013, the Company has put in place Risk Minimization and Assessment Procedures. In order to effectively and efficiently manage risk and address challenges the Company has formulated Risk Management Policy. The Company manages the risk in line with current risk management best practices. This facilitates the achievement of our objectives, operational effectiveness and efficiency, protection of people and assets, informed decision making, and compliance with applicable laws and regulations.

MATERIAL CHANGES:

There are following material changes and commitments, affecting the financial position of the Company between the end of financial year of your Company and the date of Director's Report:

- The Company has allotted 2,50,000 (Two Lakh Fifty Thousand) Equity Shares having face value Rs.10/- (Rupees Ten only) each at a premium of Rs.290/- Per Equity Share to Mrs. Himani Jain, Promoter/Promoter group on a preferential basis in accordance with provisions specified under Chapter VII of SEBI (ICDR) Regulations, 2009 after obtaining in principle approval from the Bombay Stock Exchange Limited and National Stock Exchange of India Limited vide its letter no. DCS/PREF/SD/PRE/1762/2016-17 dated March 16, 2017 and NSE/LIST/10914 dated April 05, 2017, respectively. Thereafter, the Company got the listing approval of 2,50,000 equity shares from Bombay Stock Exchange and National Stock Exchange of India Limited vide its letter no. DCS/PREF/SD/PRE/1946/2017-18 dated May 24, 2017 and NSE/LIST/11601 dated May 26, 2017, respectively. The Company has also got trading approval from Bombay Stock Exchange and National Stock Exchange of India Limited vide letter no. DCS/PREF/TP/SD/4920/2017-18 dated June 19, 2017 and NSE/LIST/12132 dated July 20, 2017, respectively.
- The Company pursuant to pertinence of Section 233 of Companies Act, 2013 and Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, effective from 15th December, 2016, vide notification no. S.O.3677(E) dated 7th December 2016 duly issued by Ministry of Corporate Affairs which governs the amalgamation of a wholly owned subsidiary company with its Holding Company, filed the Scheme of Amalgamation between CMI Energy India Private Limited (wholly owned Subsidiary Company) {"the Transferor Company"} and CMI Limited {"the Transferee Company"} under the channel of fast track merger

with effect from 01.03.2016 being the Appointed Date and pursuant to Rules becoming effective and in compliance with the provisions, obtained approval from Board of Directors in their Board Meetings held on 16th January, 2017 in addition to the approval already obtained from Board of Directors on 30th March 2016. The Scheme was also approved by the respective Members and Creditors (Secured and Unsecured) of both the companies. Approval of BSE Limited under Regulation 37 of Listing Regulations was also been obtained. The approval of the Scheme was being taken up by the Regional Director (North), who referred the matter to Hon'ble NCLT, Delhi and filed an Application with the Hon'ble NCLT for considering the Scheme and passing the necessary orders. The Order of the NCLT, approving & registering the Scheme, is awaited.

Material changes and commitments held during the FY2016-17:

- The Company has applied for the listing of 700,000 Equity shares consequent upon conversion of warrant into equity and received Listing Approval of 700,000 Equity shares from the Bombay Stock Exchange Limited vide its letter no. DCS/PREF/MR/PRE/1379/2016-17 dated October 24, 2016 and got trading approval from BSE Limited vide its letter no. DCS/PREF/TP/MR/3717/2016-17 dated November 07, 2016.
- The Company had applied for new listing on National Stock Exchange of India Limited (NSE) and got listing approval (New Listing) from NSE vide its letter no. Ref No. NSE/CML/33701, Circular no: 974/2016 dated November 25, 2016 and the dealing become effective from November 29, 2016.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were checked and no reportable material weaknesses were observed.

DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

As on 31st March, 2017, the Company has one wholly-owned subsidiary, i.e. CMI Energy India Private Limited (formerly known General Cable Energy India Private Limited) and pursuant to provisions of Section 129 (3) of the Companies Act, 2013, Regulation 33 and any other applicable provisions of SEBI Listing Obligations and Disclosure Requirements Regulations (LODR), 2015 and Accounting Standards, the Consolidated Financial statements of the Company including of its subsidiary company, duly audited by the Statutory Auditors of the Company, have been prepared and forms part of the Annual Report.

A report in Form AOC-1 stating the performance and financial position of its subsidiary Company pursuant to provision of Section 139 read with Rule 5 of Companies (Accounts) Rules, 2014 of the Companies Act, 2013 is annexed and marked as **Annexure-2**.

Further, pursuant to the provisions of section 136 of the Act, the Company's consolidated financial statements along with relevant documents and separate audited financial statement of subsidiaries are available on the website of the Company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:**Change in Directorship**

During the year, no change has occurred in the total strength of Board of Directors of the Company. The Company has total 7 Directors with an Executive Chairman, which includes 2 Executive Directors, 5 Non-Executive Independent Directors as on 31.03.2017. The Board consists of following members:

Sr. No.	Name of Director	DIN	Designation
1	Mr. Amit Jain	00041300	Chairman Cum Managing Director
2	Mr. Vijay Kumar Gupta	00995523	Whole-Time Director
3	Mr. Pyare Lal Khanna	02237272	Non-Executive Independent Director
4	Mr. Ramesh Chand	02759859	Non-Executive Independent Director
5	Mrs. Archana Bansal	01129623	Non-Executive Independent Director
6	Mr. Kishor Punamchand Ostwal	00460257	Non-Executive Independent Director
7	Mr. Manoj Bishan Mittal	00282676	Non-Executive Independent Director

Changes in Key Managerial Personnel

- Mr. Ghan Shyam Dass resigned as Chief Financial Officer of the Company w.e.f. December 05, 2016 and Mr. Rattan Lal Aggarwal was appointed as Chief Financial Officer of the Company w.e.f. December 05, 2016.
- Mr. Amit Jain, Chairman cum Managing Director; Mr. Vijay Kumar Gupta, Whole-Time Director; Mr. Rattan Lal Aggarwal, Chief Financial Officer and Mr. Subodh Kumar Barnwal, Company Secretary are the KMPs of the Company as per provisions of the Act.

- Directors liable to retire by rotation

Mr. Vijay Kumar Gupta is liable to retire by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for reappointment.

- Re-appointment of Mr. Vijay Kumar Gupta as Whole-Time Director of the Company

On recommendation of Nomination and Remuneration Committee, subject to approval of shareholders at the 50th Annual General Meeting ('AGM'), Board of Directors in their Board Meeting held on 22nd February, 2017 has approved the re-appointment of Mr. Vijay Kumar Gupta as Whole-Time Director of the Company with effect from 1st April, 2017 for a tenure of 5 years on the same terms and conditions.

A brief resume and other relevant details in respect of all the above Directors, being proposed for re-appointment are given in the explanatory statement to the Notice convening the Annual General Meeting as well as Corporate Governance Report of the Board.

None of the Directors are disqualified under the provisions of the Companies Act, 2013.

- Increase in remuneration of Chairman cum Managing Director

The Board of Directors in their meeting held on 22nd November, 2017 subject to approval of shareholders of the Company, has proposed to increase the remuneration of Mr. Amit Jain, Chairman cum Managing Director, effective from 1st January, 2018 to remaining tenure of his appointment. The requisite resolution along with the explanatory statement is provided in the notice convening the ensuing Annual General Meeting.

Declaration by Independent Directors

The Independent Directors hold office for a fixed term of five years and are not liable to retire by rotation. The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Act and under the SEBI (LODR), Regulations, 2015.

Evaluation of the Board, its Committees and Individual Directors

The Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which include criteria for performance evaluation of the Non-Executive Directors and executive Directors.

Pursuant to the provisions of the Act, the Board has carried out an annual evaluation of its own performance, the individual Directors (including the Chairman) as well as an evaluation of the working of all Board Committees. The Board of Directors was assisted by the Nomination and Remuneration Committee. Some of the performance indicators based on which evaluation takes place are experience, expertise, knowledge and skills required for achieving strategy and for implementation of best governance practices which ultimately contributes to the growth of the Company in compliances with all policies of the Company.

COMMITTEE OF THE BOARD

A. Audit Committee

The Composition of Audit Committee is as under:

Mr. Ramesh Chand, Independent Director	Chairman
Mr. Pyare Lal Khanna, Independent Director	Member
Mr. Vijay Kumar Gupta, Whole-Time Director	Member

The above composition duly meets the requirements of Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013.

Mr. Subodh Kumar Barnwal acts as Company Secretary of the Committee.

All recommendations made by the Audit Committee were accepted by the Board.

B. Nomination & Remuneration Committee

In adherence of Section 178 of Companies Act, 2013, the Board of Directors of the Company in their Meeting held on November 20, 2015 approved a policy for determining Directors' appointment, their remuneration including criteria for ascertaining qualifications, positive attributes, independence of a Director and other matters provided u/s 178(3) based on the recommendations of the Nomination and Remuneration Committee. The Broad parameters covered under the policy are formulating criteria for determining qualifications, positive attributes and independence of a Director, identifying persons who are qualified to become Directors and who may be appointed in Senior Management and as KMPs of the Company in accordance with the criteria laid down, recommend to the Board their appointment and removal, recommending to the Board a policy relating to the remuneration of the Directors, Senior Management, KMP and other employees, as may be applicable, formulating criteria for evaluation of Independent Directors and the Board and carry out evaluation of every Director's performance, devising a policy on Board diversity, ensuring that level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully, ensuring the relationship of remuneration to performance is clear and meets appropriate performance benchmarks, carrying out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable and performing such other functions as may be necessary or appropriate for the performance of its duties.

The Composition of Nomination & Remuneration Committee comprises of Mr. Pyare Lal Khanna, Independent Director as Chairman, Mr. Ramesh Chand, Independent Director as Member and Mrs. Archana Bansal, Independent Director as Member of the Committee.

The above composition duly meets the requirements of Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013.

Mr. Subodh Kumar Barnwal acts as Company Secretary of the Committee.

Accordingly, in order to comply with the aforesaid provisions the following policies are available on the website of the Company (www.cmilimited.in):

- a. Policy for selection of Directors and determining Directors independence; and
- b. Remuneration Policy for Directors, Key Managerial Personnel and other employees.

C. Stakeholder Relationship Committee

In adherence with Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Stakeholder Committee is responsible for all matters concerning the share transfers, transmissions, issue of duplicate share certificates and attending grievances of the shareholders.

The Composition of Audit Committee is as under:

Mr. Pyare Lal Khanna	Chairman
Mr. Ramesh Chand	Member
Mr. Vijay Kumar Gupta	Member

Mr. Subodh Kumar Barnwal acts as Company Secretary of the Committee.

D. Corporate Social Responsibility Committee

The Company has constituted a Corporate Social Responsibility Committee to discharge the duties stipulated under Section 135 of the Companies Act, 2013 which includes formulation and recommendation to the Board, a Corporate Social Responsibility (CSR) Policy indicating the amount to be undertaken by the Company as per Schedule VII of the Companies Act, 2013, recommendations of the amount of expenditure to be incurred and monitoring CSR Policy of the Company.

The Composition of Corporate Social Responsibility Committee is as under:

Mr. Ramesh Chand	Chairman
Mr. Pyare Lal Khanna	Member
Mr. Vijay Kumar Gupta	Member

Mr. Subodh Kumar Barnwal acts as Company Secretary of the Committee.

The brief outline of the Corporate Social Responsibility (CSR) policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in [Annexure-3](#) of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. For other details regarding the CSR Committee, please refer to the corporate governance report, which forms part of this report.

VIGIL MECHANISM AND WHISTLE BLOWER POLICY:

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil mechanism and Whistle blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. Employees may also report to the Chairman of the Audit Committee. During the financial year, no employee was denied access to the Audit Committee.

PREVENTION OF SEXUAL HARASSMENT

The Company, in its endeavour, for zero tolerance towards sexual harassment at the workplace, has adopted Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 Policy. The Policy governs to maintain ethics, transparency and accountability by ensuring that the working environment at all our locations is conducive to fair, safe and harmonious relations based on mutual trust and respect between all associates of the Company. The Internal Compliant Committee ('ICC') has been constituted under the policy which provides forum to all female personnel to lodge complaints herewith for redressal. The Policy aims to provide the effective enforcement of basic human right of gender equality and protection from sexual harassment and abuse.

During the year, there was no complaint lodged with the ICC.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

The particulars of Loans, Guarantees and Investment in pursuance to Section 186 of the Companies Act, 2013 have been disclosed in the financial statements read together with Notes annexed to and forming an integral part of the financial statements.

RELATED PARTY TRANSACTIONS:

In adherence with provision of Section 188 and as per provisions of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company entered into the Related Party Transactions during the financial year 2016-17 and Particulars of Contracts or Arrangements with Related parties referred to in Section 188(1) are included in **Form AOC - 2 (Annexure-4)**. The Company has also entered into the transaction as per Accounting Standard 18 and the same has been disclosed in the Note 11 of other explanatory information to accounts of the Financial Statement.

EXTRACT OF THE ANNUAL RETURN:

As required pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in **Form MGT 9** is a part of this Annual Report (**Annexure-5**)

REGULATORY ACTION:

- The Company received letter from BSE and NSE directing to file the financial results for the quarter and the year ended March 31, 2017 on or before June 30, 2017 and also stating the penalty to be paid as per SEBI circular CIR/CFD/CMD/12/2015 dated November 30, 2015 and the action to be initiated as per SEBI circular SEBI/HO/CFD/CMD/CIR/P/2016/116 dated October 26, 2016 in case non-filing of the financial results continues after June 30, 2017. The Company had already filed a letter on 30.05.2017 to BSE, NSE and SEBI, requesting them to grant time for filing these financial results as the Company's Application for merger under Section 233 of the Companies Act, 2013 was pending with the Central Government through Regional Director (North).
- Post receiving the letter, the Company filed the Standalone and Consolidated financial results for the quarter and the year ended March 31, 2017 on June 29, 2017 on recommendation of Audit Committee and after obtaining approval from Board of Directors and complied with the provisions of Regulation 33 of SEBI (LODR) Regulations, 2015 and the requirements of the letter from stock exchanges. The Company also paid the imposed penalty.
- The Company got approval from Registrar of Companies, NCT of Delhi and Haryana vide approval letter dated 23.08.2017 for extension of the Annual General Meeting for the financial year ended 31st March, 2017, which is due to be held by 30.09.2017 as per requirements of Section 96 of Companies Act, 2013, for another period of 3 months.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Sub-section (5) of Section 134 of the Companies Act, 2013 with respect to the Director's Responsibility Statement, it is hereby confirmed that:

- i. In the preparation of the Annual Accounts for the year ended 31st March, 2017 the applicable accounting standards read with requirements set out under Schedule III of the Act have been followed and no material departures have been made from the same.
- ii. Appropriate Accounting Policies have been selected and applied consistently and have made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the profit of the Company for that year ended on that date except to the extent mentioned in notes to accounts.
- iii. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. The Annual Accounts have been prepared on a going concern basis.
- v. The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- vi. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

NUMBER OF MEETINGS:**Board Meeting:**

During the year Twelve (12) Board Meetings and one Independent Directors' Meeting were held. The Details of which are given in Corporate Governance Report. The provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 were adhered to while considering the time gap between two meetings.

EXTRAORDINARY GENERAL MEETINGS

One Extra Ordinary General Meeting was held on 21st March, 2017 during the year 2016-2017.

SHARE CAPITAL

The Company's shares are listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) and are traded on both the stock exchanges actively.

a. EQUITY SHARES

- The Board of Directors of the Company at their meeting held on 12th August, 2016 has allotted 700,000 Equity Shares in consequent to conversion of 700,000 warrants issued @ Rs.64/-per warrant (including premium of Rs.54/- per warrant), to promoters, on a preferential basis in accordance with provisions specified under Chapter VII of SEBI (ICDR) Regulations, 2009.
- The Company has filed listing application for listing of above said 700,000 Equity Shares and received Listing Approval of 700,000 Equity shares from the Bombay Stock Exchange Limited vide its letter no. DCS/PREF/MR/PRE/1379/2016-17 dated October 24, 2016 and got trading approval from Bombay Stock Exchange vide its letter no. DCS/PREF/TP/MR/3717/2016-17 dated November 07, 2016.
- The Company has made preferential allotment of shares during the year and duly complied the requirements of section 42 and 62 of the Companies Act, 2013. Accordingly, the amount raised have been applied for the purpose of which funds were raised.

FIXED DEPOSITS

During the year under review, the Company has not accepted any deposits within the meaning of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules. The Company did not have any unclaimed or overdue deposits as on March 31, 2017.

HUMAN RESOURCES

Your Company has put in place effective human resource acquisition and maintenance function, which is benchmarked along with best corporate practices designed to meet the organizational needs and it takes pride in its highly motivated manpower that contributed its best to the Company. The Employees' relations within the organization have been very cordial and harmonious during the year.

CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:

The Company is committed to maintain highest standards of Corporate Governance and adhere to Corporate Governance requirement set out by SEBI. The Company has also implemented best Corporate Governance practices. Your Company has taken adequate steps to adhere to all the stipulations as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the FY2016-17.

As per SEBI LODR Regulation

- A report on Corporate Governance Report is included as a part of this Annual Report.
- Certificate of the CFO and Managing Director, inter alia, confirming the correctness of the financial statements, compliance with Company's Code of Conduct, adequacy of the Internal Control measure and reporting of matters to the Audit Committee, is attached and forms part of this report.
- Certificate from the Practicing Company Secretaries confirming the compliance with the conditions of Corporate Governance is attached to this report.

MANAGEMENT DISCUSSION AND ANALYSIS (MDA)

The detailed analysis of the operating performance of the Company for the year, the state of affairs and the key changes in the operating environment has been included in the Management Discussion and Analysis section which forms part of the Annual Report.

HEALTH, SAFETY AND ENVIRONMENTAL (HSE) REVIEW

CMI Limited is committed to maintain highest standards in the areas of Health, Safety and Environment. It has made good progress in these areas with no fatal accident reported during the Period.

With an aim to certify its operational location CMI Limited, Plot No. 71 & 82, Sector-06, Faridabad, Haryana - 121006, with the integrated Management system OHSAS 18001 and ISO 14001 - Occupational Health, Safety and Environment, CMI Limited has got externally accreditation for its said manufacturing location by M/s American Quality Assessors.

MANAGERIAL REMUNERATION:

The information required under section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is mentioned in [Annexure-6](#)

No employees is in receipt of remuneration as specified under section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

The disclosure of particulars with respect to conservation of energy, technology absorption, research and technology and foreign exchange earnings and outgo pursuant to Section 134(3)(m) of the Companies Act, read with Rule 8(3) of the Companies (Accounts) Rules, 2014, forming part of the Directors' Report are as under:

A. Conservation of Energy:

a. Energy conservation measures taken:-

A number of energy conservation techniques were initiated at large scale and successfully implemented which helped in improving efficiency levels.

Some of the key initiatives were as follows:-

In the existing manufacturing units the Company continued various initiatives to conserve/reduce environmental impact, by adapting to green manufacturing and concept of "Reduce, Reuse and Recycle" viz.

- Efficient maintenance and daily monitoring of Capacitor Bank for improvement of Power Factor.
- Replacing energy inefficient equipments with new technologies which are efficient with AC Drives.

b. The capital investment on energy conservation equipments or any other Additional investments and proposals, if any, being implemented for reduction of consumption of energy:-

No material capital investment on energy conservation equipments or any other investment was made for reduction of consumption of energy during the Financial Year and no separate records were kept for costs incurred on proper maintenance of all machineries and Equipments.

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

- The energy conservation measures maintained during the year have resulted into yearly saving and thereby lowered the cost of production by equivalent amount. These measures have also led to better pollution control, reduced maintenance time and cost, improved hygienic condition and consistency in quality and improved productivity.

B. Technology Absorption, Adaptation & Innovation

a. Efforts, in brief, made towards technology absorption, adoption and innovation

Energy Conservation, up gradation in manufacturing and Efficiency improvement

- Use of energy efficient LED and CFL lamps in whole plant
- Recycling the vacuum Pump cooling water for environment saving
- Company now updated with the manufacturing of all types of cables
- New and upgraded technology has been followed for energy conservation

b. Benefits derived as a result of the above efforts

- Reduction in power usage and thereby reducing cost of production
- Environmental saving
- Improved efficiency and productivity
- Cost and time saving

C. Research and Development**Standalone basis:**

Specific areas in which R&D carried out by the Company	Product Development and process improvement
Benefits derived as a result of the above R&D	The Company can manufacture all types of cables in the area in which it operates
Future plan of action	Technology Upgradation
Expenditure on R&D	Capital Expenditure: Rs.37.04 Lakhs Recurring Expenditure: Rs.3.8 Lakhs

Consolidated basis:

Specific areas in which R&D carried out by the Company	Product Development and process improvement
Benefits derived as a result of the above R&D	The Company can manufacture all types of cables in the area in which it operates
Future plan of action	Technology Upgradation
Expenditure on R&D	Capital Expenditure: Rs.0.89 Lakhs Recurring Expenditure: Rs.0.63 Lakhs

D. Foreign Exchange Earnings and Outgo:**a. Activities relating to export, Initiative to increase exports, Development of New export markets for Products and Services and Export Plan.**

The Company has continued to maintain its focus and avail of export opportunities based on economic considerations. During the year on standalone basis the Company has exports worth Rs.24.38 Lakhs from export of Cables.

The Company is continuously exploring new international markets and has exported sample orders. During the year on consolidated basis the Company has exports worth Rs.63.15 Lakhs from export of Cables.

b. Total Foreign Exchange Expenditure:

Standalone basis:		Amount in Rs.
a.	CIF value of imports	3,058.22 Lakhs
b.	Expenditure in Foreign Currency	9.88 Lakhs

Total Foreign Exchange Expenditure:

Consolidated basis:		Amount in Rs.
a.	CIF value of imports	3,238.7 Lakhs
b.	Expenditure in Foreign Currency	9.88 Lakhs

ENVIRONMENTAL REVIEW

The Company has a defined environmental policy which is being followed rigorously by one and all across the organization. There were no environmental issues at the CMI plant and the statutory compliance was in line with Governmental requirements.

The Pollution Control parameters as defined by the State Pollution Control Board were totally adhered to and effluent discharge levels were well within the prescribed limits. Air pollution has been tested and was in line with the requirement. Noise pollution level was contained by fixing all the generators in sound proof acoustic enclosures.

INDUSTRIAL RELATIONS

The Company has taken various steps to improve productivity across organization. Industrial relations remained harmonious at the manufacturing unit of CMI.

ACKNOWLEDGEMENTS

Your Directors place on record their gratitude to the Central Government, State Governments and Company's Bankers for the assistance, co-operation and encouragement they extended to the Company. Your Directors also wish to place on record their sincere thanks and appreciation for the continuing support and unstinting efforts of Investors, Vendors, Dealers, Registrar and Transfer Agent, Financial Institutions, Business Associates, Media and Employees at all levels in ensuring an excellent all around operational performance.

By Order of the Board

CMI LIMITED

Place: New Delhi

Date: 22.11.2017

Amit Jain

Chairman & Managing Director

(DIN: 00041300)

Registered Office:

Flat No. 501 - 503, 5th Floor, New Delhi House

27, Barakhamba Road, New Delhi - 110001

Email Id: info@cmilimited.in

ANNEXURE-1

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2017

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

To

The Members

CMI LIMITED

Flat No. 501 - 503, 5th Floor,

New Delhi House, 27 Barakhamba Road,

New Delhi - 110001

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by CMI Limited (hereinafter called the Company/CMI). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the CMI's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit. We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by CMI Limited ("the Company") for the financial year ended on 31st March, 2017 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition Of Insider Trading) Regulations, 2015 (applicable w.e.f. 15th May, 2015);
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

- e. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the Company during the Audit Period);
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period);
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit Period); and
 - i. The Securities And Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015
- vi. Applicable provisions of The Factories Act, 1948
 - vii. Air (Prevention & Control of pollution) Act, 1981, Water (Prevention & Control of pollution) Act, 1974, Environment (Protection) Act, 1986, The Noise Pollution (regulation and control) Rules, 2000
 - viii. Batteries (Management & Handling) Rules 2001, Amendment 2010
 - ix. Provision of EDLI Scheme 1976 of the Employees Provident Fund and Miscellaneous Provisions Act 1952 and The Employees State Insurance Act, 1948
 - x. The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959
 - xi. India Explosives Act, 1984
 - xii. Payment of Wages Act, 1936 and The Minimum Wages Act, 1948
 - xiii. Contract Labour (Regulation & Abolition) Act, 1970
 - xiv. Payment of Bonus Act, 1965
 - xv. The Industrial Employment Standing Orders Act, 1946
 - xvi. Payment of Gratuity Act, 1972

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors along with the appointment of woman Director during the financial year ended 31.03.2017. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all the Directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decision at the Board and Committee Meetings are carried out unanimously as recorded in the minutes of respective meeting.

We further report that

The Company has spent Rs.2,18,000/- (Rupees Two Lakhs Eighteen Thousand only) towards CSR which is less than the prescribed amount that the Company was required to spend pursuant to the provisions of Section 135 of the Companies Act, 2013 during the financial year under review.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period:

1. The Board of Directors of CMI Limited {"the Transferee Company"} and CMI Energy India Private Limited {"the Transferor Company"} at their Board Meetings held on 30th March, 2016 have approved the proposed Scheme of Amalgamation {"Scheme"} by and between CMI Energy India Private Limited and CMI Limited, with effect from 1.03.2016 being the Appointed Date, upon and subject to the requisite statutory and regulatory approvals. The Company has completed all process and filing at their end for merger of both the Companies. The final Order of the Regional Director, approving and registering the Scheme is awaited.
2. The Company has applied for the listing of 700,000 Equity shares consequent upon conversion of warrant into equity and received Listing Approval of 700,000 Equity shares from the Bombay Stock Exchange Limited vide its letter no. DCS/PREF/MR/PRE/1379/2016-17 dated October 24, 2016 and got trading approval from BSE Limited vide its letter no. DCS/PREF/TP/MR/3717/2016-17 dated November 07, 2016.

The Company had applied for new listing on National Stock Exchange of India Limited (NSE) and got listing approval (New Listing) from NSE vide its letter no. Ref No. NSE/CML/33701, Circular no: 974/2016 dated November 25, 2016 and the dealing become effective from November 29, 2016.

3. BSE had issued a suspension notice no. 20160304-28 dated 28th March, 2016 to its trading members which included name of the Company. The suspension was withdrawn by BSE on 31-03-2016 in pursuance of orders of Hon'ble High Court of Delhi in Writ Petition W.P.(C) 2857/2016 filed by the Company, on March 30, 2016. The matter stands resolved and closed without any adverse findings as communicated by BSE vide their letter dated June 15, 2016.

For Pooja Anand & Associates
Company Secretaries

Mukul Tyagi

Company Secretary

M. No. 33949 CP No.: 16631

Place: New Delhi

Date: 29.06.2017

ANNEXURE-2

FORM NO. AOC-I

Part "A": Subsidiaries

(Pursuant to first proviso to sub-section (3) of section
129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement Containing Salient Features of the Financial Statement of Subsidiary Companies:

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Sr. No.	Particulars	Details
1	Name of the subsidiary	CMI Energy India Private Limited (Formerly known General Cable Energy India Pvt. Ltd.)
2	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	Reporting period is same
3	Reporting currency and exchange rate as on the last date of the relevant financial year, in the case of foreign subsidiaries	Not Applicable
4	Share Capital	12,531.62 Lakhs
5	Reserves & Surplus	(1,840.95) Lakhs
6	Total assets	28,005.57 Lakhs
7	Total Liabilities	28,005.57 Lakhs
8	Investments	Nil
9	Turnover	9,041.91 Lakhs
10	Profit/Loss before taxation	(821.51) Lakhs
11	Provision for taxation Deferred tax	1,820.65 Lakhs
12	Profit/Loss after taxation	999.14 Lakhs
13	Proposed Dividend	Nil
14	% of shareholding	100%

By Order of the Board
CMI LIMITED

Place: New Delhi

Date: 22.11.2017

Amit Jain
Chairman cum Managing Director
(DIN: 00041300)

Registered Office:

Flat No. 501 - 503, 5th Floor, New Delhi House

27, Barakhamba Road, New Delhi - 110001

Email Id: info@cmilimited.in

ANNEXURE-3

ANNUAL REPORT ON CSR ACTIVITIES

- A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

The Company had constituted CSR Committee by the approval of the Board of Directors in their meeting held on 20th November, 2015. In pursuance of Section 135 read Companies (Corporate Social Responsibility Policy) Rules, 2014 and Schedule VII of the Companies Act, 2013, the Company framed CSR policy as a part of good Corporate philanthropy, which extends demonstrating care for the community through its focus on education & skill development, health & wellness and environmental sustainability including biodiversity, energy & water conservation.

The Company diligently volunteers and undertakes the objective as per the policy with the view of providing support to the marginalized cross section of the society through facilitation of opportunities, carving the path for improved quality of life.

The detailed CSR Policy is available on the website of the Company i.e. at <http://cmilimited.co.in/>.

- The Composition of the CSR Committee

The CSR committee is formed in accordance with the provisions of Section 135 read Companies (Corporate Social Responsibility Policy) Rules, 2014 and accordingly its constitution comprises of following eminent and professional members who conceptualizes, structures, directs the implementation of CSR activities:

Mr. Ramesh Chand, Non-Executive Independent Director	Chairman
Mr. Pyare Lal Khanna, Non-Executive Independent Director	Member
Mr. Vijay Kumar Gupta, Whole-Time Director	Member

- Average net profit of the Company for last three financial years: Rs.1,213.03 Lakhs
- Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): Rs.24.26 Lakhs
- Details of CSR spent during the financial year:

During the financial year 2016-17, the Company spent sum of Rs.2,18,000 (Rupees Two Lakh Eighteen Thousand only) in the field of education, towards CSR activities.

- Total amount to be spent for the financial year: Rs.24.26 Lakhs
- Amount unspent, if any: Rs.22.08 Lakhs

▪ Manner in which the amount spent during the financial year is detailed below:

Sr. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs	Amount outlay (budget)	Amount spent on the projects or programs	Cumulative expenditure up to the reporting period	Amount spent Direct or through implementing agency
			1. Local area or other 2. Specify the State and district where projects or Programs were undertaken	project or program wise	Sub-heads: 1. Direct expenditure on projects or programs 2. Overheads		
1.	Providing Stationery items	Promoting Education	Delhi	Rs.24.26 Lakhs	Rs.2.18 Lakhs	-	Amount was spent directly by the Company through agencies like Arya Bal Griha, Chhatravas Chandra Arya Vidya Mandir and Arya Kanya Sadan

During the first quarter of the financial year 2017-18, the Company spent sum of Rs.5,00,000 (Rupees Five Lakhs only) in the agencies like Arya Bal Griha, Chhatravas Chandra Arya Vidya Mandir and Arya Kanya Sadan for providing the education facilities to the children and building their promising future as part of Corporate Social Responsibility.

Accordingly, contribution in CSR projects such as training of youth to promote employability, providing functional literacy to adults, technology support to cancer research institutes and hospitals, training of women to encourage entrepreneurship, education of underprivileged children, construction of sanitation facilities in rural schools, support to disaster relief efforts etc. is proposed to be carried by the Company for the financial year 2017-18.

The Company is putting its continuous efforts to implement the above mentioned projects effectively.

We hereby declare that implementation and monitoring of the CSR policy is in compliance with CSR objectives and policy of the Company, as approved by the Board.

Amit Jain
(Chairman cum Managing Director)

Ramesh Chand
(Chairman CSR Committee)

Place: New Delhi

Date: 22.11.2017

ANNEXURE-4

FORM NO. AOC.2

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

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at arm's length basis

Name of the Related Party	Nature of Relationship	Nature of contracts/ arrangements/ transactions	Amount	Duration of the contracts/ arrangements/ Transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
NIL							

2. Details of material contracts or arrangement or transactions at arm's length basis

Sr. No.	Name of the Related Party	Nature of Relationship	Nature of contracts/ arrangements/ transactions	Amount (in Rs. Lakhs)	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board/ Committee, if any *	Amount paid as advances, if any
1	Wire House	Proprietary concern of a relative of Director of the Company	Job Work Charges	26.39	1 year	-	27.05.2016	No
2	CMI Energy India Private Limited	Wholly-owned subsidiary	Job Work Charges	50.60	1 year	-	05.12.2016	
3	Dhruv Cables and Conductors	Proprietary concern of a relative of Director of the Company	Purchase	56.69	1 year	-	05.12.2016	No
4	CMI Energy India Private Limited	Wholly-owned subsidiary	Purchase	37.09	1 year	-	27.05.2016	No
5	Dhruv Cables and Conductors	Proprietary concern of a relative of Director of the Company	Sale	145.07	1 year	-	05.12.2016	No
6	CMI Energy India Private Limited	Wholly-owned subsidiary	Sale	1,314.74	1 year	-	27.05.2016	No

*Omnibus approval and fresh approval of the Audit Committee has been taken.

By Order of the Board

CMI LIMITED

Place: New Delhi

Amit Jain

Date: 22.11.2017

Chairman cum Managing Director

(DIN: 00041300)

Registered Office:

Flat No. 501 - 503, 5th Floor, New Delhi House

27, Barakhamba Road, New Delhi - 110001

Email Id: info@cmilimited.in

ANNEXURE-5

Form No. MGT-9

EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2017

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

I. REGISTRATION AND OTHER DETAILS:

1	CIN	L74899DL1967PLC018031
2	Registration Date	22 nd June, 1967
3	Name of the Company	CMI Limited
4	Category/Sub-Category of the Company	Company Limited by Shares
5	Address of the Registered office of the Company	501 - 503, 5th Floor, New Delhi House, 27, Barakhamba Road, New Delhi - 110001
6	Whether listed Company	Yes
7	Name, Address and Contact details of RTA, if any	Beetal Financial & Computer Services Private Limited Add: Beetal House, 3rd Floor, 99, Madangir, B/4, Local Shopping Centre, New Delhi - 110062 Tel: 011 - 29961281, 29961282

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and description of main products/services	NIC Code of the product/service	% to total turnover of the Company
1	Cables	27320	99.28%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/Associate	% of Shares held	Applicable Section
1	CMI Energy India Private Limited (formerly known as General Cable Energy India Private Limited)	U31300DL2006FT C152190	Wholly Owned Subsidiary	100%	2(87)

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

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during the year
	Physical	Demat	% of Total Shares	Physical	Demat	% of Total Shares	
A. Promoters							
(1) Indian							
a) Individual	-	55,93,877	39.74	-	62,93,877	42.59	2.85
b) Central Govt	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-
e) Banks/FI	-	-	-	-	-	-	-
f) Any Other and their relatives, societies partnership firms, RBI, Employee welfare fund, EBIP/ESOS Trusts	-	-	-	-	-	-	-
Sub-total (A) (1):	-	55,93,877	39.74	-	62,93,877	42.59	2.85
(2) Foreign							
a) NRIs - Individuals	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	-	55,93,877	39.74	-	62,93,877	42.59	2.85
B. Public Shareholding							
1. Institutions							
a) Mutual Funds	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	21,585	0.15	0.15
c) Central Govt	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-
e) Venture Capital funds	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	32,000	0.21	0.21
g) FIs	-	-	-	-	15,14,233	10.25	10.25
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-
i) Others (specify)	-	15,00,000	10.65	-	-	-	-
Sub-total (B)(1):-	-	15,00,000	10.65	-	15,67,818	10.61	(0.04)
2. Non-Institutions							
a) Bodies Corp.	31,600	10,29,238	7.54	20,700	14,33,858	9.84	1.17
b) Individuals							
i) Individual shareholders holding nominal share capital upto Rs.1 Lakh	3,45,556	11,29,287	10.48	3,15,256	25,06,096	19.09	8.61
ii) Individual shareholders holding nominal share capital in excess of Rs.1 Lakh	20,000	35,39,097	25.28	20,000	15,63,786	10.72	(14.56)

Category of Shareholders	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during the year
	Physical	Demat	% of Total Shares	Physical	Demat	% of Total Shares	
c) Others							
-Directors	8,770	1,000	0.07	8,770	1,000	0.07	-
-ESOP/ESOS/ESPS	-	-	-	-	-	-	-
-HUF	-	4,58,112	3.25	-	3,14,649	2.13	(1.12)
-NRI	23,500	3,06,019	2.34	23,500	5,71,722	4.03	1.69
-Clearing Members	-	91,401	0.65	-	1,36,425	0.92	0.27
Sub-total (B)(2):-	4,29,426	65,54,154	49.61	3,88,226	65,27,536	46.80	(2.81)
Total Public Shareholding (B)=(B)(1)+(B)(2)	4,29,426	80,54,154	60.26	3,88,226	80,95,354	57.41	(2.85)
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-
Grand Total (A+B+C)	4,29,426	1,36,48,031	100.00	3,88,226	1,43,89,231	100.00	-

ii. Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares pledged/encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares pledged/encumbered to total shares	
1	Amit Jain	50,93,877	36.18	-	50,93,877	34.47	-	(1.71)
2	Dhruv Jain	5,00,000	3.55	-	5,00,000	3.38	-	(0.17)
3	Vishwa Prabha Jain	-	-	-	7,00,000	4.74	-	4.74
	Total	55,93,877	39.73	-	62,93,877	42.59	-	2.86

iii. Change in Promoters' Shareholding (Specify, if there is no change)

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year	55,93,877	39.74	55,93,877	39.74
Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease *	7,00,000	2.85		
At the End of the year	62,93,877	42.59	62,93,877	42.59

*Increase in shareholding of Promoters during the year is as follows:

Name	Shareholding at the beginning of year		Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year (01/04/2016 to 31/03/2017)	
	No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
Amit Jain	50,93,877	36.18				50,93,877	34.47
Dhruv Jain	5,00,000	3.55		-		5,00,000	3.38
Vishwa Prabha Jain	-	-	12-08-2016	7,00,000	Conversion of Warrants into equity shares	7,00,000	4.74

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

Name	Shareholding at the beginning of the year		Date	Increase/Decrease	Reason	Cumulative Shareholding during the year 31-03-2017	
	No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
GMO Emerging Domestic Opportunities Fund	11,78,365	7.97	-	No Change in the shareholding pattern	-	11,78,365	7.97
CNI Research Limited	3,00,000	2.03	-	No Change in the shareholding pattern	-	3,00,000	2.03
GMO Emerging Markets Fund	3,01,113	2.04	09.09.2016 16.09.2016 23.09.2016	699 - Decrease 5,418 - Decrease 1,650 - Decrease	Transfer	2,93,346	1.98
Prashant Omprakash Kothari	2,15,000	1.45	31.03.2017	12,500 - Increase	Transfer	2,27,500	1.54
Pulkit. N. Sekhsaria	1,55,000	1.05	-	No Change in the shareholding pattern	-	1,55,000	1.05
Sushil Bhardwaj	-	-	16.12.2016 23.12.2016 31.12.2016 06.01.2017 20.01.2017 27.01.2017 03.02.2017 10.02.2017 03.03.2017	16,959 - Increase 51,490 - Increase 33,379 - Increase 10 - Increase 7,070 - Increase 402 - Increase 19,913 - Increase 8,518 - Increase 31 - Increase	Transfer	1,37,772	0.93
Ramesh Singhal	94,285	0.64	08.04.2016 15.04.2016 22.04.2016 08.07.2016 24.03.2017 31.03.2017	2,503 - Increase 1,694 - Increase 449 - Increase 21,505 - Increase 1,000 - Decrease 15,361 - Decrease	Transfer	1,04,075	0.74
Mittal Capital Finvest Pvt Ltd	1,00,000	0.68	17.06.2016	2,450 - Increase	Transfer	1,02,450	0.69
Shivaz Rai			16.09.2016 07.10.2016 21.10.2016	13,000 - Increase 13,000 - Decrease 1,01,493 - Increase	Transfer	1,01,493	0.69
B N Mittal	1,00,000	0.67		No Change in the shareholding pattern	-	1,00,000	0.67

v. Shareholding of others Directors and Key Managerial Personnel:

For Each of the Directors and KMP	Shareholder's Name	Date	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year	Vijay Kumar Gupta		8,770	0.06	8,770	0.06
	Ramesh Chand		1,000	0.007	1,000	0.007
Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease						
At the End of the year	Vijay Kumar Gupta		8,770	0.06	8,770	0.06
	Ramesh Chand		1,000	0.007	1,000	0.007

V. INDEBTEDNESS

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

(Amount in Rs. Lakhs)

	Secured Loans Excluding deposits		Unsecured Loans		Total Indebtedness	
	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated
Indebtedness at the beginning of the financial year						
i) Principal Amount	8,666.77	8,666.77	853.16	853.16	9,519.93	9,519.93
ii) Interest due but not paid						
iii) Interest accrued but not due						
Total (i+ii+iii)	8,666.77	8,666.77	853.16	853.16	9,519.93	9,519.93
Change in Indebtedness during the financial year						
• Addition		4,359.95				3,667.45
• Reduction	1,914.44		692.50	692.50	2,606.94	
Net Change	(1,914.44)	4,359.95	(692.50)	(692.50)	(2,606.94)	3,667.45
Indebtedness at the end of the financial year						
i) Principal Amount	6,752.33	13,026.72	160.66	160.66	6,912.99	13,187.38
ii) Interest due but not paid						
iii) Interest accrued but not due						
Total (i+ii+iii)	6,752.33	13,026.72	160.66	160.66	6,912.99	13,187.38

VI. Remuneration of Directors and Key Managerial Personnel:**A. Remuneration to Managing Director, Whole-Time Director and/or Manager**

(Amount in Rs. Lakhs)

	Name of MD/WTD/Manager			Total Amount
Particulars of Remuneration	Amit Jain MD	V. K. Gupta WTD	Manager	
Gross salary				
a. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	39.14	11.40	-	50.54
b. Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
c. Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
Stock Option	-	-	-	-
Sweat Equity	-	-	-	-
Commission - as % of profit	-	-	-	-
Total	39.14	11.40	-	50.54
Ceiling as per the Act (in compliance with the provision of Schedule Xiii Part II Section II(A))	-	-	-	-

B. Remuneration to Other Directors: Not paid any remuneration

Particulars of Remuneration	Name of Directors				Total Amount
(1) Independent Directors	-	-	-	-	-
• Fee for attending board/committee meetings					
• Commission					
• Others, please specify					
Total (1)	-	-	-	-	-
(2) Other Non-Executive Directors	-	-	-	-	-
• Fee for attending board/committee meetings					
• Commission					
• Others, please specify					
Total (2)	-	-	-	-	-
Total (B)=(1+2)	-	-	-	-	-
Total Managerial Remuneration	-	-	-	-	-
Overall Ceiling as per the Act	-	-	-	-	-

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

(Amount in Rs. Lakhs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel					
		CEO	Subodh Kumar (Company Secretary)	CFO		Manager	Total
				Ghan Shyam Dass	Rattan Lal Aggarwal		
1	Gross salary						
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	6.96	38.98	14.87	-	60.81
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-	-
2	Stock Option	-	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-	-
4	Commission	-	-	-	-	-	-
	- as % of profit						
	- others, specify						
5	Others, please specify	-	-	-	-	-	-
	Total	-	6.96	38.98	14.87	-	60.81

*Salary paid to Mr. Ghan Shyam Dass upto November, 2016 and to Mr. Rattan Lal Aggarwal from December to March, 2017.

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: N.A.

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/Compounding fees imposed	Authority (RD/NCLT/ Court)	Appeal made, if any (give details)
A. Company					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. Directors					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. Other Officers in default					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

By Order of the Board
CMI LIMITED

Place: New Delhi

Date: 22.11.2017

Amit Jain
Chairman cum Managing Director
(DIN: 00041300)

Registered Office:

Flat No. 501 - 503, 5th Floor, New Delhi House

27, Barakhamba Road, New Delhi - 110001

Email Id: info@cmilimited.in

ANNEXURE-6

The information required under section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below

- i. The percentage increase in remuneration of each Director, Chief Financial Officer & Company Secretary during the financial year 2016-17, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for financial year 2016-17 (Rs. in Lakhs)	% increase in Remuneration in the financial year 2016-17	Ratio of remuneration of each Director/to median remuneration of employees
1.	Mr. Amit Jain Chairman cum Managing Director	39.14 Lakhs	44.96%	1,770.15%
2.	Mr. V. K. Gupta, Whole-Time Director	11.40 Lakhs	58.33%	528.07%
3.	Mr. Subodh Kumar Company Secretary	6.96 Lakhs	11.89%	257.43%
4.	Mr. Rattan Lal Aggarwal CFO	14.87 Lakhs	NA	-

- ii. The percentage increase in the median remuneration of employees in the financial year 2016-2017 is 26.25%.
- iii. There were 122 permanent employees on the rolls of Company as on March 31, 2017.
- iv. Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year 2015-16 was 8.50% whereas the increase in the managerial remuneration for the same financial year was 26.67%.
- v. The key parameters for any variable component of remuneration availed by the Directors - Not applicable
- vi. It is hereby confirmed that the remuneration paid during the year ended 31st March, 2017 is as per the Remuneration Policy of the Company.

By Order of the Board
CMI LIMITED

Place: New Delhi

Date: 22.11.2017

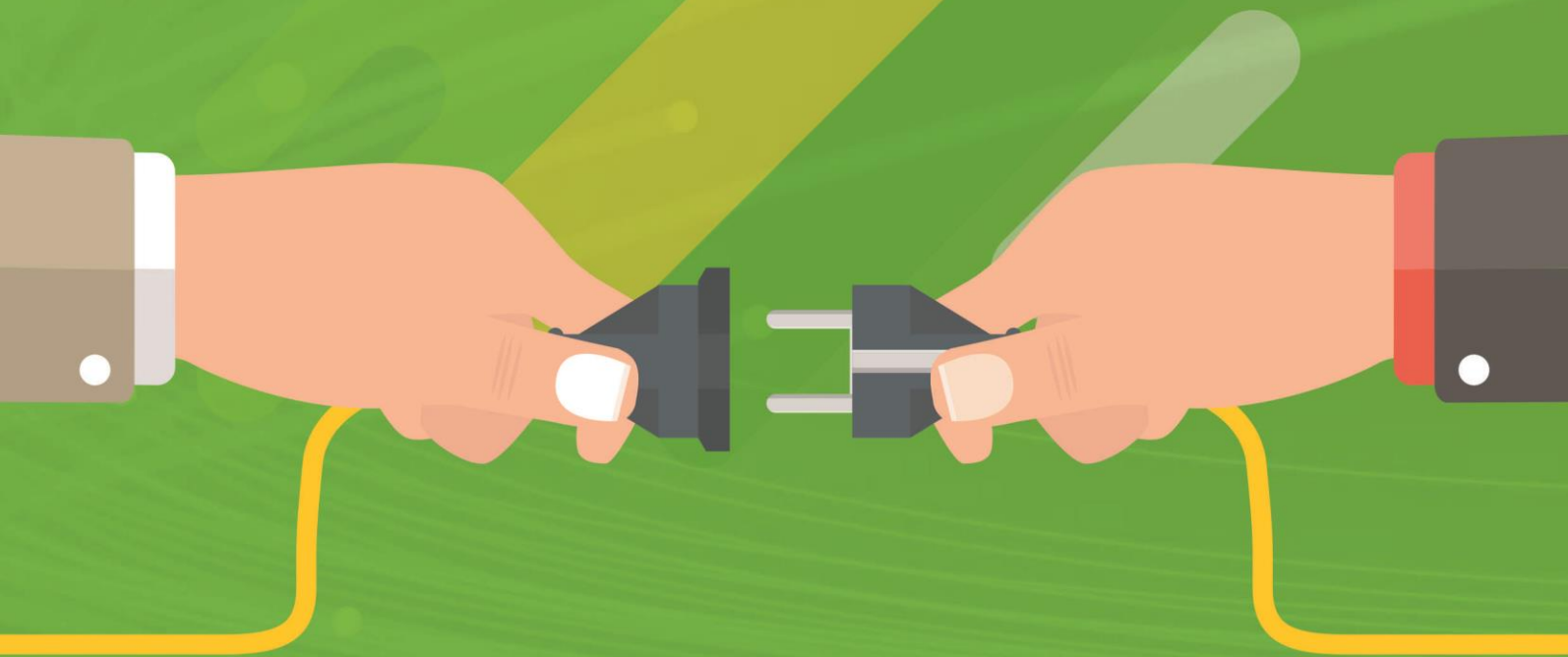
Amit Jain
Chairman cum Managing Director
(DIN: 00041300)

Registered Office:

Flat No. 501 - 503, 5th Floor, New Delhi House
27, Barakhamba Road, New Delhi - 110001

Email Id: info@cmilimited.in

CORPORATE GOVERNANCE REPORT



CORPORATE GOVERNANCE REPORT FOR THE YEAR 2016-17

THE COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Effective corporate governance practices constitute the strong foundations on which successful commercial enterprises are built to last. These practices are categorized through principle based standards and not just through a framework enforced by Regulation. It develops through adoption of ethical practices in all of its dealings with a wide group of stakeholders encompassing regulators, employees, shareholders, customers and vendors.

The Company's philosophy on Corporate Governance is founded upon a rich legacy of fair, ethical and transparent governance practices, by adopting highest standards of professionalism, honesty, integrity and ethical behavior. The Corporate Governance practices followed by the Company are compatible with international standards and best practices. Through the Governance mechanism in the Company, the Board along with its Committees undertakes its fiduciary responsibilities to all its stakeholders by ensuring transparency, fair play and independence in its decision making. The long term strategic objectives and the Code of Conduct which articulate the values, ethics and business principles and serve as a guide to the Company, its Directors and Employees and an appropriate mechanism to report any concern pertaining to non-adherence to the said Code and addressing the same are also in place. The Company is in full compliance with the requirements of Corporate Governance under Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Risk Management and internal control functions have been geared up to meet the progressive governance standards.

BOARD OF DIRECTORS**i. Composition**

The composition of Board of Directors of the Company is balanced one, comprising Executive and Non-Executive Directors and the latter including independent professionals. The Chairperson of the Board is an Executive Director pursuant to which half of Board constitutes Independent Directors. The Company also complies with the provision of Section 149 read with Rule 3 of the Companies (Appointment and Qualification of Directors) along with the provisions of Regulation 17 of SEBI (LODR), 2015 and accordingly, its Board members comprises one Women Director.

The strength of the Board of the Directors as on 31.03.2017 is seven, of which two are Executive Directors.

Category	No. of Directors	Percentage %
Executive Directors	2	29%
Non-Executive Independent Directors	5	71%
Total	7	100%

Name of the Director	Category	No. of Board Meetings during the year 2016-17		Whether attended last AGM held on September 28, 2016	No. of other Directorships held in Indian public companies*	No. of Committee positions as Members and as Chairperson in other Public Companies
		Held	Attended			
Mr. Amit Jain DIN 00041300	Chairman cum Managing Director	12	12	Yes	1	Nil
Mr. Vijay Kumar Gupta DIN 00995523	Executive Director	12	12	Yes	1	2
Mr. Pyare Lal Khanna DIN 02237272	Non-Executive Independent Director	12	12	Yes	1	2
Mr. Ramesh Chand DIN 02759859	Non-Executive Independent Director	12	12	Yes	1	2
Mrs. Archana Bansal DIN 01129623	Non-Executive Independent Director	12	11	No	1	Nil
Mr. Kishor Punamchand Ostwal DIN 00460257	Non-Executive Independent Director	12	3	Yes	2	1
Mr. Manoj Bishan Mittal DIN 00282676	Non-Executive Independent Director	12	4	Yes	1	Nil

*Directors of CMI Limited have been duly appointed as Directors as well as Chairman and members of Audit and Nomination and Remuneration Committee of CMI Energy India Private Limited, wholly owned subsidiary of CMI Limited, Listed Public Company.

Twelve Board Meetings were held during the year 2016-2017 and the gap between two meetings did not exceed one hundred and twenty days. The dates on which the said meetings were held are as follows:

27th May, 2016; 1st July, 2016; 29th July, 2016; 12th August, 2016; 31st August, 2016; 27th September 2016; 19th October, 2016; 12th November, 2016; 5th December, 2016; 16th January, 2017; 14th February, 2017 and 22nd February, 2017.

The necessary quorum was present for all the meetings.

- ii. None of the Non-Executive Directors have any material pecuniary relationship or transactions with the Company.
- iii. None of the Directors on the Board hold directorships in more than ten public companies. Further none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he is a Director. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2017 have been made by the Directors. None of the Directors are related to each other.
- iv. During the year 2016-17, information as mentioned in Schedule II Part A of the SEBI Listing Regulations, has been placed before the Board for its consideration.

- v. All Independent Directors are familiarized with their roles, rights and responsibilities towards the Company and with the industry norms enabling them to understand the Business model as per the varied competitive environment in which the Company operates. Further, to enhance the growth, the consistent efforts are made by the Company to acquaint them with the overall performance of the Company by making provision for co-ordination in each and every segment and department of the Company. The details of the familiarization programme of the Independent Directors are available on the website of the Company www.cmilimited.in.
- vi. **ADDITIONAL INFORMATION IN TERMS SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AS ON 31ST MARCH, 2017.**

Name of the Director	Mr. Amit Jain	Mr. Vijay Kumar Gupta	Mr. Pyare Lal Khanna	Mr. Ramesh Chand	Mrs. Archana Bansal	Mr. Kishor Punamchand Ostwal	Mr. Manoj Bishan Mittal
Designation	Chairman cum Managing Director	Executive Director	Non-Executive Independent Director	Non-Executive Independent Director	Non-Executive Independent Director	Non-Executive Independent Director	Non-Executive Independent Director
Date of Birth	15 th October, 1973	15 th December, 1949	13 th August, 1948	15 th May, 1949	07 th September, 1973	31 st December, 1963	14 th September, 1966
Nationality	Indian	Indian	Indian	Indian	Indian	Indian	Indian
Date of Appointment	1 st October, 2002	15 th Jan, 2009	30 th Sept, 2004	27 th Feb, 2009	1 st May, 2015	29 th July, 2016	29 th July, 2016
Qualification & Experience	He is a graduate and having rich experience in cable manufacturing Industry	He is a mechanical engineer having more than 40 years' experience in Technical and Marketing	Having more than 40 years of grassroot level experience in Metals Industry	He is a graduate having more than 35 years' experience in Finance Sector.	She is a graduate having rich experience in Business.	He is a Chartered Accountant with vast experience in business, economy and financial matters.	He is a Chartered Accountant having vast experience in business, economy and financial matters.
Shareholding in CMI Limited as on 31-03-2017	5,093,877 (34.47%)	8,770 (0.06%)	Nil	1,000 (0.0067%)	Nil	Nil	80,000 (0.54%)
Directorship in other Companies and Memberships of Committees*	1 (Director in CMI Energy India Pvt. Ltd)	3 (Director and Members of Audit Committee and Nomination and Remuneration Committee of CMI Energy India Pvt. Ltd)	3 (Director and Chairman of Audit Committee and Nomination and Remuneration Committee of CMI Energy India Pvt. Ltd)	3 (Director and Members of Audit Committee and Nomination and Remuneration Committee of CMI Energy India Pvt. Ltd)	Nil	4 (Managing Director in CNI Research Limited; Director in CNI Infoxchange Private Limited; Neil Information Technology Limited and Shreenath Finstock Private Limited and Member in Audit Committee of CNI Research Limited).	4 (Being Director in Mittal Capital Finvest Private Limited; Deepjyot Holding and Finance Private Limited; Kemper Properties Holdings Private Limited and in Force Capital Markets Limited).
DIN	00041300	00995523	02237272	02759859	01129623	00460257	00282676

*Excludes the Directorships in Indian Private Limited Companies & Foreign Companies and Alternate Directorship.

* Directors of CMI Limited have been duly appointed as Directors as well as Chairman and members of Audit and Nomination and Remuneration Committee of CMI Energy India Private Limited, wholly owned subsidiary of CMI Limited, Listed Public Company.

vii. MEETINGS OF INDEPENDENT DIRECTORS

In terms of Schedule IV of the Companies Act, 2013 and as per Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements), 2015 the Independent Directors have to meet at least once in a year, without the presence of Executive Directors or Management representatives.

As per the aforesaid provision, the Independent Directors met once during the Financial Year on 31st March, 2017, to consider and discuss interalia, the following activities to be undertaken by them:

- the performance of non-Independent Directors and the Board as a whole;
- the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- parameters for evaluation of Independent Directors; and
- the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

RETIREMENT OF DIRECTOR BY ROTATION, RE-APPOINTMENT AND NEW APPOINTMENT OF DIRECTOR

Brief resume of Directors being reappointed, nature of their expertise in specific functional areas and names of companies in which they hold directorship and membership of the committees of the Board are furnished hereunder:

1. Mr. Vijay Kumar Gupta, retires by rotation at the 50th Annual General Meeting of the Company and being eligible offers himself for re-appointment.

- Mr. V. K. Gupta, Whole-Time Director, a Mechanical Engineer (B.E.) from Delhi College of Engineering, Delhi, having more than 40 years experience in the field of Cable is a just a One Stop Solution Man for Cable. He has attained this Stature by virtue of knowledge in the area of Design/Production/Marketing of Cables covering the vast range of Power/Control/Instrumentation/Communication/PIJF Telecom Cable.
- He was appointed as Director w.e.f. February 29, 2016 in CMI Energy India Private Limited (formerly known as General Cable Energy India Private Limited), wholly owned subsidiary of the Company.

Re-appointment of Mr. Vijay Kumar Gupta as Whole-Time Director of the Company

On recommendation of Nomination and Remuneration Committee, subject to approval of shareholders at the 50th Annual General Meeting ('AGM'), Board of Directors in their Board Meeting held on 22nd February, 2017 has approved the re-appointment of Mr. Vijay Kumar Gupta as Whole-Time Director of the Company with effect from 1st April, 2017 for a tenure of 5 years.

COMMITTEES OF THE BOARD

The Board has constituted Four Committees of the Board - the Audit Committee, the Nomination and Remuneration Committee, Stakeholders' Relationship Committee and Corporate Social Responsibility Committee. The role and composition of these Committees, including the number of the meetings held are as follows:

❖ AUDIT COMMITTEE

The Audit Committee of the Board, inter alia, provides reassurance to the Board on the existence of an effective internal control environment that ensures:

- Efficiency and effectiveness of the operations;
- Safeguarding of the assets;
- Reliability of financial and other management information;
- Compliance with relevant national laws and regulations;

The Audit Committee is empowered, pursuant to these terms of reference, inter alia, to:

- Investigate any activity within its terms of reference and to seek information from any employee;
- Obtain legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise, when considered necessary.

The Audit Committee is entrusted with the responsibility to supervise the Company's financial control and reporting processes and inter alia perform the following functions:

- Overseeing the Company's financial reporting processes and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- Recommending appointment and removal of statutory auditors, fixation of audit fee and approval of payment of fees for any other services.
- Reviewing with the management, the periodical financial statements before submission to the Board, focusing primarily on:
 - Any changes in accounting policies and practices;
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Section 134 of the Companies Act, 2013;
 - Qualifications in the draft audit report, if any;
 - Significant adjustments arising out of audit;
 - Compliance with legal requirements concerning financial statements;
 - Related party transactions;
 - Scrutiny of inter corporate loans and advances;
 - Approval of appointment of CFO or any other person heading Finance function after assessing the qualification, experience and background etc. of the candidate.
- Reviewing with the management, statutory and internal auditors, the adequacy of internal control systems and recommending improvements to the management;
- Reviewing with the Management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purpose other than those stated in the offer document/prospectus, notice and report submitted by the monitoring agency monitoring the utilization of the proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter.

- Reviewing the adequacy of the Internal audit function, including the structure of internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audits;
- Reviewing reports of internal audit and discussion with internal auditors on any significant findings and follow up thereon;
- Reviewing the findings of any internal investigations by the internal auditors and the executive management's response on matters where there is suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with statutory auditors, before the audit commences, on nature and scope of audit as well as after conclusion of audit to ascertain any areas of concern and review the comments contained in their management letter;
- Reviewing the Company's financial and risk management policies;
- Looking into the reasons for substantial defaults, if any, in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- Considering such other matters as may be delegated by Board from time to time.

Composition

The Audit Committee comprises two Non-Executive Independent Directors and one Executive Director and the composition is in compliance with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI LODR Regulations, 2015. The Managing Director, the head of internal audit and the representatives of statutory auditors are Invitees to the Audit committee and the Company Secretary is the Secretary to the committee.

All members of the committee are financially literate and two members have accounting and financial expertise.

The Chairman of the Audit Committee attended the Annual General Meeting (AGM) held on 28th September, 2016 to answer Shareholder's queries.

The names of the members of the Audit Committee, including its chairman is as under

Name	Category	Number of Meetings during the year 2016-17	
		Held	Attended
Mr. Ramesh Chand (Chairman)	Independent, Non-Executive	7	7
Mr. Pyare Lal Khanna (Member)	Independent, Non-Executive	7	7
Mr. Vijay Kumar Gupta (Member)	Executive Director	7	7

Seven Audit Committee Meetings were held during the year 2016-2017. The dates on which the said meetings were held are as follows:

27th May, 2016; 20th July, 2016; 12th August, 2016; 12th November, 2016; 5th December, 2016; 16th January, 2017; 14th February, 2017.

The necessary quorum was present for all the meetings.

❖ NOMINATION AND REMUNERATION COMMITTEE

The Company has Nomination and Remuneration Committee, in line with the requirements of the Companies Act, 2013 and as per Regulation 19 of SEBI LODR, Regulations, 2015, as amended from time to time.

The Nomination and Remuneration Committee of the Board, inter alia, recommends to the Board of Directors, the compensation terms of Executive Director. It also recommends successions and appointments for the membership of the Board and the senior management.

a. Functions

- i. The broad terms of reference of the Remuneration Committee are as under:
 - To approve the annual remuneration plan of the Company regarding Executive Director;
 - To approve the remuneration and commission/incentive payable to the Executive Directors for each financial year;
 - To approve the remuneration and annual performance bonus payable to the Executive Director of the Company for each financial year;
 - Such other matters as the Board may from time to time request the Remuneration Committee to examine and recommend/approve;
 - Identify persons who are qualified to become Directors and who may be appointed in senior management; (Functional Heads are covered in Senior Management)
 - Formulate the criteria for determining qualifications, positive attributes and independence of a Director and the Board;
 - Recommend to the Board their appointment and removal;
 - Recommend to the Board a policy, relating to the remuneration of the Director, Key Managerial Personnel and other employees;
 - Carry out evaluation of every Director's performance.

b. Composition

The Nomination and Remuneration committee comprises of 3 Non-Executive Independent Directors. The composition of the Nomination and Remuneration Committee and the details of meeting attended by its members are given below:

Name	Category	Number of Meetings during the year 2016-17	
		Held	Attended
Mr. Pyare Lal Khanna (Chairman)	Non-Executive Independent Director	3	3
Mr. Ramesh Chand (Member)	Non-Executive Independent Director	3	3
Mrs. Archana Bansal (Member)	Non-Executive Independent Director	3	3

Three Nomination & Remuneration Committee Meetings were held. The dates on which the said meetings were held are as follows:

20th July, 2016; 5th December, 2016 and 29th March, 2017.

The necessary quorum was present at the meetings.

c. Remuneration Policy

The Company's Nomination and Remuneration Policy is driven by the success and performance of the individual employee and the Company. Through its compensation programme, the Company endeavours to attract, retain, develop and motivate a high performance workforce. The Company follows a compensation mix of fixed pay, benefits and performance based variable pay. Individual performance pay is determined by business performance and the performance of the individuals measured through the annual appraisal process.

The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) and commission (variable component) to the Executive Directors. Annual increments are decided by the Nomination and Remuneration Committee within the salary scale approved by the members and are effective from April 1, each year. The Remuneration Committee decides on the commission payable to the Executive Directors out of the profits for the financial year and within the ceilings prescribed under the Companies Act, 2013, based on the performance of the Company as well as that of the each Executive Director.

The Company firmly believes in attracting and retaining high caliber talent. The remuneration policy, therefore, takes into account the competitive circumstances so as to attract & retain quality talent.

No sitting fee is paid to any Director.

Details of Remuneration of Directors and Key Managerial Personnel (KMP) for the financial year ending March 31, 2017: (Rs. in Lakhs)

Director	Salary and Allowance
Mr. Amit Jain (Chairman cum Managing Director)	39.14
Mr. Vijay Kumar Gupta (Whole-Time Director)	11.40
Mr. Subodh Kumar Barnwal (Company Secretary)	6.96
Mr. Rattan Lal Aggarwal (w.e.f. December 2016) (Chief Financial Officer)	14.87

d. Presently, the Company does not have a scheme for grant of stock options.

e. Non-Executive Directors have not been paid any remuneration.

f. Performance Evaluation Criteria for Independent Directors:

The performance evaluation criteria for Independent Directors are determined by the Nomination and Remuneration Committee. An indicative list of factors that may be evaluated include participation and contribution by a Director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behaviour and judgement.

❖ **STAKEHOLDERS RELATIONSHIP COMMITTEE**

The stakeholders' relationship committee is constituted in line with the provisions of Regulation 20 of SEBI LODR Regulations, 2015 read with section 178 of the Act.

Composition

Presently the Committee comprises of three Directors. Mr. Pyare Lal Khanna, the Chairman of the Committee is a Non-Executive Independent Director. Details of the meeting duly attended by the Chairman and Members of the Stakeholders Relationship Committee, held during the year 2016-2017 are as follows:

Name	Category	Number of Meetings during the year 2016-17	
		Held	Attended
Mr. Pyare Lal Khanna (Chairman)	Non-Executive Independent Director	8	8
Mr. Ramesh Chand (Member)	Non-Executive Independent Director	8	8
Mrs. Vijay Kumar Gupta (Member)	Whole-Time Director	8	8

Eight Stakeholders Relationship Committee Meetings were held during the year 2016-2017. The dates on which the said meetings were held were as follows:

8th April, 2016; 30th April, 2016; 30th June, 2016; 18th July, 2016; 2nd August, 2016; 28th November, 2016; 25th January, 2017 and 9th February, 2017.

The necessary quorum was present at the meetings.

Terms of Reference

The Committee oversees and reviews all matters connected with transfer of shares, split and issue of duplicate share certificates etc. The Committee also looks into redresses of Shareholders'/Investors' complaints/grievances pertaining to share transfers, non-receipt of annual reports, dividend payments and other miscellaneous complaints. The details of transfers/transmissions are placed before the Stakeholders Relationship Committee for confirmation. The Board has delegated the powers of approving transfer etc. of securities to Managing Director of the Company.

There were no pending share transfers or any complaints as on 31st March 2017. For any complaints or query may be made on info@cmilimited.in.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

In compliance with the requirement of Section 135 of the Companies Act, 2013, the Company has constituted 'Corporate Social Responsibility Committee' to look into the Corporate Social Responsibility Policy of the Company. The broad terms of reference of the committee are as follows:

- Formulate and recommend to the Board, a CSR policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Act;
- Recommend the amount of expenditure to be incurred on the activities referred to above;
- Monitor the CSR Policy of the Company from time to time;

Composition

Presently the Committee comprises of 3 Directors. Details of the members of the Committee and the meetings duly attended by them during the financial year 2016-17 are as follows:

Name	Category	Number of Meetings during the year 2016-17	
		Held	Attended
Mr. Ramesh Chand (Chairman)	Non-Executive Independent Director	02	02
Mr. Pyare Lal Khanna (Member)	Non-Executive Independent Director	02	02
Mr. Vijay Kumar Gupta (Member)	Whole-Time Director	02	02

Two Corporate Social Responsibility Committee Meetings were held during the year 2016-2017. The dates on which the said meetings were held were as follows:

29th July, 2016 and 29th March, 2017

GENERAL MEETING

a. Location and time where the last three Annual General Meetings were held and Special Resolution passed thereat:

Details	Date	Time	Venue	Details of Special Resolutions Passed at AGM
47 th AGM for the Financial Year 2013-14	30 th September, 2014			*Increase in remuneration of Managing Director *Re-appointment of Whole-Time Director *Adoption of New Set of Articles of Association of the Company.
48 th AGM for the Financial Year 2014-15	29 th September, 2015	11.30 A.M.	Lajwaab Banquet Hall, Vikas Marg, Delhi - 110092	*Increase in remuneration of Managing Director *Increase in remuneration of Whole-Time Director
49 th AGM for the Financial year 2015-16	28 th September, 2016			*Re-appointment of Mr. Amit Jain as Chairman cum Managing Director and approval for increase in remuneration *Increase in remuneration of Mr. Vijay Kumar Gupta, Whole-Time Director *Inter-corporate Loan, Investment, Guarantee and Security by the Company

b. Extra Ordinary General Meeting:

One Extra Ordinary General Meeting was held on 21st March, 2017 during the year 2016-2017.

c. Postal Ballot:

No Postal Ballot was conducted during the year 2016-17.

DISCLOSURES

- During the financial year under review, the Company has not entered into any transaction of the material nature with its promoters, Directors or the management, their subsidiaries or relatives, etc., that may have potential conflict with the interest of the Company at large.

- b. During the financial year under review, there was no instance of non-compliance by the Company of any formalities of Stock Exchange, SEBI or any Statutory Authority, nor any penalty imposed on the Company from the Stock Exchange, SEBI or any Statutory Authority except that the Company received letter from BSE and NSE directing to file the financial results for the quarter and the year ended March 31, 2017 on or before June 30, 2017 and also stating the penalty to be paid as per SEBI circular CIR/CFD/CMD/12/2015 dated November 30, 2015 and the action to be initiated as per SEBI circular SEBI/HO/CFD/CMD/CIR/P/2016/116 DATED October 26, 2016 in case non-filing of the financial results continues after June 30, 2017. The Company had already filed a letter on 30.05.2017 requesting BSE, NSE and SEBI for grant of time for filing of these financial results due pendency of Company's Application for merger under Section 233 of the Companies Act, 2013 with the Central Government through Regional Director (North).

Post receiving the letter, the Company filed the Standalone and Consolidated financial results for the quarter and the year ended March 31, 2017 on June 29, 2017 on recommendation of Audit Committee and after obtaining approval from Board of Directors and complied with the provisions of Regulation 33 of SEBI (LODR) Regulations, 2015 and the requirements of the letter that stock exchanges. The Company also paid the imposed penalty.

- c. The Company is following the Generally Accepted Accounting Policies of the trade which provides a true and fair view of the business of the Company and there are no statutory audit qualifications in this regard.
- d. The Company has in place, a risk management mechanism to inform the Board members about the risk assessment & minimization procedures, the Board reviews the same from time to time.
- e. All material transactions entered into with related parties as defined under the Act and Regulation 23 of SEBI (LODR) Regulations, 2015 during the financial year were in the ordinary course of business. These have been approved by the Audit Committee. Other than the transactions entered into in the normal course of business, the Company has not entered into any materially significant related party transactions during the period, which could have a potential conflict of interest between the Company and its Promoters, Directors, Management and/or relatives. The Board has approved a policy for related party transactions which has been uploaded on the Company's website.
- f. The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined under Regulation 22 of SEBI (LODR) Regulations, 2015 for Directors and employees to report concerns about unethical behaviour. No person has been denied access to the Chairman of the audit committee. The said policy has been also put up on the website of the Company.
- g. The Company has also adopted Policy on Determination of 'material' subsidiaries which has also been available on the website of the Company.
- h. The Company has duly fulfilled the following discretionary requirements as prescribed in Schedule II Part E of the SEBI (LODR) Regulations, 2015:
- The Auditors' Report on statutory financial statements of the Company is unqualified.
 - The Internal Auditor of the Company makes presentations to the audit committee on their reports.

i. Code of Conduct

The members of the Board and Senior Management personnel have affirmed the compliance with Code applicable to them during the year ended March 31, 2017. The annual report of the Company contains a certificate by the Managing Director in terms of SEBI (LODR) Regulations, 2015 on the compliance declarations received from Independent Directors, Non-Executive Directors and Senior Management.

SUBSIDIARY COMPANIES

As on 31.03.2017, the Company has a wholly owned subsidiary company - CMI Energy India Private Limited. The Audit Committee reviewed the consolidated financial statements of the Company and the investments made by its unlisted subsidiary companies. The minutes of the Board Meeting along with a report on significant developments of the unlisted subsidiary companies are placed before the Board of Directors of the Company.

The Company does not have any material non-listed Indian subsidiary companies as on 31st March, 2017, except CMI Energy India Pvt. Ltd.

The Company has a policy for determining 'material subsidiaries' which is disclosed on its website.

MEANS OF COMMUNICATION

Timely disclosure of consistent, comparable, relevant and reliable information on corporate financial performance is at the core of good governance. Towards this end, the quarterly results of the Company were announced within a 45 days of the end of each quarter for all four quarters.

Quarterly results for the quarters ending on 30th June 2016, 30th September 2016, 31st December 2016 and audited results for the quarter and year ended on 31st March 2017 were published in "Pioneer English" and "Pioneer Hindi". The results are promptly furnished to the Stock Exchange for display on their respective websites.

Quarters	Date of Board Meeting	Date of Press Release
April - June 2016	12th August, 2016	14th August, 2016
July - September 2016	12th November, 2016	13th November, 2016
October - December 2016	14th February, 2017	16th February, 2017
January - March 2017 (Audited)	29th June, 2017	01 st July, 2017

The official press releases of the Company for all the quarters are displayed on the website of the Bombay Stock Exchange Limited and for the 3rd and 4th quarter ended i.e. for December, 31, 2016 and March 31, 2017 (audited) are displayed on the website of National Stock Exchange of India Limited after getting listing and obtaining trading approval on 29.11.2016.

CMI CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading ('CMI Code') in the shares and securities of the Company. The CMI Code, inter alia, prohibits purchase/sale of shares of the Company by its management and staff while in possession of unpublished price sensitive information in relation to the Company. The Code lays down guidelines advising them on procedures to be followed and disclosures to be made while dealing with shares of CMI Limited, and cautioning them of the consequence of violations. The Company Secretary has been appointed as Compliance Officer.

COMPLIANCE OFFICER

Mr. Subodh Kumar Barnwal, Company Secretary of the Company is the Compliance Officer of the Company as required under the SEBI (LODR) Regulations, 2015. *Contact details 011-49570000 & e-mail ID cmics@cmilimited.in*

GENERAL SHAREHOLDER INFORMATION

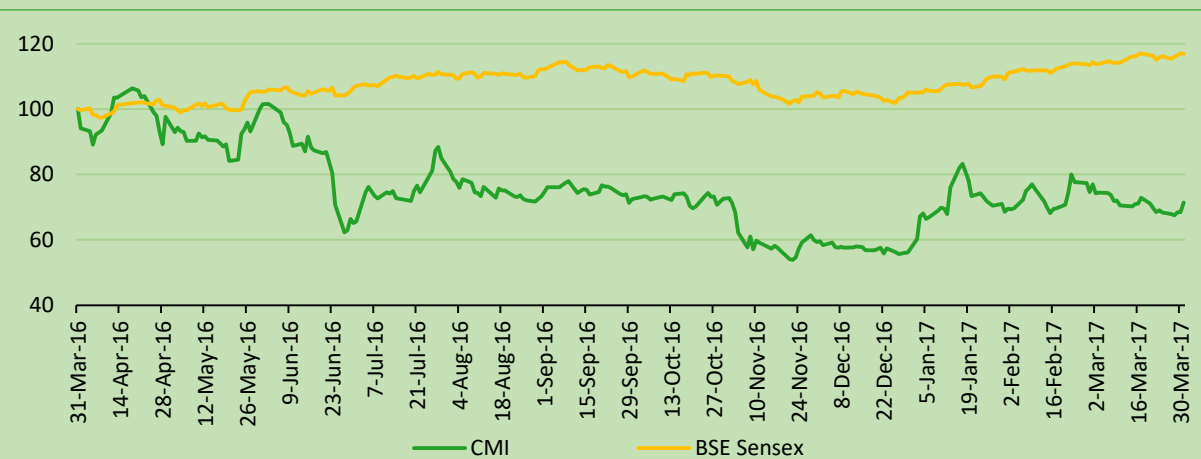
1.	Annual General Meeting:	
	▪ Day and Date	29th December, 2017
	▪ Time	11:30 am
	▪ Venue	Lajwaab Banquet Hall, Vikas Marg, Delhi - 110092.
2.	Financial Calendar for 2016-17:	
	▪ Accounting Period	April 1, 2016 to March 31, 2017
	▪ Un-audited financial results for the year ended March 31, 2017 are as follows:	
	▪ First quarter	12.08.2016
	▪ Second quarter	12.11.2016
	▪ Third quarter	14.02.2017
	▪ Fourth quarter and annual	29.06.2017
	Financial Calendar for 2017-18:	
	▪ Accounting Period	April 1, 2017 to March 31, 2018
	▪ Un-audited financial results for the first three quarters	Announcement within 75/45 (as the case may be) days from the end of each quarter
	▪ Fourth quarter Results	Announcement of Audited Accounts on or before May 30, 2018
	▪ Annual General Meeting (Next Year)	September, 2018 (Tentative)
3.	Date of Book Closure	Saturday, 23 rd December, 2017 to Friday, 29 th December, 2017
4.	Dividend payment date	The dividend, if declared at the Annual General Meeting will be paid within 30 days from the date of declaration, to all beneficial owners in respect of shares held in dematerialized form as per the data made available by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as of the close of business hours on 22 nd December, 2017 and to all members in respect of shares held in physical form after giving effects to valid transfers in respect of transfer requests lodged with the Company on or before the close of the business hours on 22 nd December, 2017.
5.	Listing on Stock Exchanges:	Address
	▪ Bombay Stock Exchange Limited	25th Floor, P J Towers, Dalal Street, Fort, Mumbai - 400 001
	▪ BSE Stock Code	517330
	▪ National Stock Exchange of India Limited	Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400051
	▪ Symbol	CMICABLES
<i>Note: During the year, the listing fees for the year 2016-2017 has been paid to Bombay Stock Exchange Limited & National Stock Exchange of India Limited</i>		
6.	Registrars and Transfer Agent	Beetal Financial & Computer Services (P) Ltd. Beetal House, 99 Madangir Behind Local Shopping Centre Near Dada Harsukhdas Mandir New Delhi - 110062. Telephone No.: 29961281 Facsimile No.: 29961284

MONTHLY HIGH AND LOW OF THE SHARES TRADED ON BSE

The monthly high and low prices of every month during the financial year 2016-17 are given below:

Month	BOMBAY STOCK EXCHANGE LIMITED		
	High (Rs.)	Low (Rs.)	Volume (in Numbers)
April 2016	269.00	205.00	622,461
May 2016	256.00	197.00	404,115
June 2016	260.00	146.00	809,809
July 2016	224.00	156.20	775,680
August 2016	209.80	171.00	236,113
September 2016	197.80	168.00	311,761
October 2016	187.00	166.00	681,299
November 2016	179.00	118.10	1,536,891
December 2016	150.80	132.00	426,774
January 2017	210.95	132.00	1,218,362
February 2017	199.10	158.00	618,661
March 2017	190.00	161.10	1,728,908

Performance of Share Price of the Company in comparison to the BSE Sensex



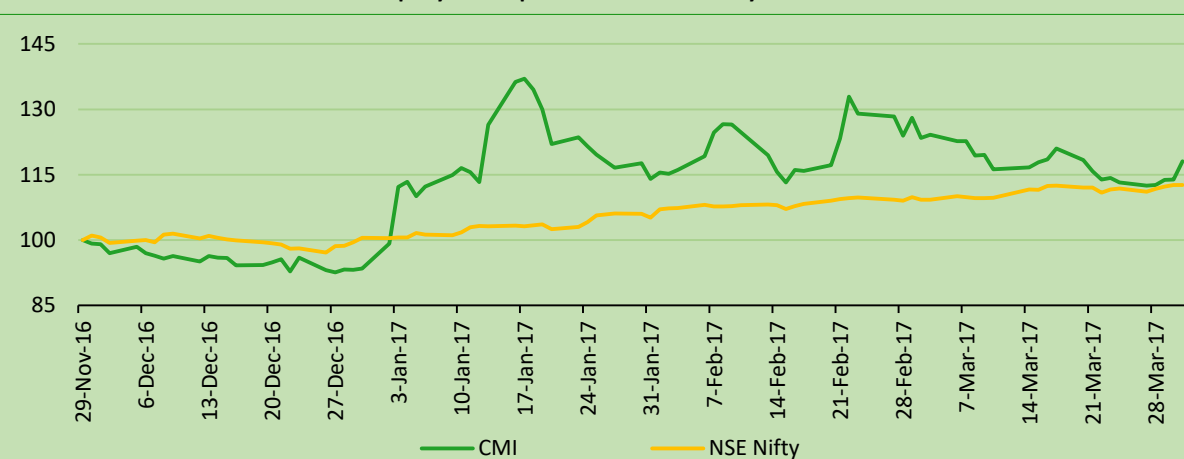
Note: The Chart has share price and indices indexed to 100 as on the first working day of 2016-17

MONTHLY HIGH AND LOW OF THE SHARES TRADED ON NSE

The monthly high and low prices of every month during the financial year 2016-17 are given below:

Month	NATIONAL STOCK EXCHANGE OF INDIA LIMITED		
	High (Rs.)	Low (Rs.)	Volume (in Numbers)
November 2016	154.00	140.10	117,842
December 2016	151.00	131.20	344,837
January 2017	205.90	132.10	2,212,041
February 2017	198.75	158.90	1,624,834
March 2017	190.00	159.00	3,243,379

Performance of Share Price of the Company in comparison to the NSE Nifty



Note: The Chart has share price and indices indexed to 100 as on the first working day of 2016-17

SHARE TRANSFER SYSTEM

A Committee of Directors has been constituted to approve the transfer, transmission, issue of duplicate share certificates and allied matters. The Company's Share Transfer Agent, Beetal Financials & Computer Services Private Limited, has adequate infrastructure to process the above matters.

A predetermined process cycle at regular interval ensures transfer of shares (in physical form) within the stipulated time limit. In compliance with the requirement of SEBI (LODR) Regulations, 2015 periodic certificates issued by a Practicing Company Secretary are filed with the Stock Exchanges.

Shares in electronic form & Physical form as on 31.03.2017:

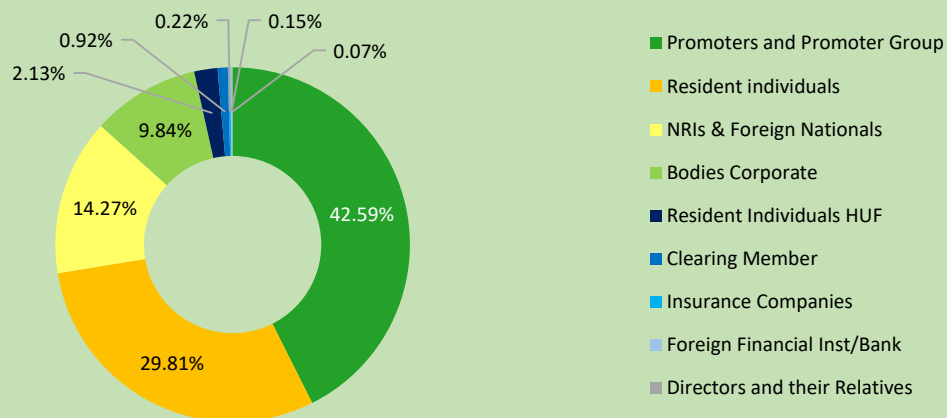
Sr. No.	Particulars	No. of Shares	% of Total Issued Capital
1	Held in dematerialized form in CDSL	2,558,704	17.32
2	Held in dematerialized form in NSDL	11,830,527	80.05
3	Physical	388,226	2.63
Total No. of shares (1+2+3)		14,777,457	100.00

DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2017:

Share Holding of Nominal Value (In Rupees)	No. of Share Holders		No. of Equity Shares	
	Total	% to Shareholders	Total Share	% to Capital
Upto - 5,000	6,623	81.73	1,021,190	6.91
5,001 - 10,000	718	8.87	545,670	3.70
10,001 - 20,000	327	4.04	483,634	3.27
20,001 - 30,000	130	1.60	324,080	2.19
30,001 - 40,000	60	0.74	213,080	1.44
40,001 - 50,000	49	0.60	231,912	1.57
50,001 - 100,000	99	1.22	701,285	4.74
100,001 and above	97	1.20	11,256,606	76.18
TOTAL	8,103	100.00	14,777,457	100.00

CATEGORIES OF SHAREHOLDERS AS ON 31ST MARCH, 2017:

Sr. No.	Category	No. of Shares held	% to Share holding
1	Promoters and Promoter Group	6,293,877	42.59
2	Directors and their Relatives	9,770	0.07
3	Foreign Financial Inst/Bank	21,585	0.15
4	NRIs & Foreign Nationals	2,109,455	14.27
5	Resident individuals	4,405,138	29.81
6	Bodies Corporate	1,454,558	9.84
7	Clearing Member	136,425	0.92
8	Resident Individuals HUF	314,649	2.13
9	Insurance Companies	32,000	0.22
TOTAL		14,777,457	100

Shareholding Pattern

DEMATERIALISATION OF SHARES AND LIQUIDITY

The shares of the Company are required to be compulsorily traded in dematerialized form and are available for trading under both the Depository Systems in India - National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The International Securities Identification Number (ISIN) allotted to the Company's Equity Shares under the Depository System is INE981B01011.

As on 31st March, 2017, 97.37% of the total paid up share capital aggregating to 14,389,231 equity shares out of total 14,777,457 Equity Shares are held in Demat form and 2.63% i.e. 388,226 equity shares of the total paid up capital aggregating to 14,777,457 Equity Shares are held in Physical form. All de-mat request received during the year were processed and completed within 15 days from the date of receipt.

PLANT LOCATIONS

The Company's plant is located at Plot No. 71 & 82, Sector - 06, Faridabad, Haryana - 121006.

Plant of CMI Energy India Private Limited (formerly known as General Cable Energy India Private Limited), wholly owned subsidiary of the Company is located at Village Bhatauli Khurd, Baddi, Solan - 173205, Himachal Pradesh.

ADDRESS FOR CORRESPONDENCE

Beetal Financial & Computer Services (P) Ltd.

Beetal House, 99 Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi - 110062

Telephone No: 29961281 - 83

Facsimile No: 29961284

E-mail: beetal@beetalfinancial.com

Shareholders holding shares in the electronic form should address their correspondence, except those relating to dividend, to their respective Depository Participants.

DEPOSITORY SERVICES

Shareholders may write to our RTA or to their respective Depositories for guidance on depository services.

ADDRESS FOR CORRESPONDENCE WITH DEPOSITORY

National Securities Depository Limited

Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013

Telephone: 022 - 24994200

Facsimile: 022 - 24972993/24976351

E-mail: info@nsdl.co.in Website: www.nsdl.co.in

Central Depository Services (India) Limited

Phiroze Jeejeebhoy Towers, 17th Floor, Dalal Street, Mumbai - 400 001

Telephone: 022 - 22723333

Facsimile: 022 - 22723199/222722072

E-mail: investors@cdslindia.com Website: www.cdslindia.com

CODE OF CONDUCT

The Company's Code of Conduct, as adopted by the Board of Directors, is applicable to all Directors, Senior Management and Employees of the Company. The Code of Conduct of the Company covers substantial development, disclosure of material information, integrity of financial reporting, continuous improvement of the internal control system and sound investor relations.

The Code has been circulated to all the members of the Board and senior management personnel and the compliance with the Code of Conduct and Ethics is affirmed by them annually.

A declaration signed by the Chairman cum Managing Director of the Company is given below:

This is to certify that, to the best of my knowledge and belief, for the financial year ended on 31st March, 2017, that the Company has adopted a Code of Conduct for its employees including the Managing Director and Executive Directors. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors. These Codes are available on the Company's website.

I confirm that the Company has in respect of the year ended March 31, 2017, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

Place: New Delhi

Date: 22.11.2017

Amit Jain
Chairman cum Managing Director
(DIN: 00041300)

COMPLIANCE CERTIFICATE OF CORPORATE GOVERNANCE

To the Members of CMI Limited

We have examined the compliance of conditions of Corporate Governance by CMI Limited, for the year ended on 31st March 2017 as stipulated in Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In our opinion and to the best of our information and according to our examination of relevant records and the explanations given to us, and representations made by the Directors and Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI (LODR) Regulations, 2015.

We further state that such compliance is neither an assurance as to future viability of the Company nor efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Pooja Anand & Associates

Company Secretaries

Mukul Tyagi

Company Secretary

M. No. 33949 CP No.: 16631

Place: New Delhi

Date: 22.11.2017

COMPLIANCE CERTIFICATE

To the Members of CMI Limited

- A. We have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief:
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of my knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee:
1. significant changes in internal control over financial reporting during the year;
 2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 3. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

Place: New Delhi

Date: 22.11.2017

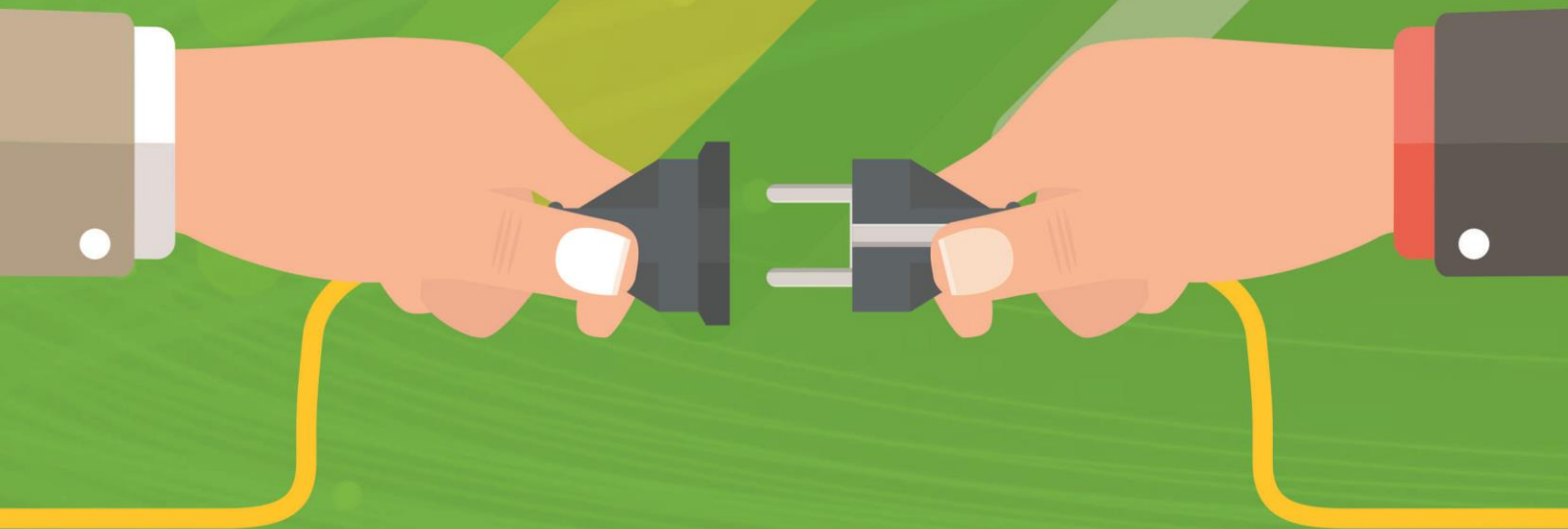
Amit Jain

(Chairman cum Managing Director)

Rattan Lal Aggarwal

(Chief Financial Officer)

STANDALONE FINANCIAL STATEMENTS & NOTES



Independent Auditor's Report

To the Members of CMI Limited

Report on the Financial Statements

We have audited the accompanying financial statements of CMI Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. 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 Companies Act, 2013, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. 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 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. On the basis of the written representations received from the Directors as on 31st March, 2017 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2017 from being appointed as a Director in terms of Section 164 (2) of the Act.
 - 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'.
 - 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 financial statements - Refer Note 26 (B)(1) to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the Company.

For J. K. Manocha & Associates

Chartered Accountants
FRN: 007345N

CA. J. K. Manocha

Partner

Membership No. 082442
Place: New Delhi
Date: 29 - June - 2017

For Krishna Neeraj & Associates

Chartered Accountants
FRN: 023233N

CA. Krishna Kumar Neeraj

Partner

Membership No. 506669

Annexure 'A'

The Annexure referred to in paragraph 1 of Our Report on "Other Legal and Regulatory Requirements".

We report that:

- i. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- b. As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
- c. The title deeds of immovable properties are held in the name of the Company.
- ii. As explained to us, inventories have been physically verified during the year by the management at reasonable intervals. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
- iii. The Company has not granted loans to any body corporate covered in the register maintained under section 189 of the Companies Act, during the year.
- iv. In respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- v. The Company has not accepted any deposits from the public covered under sections 73 to 76 of the Companies Act, 2013.
- vi. We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the rules made by the Central Government of India, the maintenance of cost records has been prescribed under sub-section (1) of Section 148 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. a. According to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Custom Duty, Excise Duty, value added tax, cess and any other statutory dues to the extent applicable, have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2017 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 is no amount payable in respect of income tax, service tax, sales tax, customs duty, excise duty, value added tax and cess whichever applicable, which have not been deposited on account of any disputes except the followings:

Financial Year	Law	Amounts (Rs. In Lakhs)
Prior Years	TDS	0.65

- viii. In our opinion and according to the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank, Government or debenture holders, as applicable to the Company.
- ix. Based on our audit procedures and according to the information given by the management, the money raised by way of initial public offer or further public offer (including debt instruments) and term loans have been applied for the purpose for which they were obtained.
- x. According to the information and explanations given to us, we report that no fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year.

- xi. According to the information and explanations given to us, we report that managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- xii. The Company is not a Nidhi Company. Therefore clause xii) of the order is not applicable to the Company.
- xiii. According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.
- xiv. The Company has made preferential allotment of shares during the year under review and the requirement of section 42 of the Companies Act, 2013 have been complied with and the amount raised have been used for the purposes for which the funds were raised.
- xv. In our opinion and according to information and explanations given to us, the Company has not entered into non-cash transactions with Directors or persons connected with him.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For J. K. Manocha & Associates

Chartered Accountants
FRN: 007345N

CA. J. K. Manocha**Partner**

Membership No. 082442
Place: New Delhi
Date: 29 - June - 2017

For Krishna Neeraj & Associates

Chartered Accountants
FRN: 023233N

CA. Krishna Kumar Neeraj**Partner**

Membership No. 506669

Annexure 'B'

Report on Internal Financial Controls Over Financial Reporting

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 CMI Limited ("the Company") as of March 31, 2017 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. 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.

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 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 judgement, 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. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

2. provide 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. provide 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.

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 March 31, 2017, 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 J. K. Manocha & Associates

Chartered Accountants

FRN: 007345N

CA. J. K. Manocha

Partner

Membership No. 082442

Place: New Delhi

Date: 29 - June - 2017

For Krishna Neeraj & Associates

Chartered Accountants

FRN: 023233N

CA. Krishna Kumar Neeraj

Partner

Membership No. 506669

Standalone Balance Sheet

As at 31st March 2017

Description	Note	Amount in Rs.		Amount in Rs.	
		As at 31st March 2017		As at 31st March 2016	
I EQUITY AND LIABILITIES					
1 Shareholders' Funds					
a. Share Capital	1	147,807,070		140,807,070	
b. Reserves and Surplus	2	833,818,031		637,198,241	
c. Money Received against Share Warrants		-	981,625,101	11,200,000	789,205,311
2 Share Application Money Pending Allotment			-		-
3 Non-Current Liabilities					
a. Long-term Borrowings	3	88,270,110		540,832,423	
b. Deferred Tax Liability (Net)	4	2,679,700		-	
c. Other Long-term Liability	5	12,320,000		84,940,440	
d. Long-term Provisions		-	103,269,810	-	625,772,863
4 Current Liabilities					
a. Short-term Borrowings	6	590,708,762		326,220,770	
b. Trade Payables	7	695,546,134		349,722,699	
c. Other Current Liabilities	8	183,816,837		71,765,580	
d. Short-term Provisions	9	109,907,784	1,579,979,517	89,395,967	837,105,016
TOTAL		2,664,874,428		2,252,083,190	
II ASSETS					
1 Non-Current Assets					
a. Fixed Assets					
i. Tangible Assets	10	166,741,599		162,594,055	
ii. Intangible Assets	10	3,373,414		5,105,044	
iii. Capital work-in-progress		23,517,791		22,087,396	
iv. Intangible Assets under Development		-	193,632,804	-	189,786,495
b. Non-Current Investments	11		4,883,030		4,883,030
c. Deferred Tax Assets (Net)	4		-		19,661,000
d. Long-Term Loans and Advances	12		495,544,610		977,110,252
e. Other Non Current Assets			-		-
2 Current Assets					
a. Current Investments			-		-
b. Inventories	13	658,685,794		451,310,312	
c. Trade Receivables	14	936,564,213		495,261,848	
d. Cash and Bank Balances	15	78,505,051		49,826,507	
e. Short-term Loans & Advances	16	295,370,732		61,774,598	
f. Other Current Assets	17	1,688,194	1,970,813,984	2,469,149	1,060,642,413
TOTAL		2,664,874,428		2,252,083,190	
Significant Accounting Policies and Notes on Financial Statements	1 to 26				

As per our report of even date attached

For J. K. Manocha & Associates

Chartered Accountants

FRN: 007345N

CA. J. K. Manocha

Partner

Membership No. 082442

Place: New Delhi

Date: 29 - June - 2017

For Krishna Neeraj & Associates

Chartered Accountants

FRN: 023233N

CA. Krishna Kumar Neeraj

Partner

Membership No. 506669

For and on behalf of the Board of Directors

Amit Jain

Chairman cum Managing Director

DIN: 00041300

Subodh Kumar Barnwal

Company Secretary

M. No.: 21928

Ramesh Chand

Director

DIN: 02759859

Rattan Lal Aggarwal

C.F.O.

Standalone Statement of Profit & Loss Account

For the year ended on 31st March 2017

Description	Note	Amount in Rs.		Amount in Rs.	
		For the Year Ended on March 31, 2017		For the Year Ended on March 31, 2016	
Incomes:					
I. Revenue from Operations					
Sale of Products	18	3,438,016,346		2,699,094,361	
Less: Excise Duty		365,696,684	3,072,319,662	296,873,904	2,402,220,457
II. Other Income	19		22,326,695		14,833,655
III. Total Revenue			3,094,646,357		2,417,054,112
IV. Expenses:					
a. Cost of Raw Materials Consumed	20	2,452,549,609		1,964,760,019	
b. Purchase of Stock-in-Trade		105,999,241		2,424,214	
c. Change in Inventories of finished goods, work-in-progress and Stock-in-Trade	21	(124,561,781)		(54,759,058)	
d. Employee Benefits Expenses	22	42,312,924		30,712,352	
e. Finance Costs	23	131,296,613		84,286,064	
f. Depreciation and amortization Expenses	10	13,387,772		12,790,478	
g. Other Expenses	24	164,962,161		132,213,434	
Total Expenses		2,785,946,539		2,172,427,502	
V. Profit before exceptional and extra ordinary items and tax		308,699,818		244,626,609	
VI. Exceptional Items	25	72,706		558,678	
VII. Profit before extra ordinary items and tax		308,772,524		245,185,287	
VIII. Extra Ordinary Items		-		-	
IX. Profit before Tax		308,772,524		245,185,287	
X. Tax Expense:					
1 Current Tax		(103,095,000)		(86,200,000)	
2 Excess/(short) provision for taxes of earlier years		-		-	
3 Deferred Tax		(4,843,600)		10,974,700	
XI. Profit for the year		200,833,924		169,959,987	
XII. Earning per Share					
1 Basic		13.83		13.39	
2 Diluted		13.77		13.10	
Significant Accounting Policies and Notes on Financial Statements	1 to 26				

As per our report of even date attached

For J. K. Manocha & Associates

Chartered Accountants

FRN: 007345N

CA. J. K. Manocha

Partner

Membership No. 082442

Place: New Delhi

Date: 29 - June - 2017

For Krishna Neeraj & Associates

Chartered Accountants

FRN: 023233N

CA. Krishna Kumar Neeraj

Partner

Membership No. 506669

For and on behalf of the Board of Directors

Amit Jain

Chairman cum Managing Director

DIN: 00041300

Subodh Kumar Barnwal

Company Secretary

M. No.: 21928

Ramesh Chand

Director

DIN: 02759859

Rattan Lal Aggarwal

C.F.O.

Standalone Cash Flow Statement

For the year ended 31st March 2017

		Amount in Rs.	Amount in Rs.
		For the Year Ended on March 31, 2017	For the Year Ended on March 31, 2016
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit after Depreciation and Tax	200,833,924	169,959,987
Add:	Depreciation	13,387,772	12,790,478
	Interest & Bank Commission paid	131,296,613	84,286,064
	Previous Year Adjustments	-	-
Less:	Interest Receipt	16,599,400	2,776,664
	Profit/(Loss) on sale of Assets (Net)	72,706	558,678
	Operating Profit before extraordinary items and Working Capital Change:	328,846,203	263,701,187
	<u>Adjustments for (increase)/decrease in operating assets:</u>		
	- Trade Receivables	(441,302,365)	(276,360,633)
	- Inventories	(207,375,482)	(103,507,706)
	- Short Term Loans and Advances & Other Current Assets	(232,815,179)	36,265,910
	<u>Adjustments for increase/(decrease) in operating liabilities:</u>		
	- Trade Payables	345,823,435	183,155,434
	- Other Current Liabilities & Short Term Provisions	132,563,074	78,997,031
	Cash Generated from Operations	(74,260,315)	182,251,223
Add:	Extra ordinary items		
	Previous Year Adjustments	-	-
	Net Cash used in Operating Activities	(74,260,315)	182,251,223
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Assets	(17,636,122)	(120,866,407)
	Sale of Assets	1,520,716	62,956,643
	Profit/(Loss) on sale of Assets (Net)	72,706	558,678
	Depreciation Written Back	(1,118,675)	(62,436,396)
	Purchase of Investments in Subsidiaries	-	(4,878,374)
	Long-Term Loans and Advances	481,565,642	(963,805,186)
	Deferred Tax Assets (Net)	19,661,000	(10,974,700)
	Interest Received	16,599,400	2,776,664
		500,664,667	(1,096,669,078)

Standalone Cash Flow Statement

For the year ended 31st March 2017

		Amount in Rs.	Amount in Rs.
		For the Year Ended on March 31, 2017	For the Year Ended on March 31, 2016
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Long Term Borrowings/Repayments/FDR	(522,503,053)	597,376,313
	Increase/(Decrease) in Share Application Money	-	-
	Increase/(Decrease) in Share Capital	7,000,000	26,256,500
	Increase/(Decrease) in Share Warrant	(11,200,000)	-
	Increase/(Decrease) in Share Premium	37,800,000	238,934,150
	Interim Dividend paid (Including Dividend Distribution Tax)	(17,785,793)	(16,100,783)
	Increase/(Decrease) in Short Term Borrowings	264,487,992	171,536,193
	Interest & Bank Commission Paid	(131,296,613)	(84,286,064)
	Net Cash from Financing Activities	(373,497,467)	933,716,309
	NET INCREASE IN CASH & CASH EQUIVALENTS	52,906,885	19,298,454
	(A + B + C)		
	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	49,826,507	30,528,053
	CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	102,733,392	49,826,507

Notes: (1) Above Cash Flow Statement has been prepared under the indirect method set out in the Accounting Standard-3 (Revised) specified in the Companies "Accounting Standard" Rules, 2006.
(2) Previous year figures have been regrouped wherever necessary.

Auditors' Report:

We have examined the Cash Flow Statement of CMI Limited for the period ended 31st March, 2017. The Statement prepared by the Company in accordance with the Regulation 34(c) and Regulation 53(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is based on and in agreement with the corresponding Statement of Profit & Loss and Balance Sheet covered by our report to the members of the Company in terms of our attached report of even date.

As per our report of even date attached		For and on behalf of the Board of Directors	
For J. K. Manocha & Associates	For Krishna Neeraj & Associates		
Chartered Accountants	Chartered Accountants	Amit Jain	Ramesh Chand
FRN: 007345N	FRN: 023233N	Chairman cum Managing Director	Director
		DIN: 00041300	DIN: 02759859
CA. J. K. Manocha	CA. Krishna Kumar Neeraj		
Partner	Partner	Subodh Kumar Barnwal	Rattan Lal Aggarwal
Membership No. 082442	Membership No. 506669	Company Secretary	C.F.O.
Place: New Delhi		M. No.: 21928	
Date: 29 - June - 2017			

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2017

Description	Amount in Rs.	Amount in Rs.
	As at 31st March 2017	As at 31st March 2016
NOTE 1		
Share Capital		
Authorized Capital		
25,000,000 Equity Shares of Rs.10/- each.	250,000,000	250,000,000
	250,000,000	250,000,000
Issued, Subscribed and Paid-up Capital		
14,777,457 (Previous year 14,077,457) Equity Shares of Rs.10 each, fully paid up.	147,774,570	140,774,570
Add: Forfeited Shares - Amount Originally Paid up	32,500	32,500
	147,807,070	140,807,070

NOTE 1.1

The details of Shareholders holding more than 5% shares:

Name of the Shareholder	No. of Shares - % Held	No. of Shares - % Held
Amit Jain	5,093,877 - 34.47	5,093,877 - 36.18
GMO Emerging Domestic Opportunities Fund	1,178,365 - 7.97	1,178,365 - 8.37

NOTE 1.2

The reconciliation of the number of shares outstanding is set out below:

Particulars	No. of Shares	No. of Shares
Equity Shares at the beginning of the year	14,077,457	14,077,457
Add: Shares issued on exercise of preferential allotment during the year	700,000	-
Equity Shares at the end of the year	14,777,457	14,077,457

NOTE 1.3

Terms & rights attached to Equity shares

The Company has issued only one class of shares, i.e. equity shares of face value of Rs.10/- each. All Equity Shareholders are entitled to one vote per share.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in the proportion to their shareholdings.

NOTE 1.4

- The Company has not issued any bonus shares in the last five years.
- The Company has not bought back any share in the last five years.
- The Company has not issued share other than cash in the last five years.

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2017

Description	Amount in Rs.		Amount in Rs.	
	As at 31st March 2017		As at 31st March 2016	
NOTE - 2				
<u>Reserves and Surplus</u>				
Capital Redemption Reserve:				
As per last Balance Sheet	8,000,000		8,000,000	
Share Premium:				
As per last Balance Sheet	349,305,049		110,370,899	
Add: Received on shares issued during the year	37,800,000	387,105,049	238,934,150	349,305,049
Surplus in Statement of Profit and Loss:				
As per last Balance Sheet	279,893,192		126,033,988	
Add: Transferred from Statement of Profit & Loss	200,833,924		169,959,987	
Less: Income/Deferred Tax relating to earlier years	(24,228,341)		-	
Less: Interim Dividend	-		(13,377,457)	
Less: Proposed Dividend	(14,777,457)		-	
Less: Dividend Distribution Tax	(3,008,336)	438,712,982	(2,723,326)	279,893,192
	833,818,031		637,198,241	

NOTE - 3				
Long Term Borrowings				
a. Secured Loans				
From Banks				
Term Loan from HDFC Bank Ltd. against hypothecation of two Cars repayable in 60 EMI of Rs.1,13,075/- starting from 07th April 2013 and for 36 months of EMI Rs.52,900/- starting from 05th December 2015.		407,986		2,142,640
Term Loan from ICICI Bank Ltd. against hypothecation of six Cars repayable in 36 EMI of (i) Rs.45,240/- starting from 01st July 2015, (ii) Rs.63,889/- starting from 1st July 2015, (iii) Rs.33,530/- starting from 01st February 2016, (iv) Rs.28,948/- starting from 1st February 2016, (v) Rs.21,558/- starting from 1st February 2016 and (vi) Rs.30,336 starting from 1st February 2016.		2,732,683		5,012,017
Term Loans from Syndicate Bank against hypothecation of two Cars repayable in 84 EMI of (i) Rs.16,385/- starting from 31st March 2017 and (ii) Rs.14,747/- starting from 31st March 2017.		1,690,826		-
Term Loans from Kotak Mahindra Bank Ltd. against hypothecation of industrial property of the Company repayable in 120 months, EMI for Rs.7,34,443/- starting from 10th October 2015.		42,464,753		60,577,228
Term Loan from Religare Finvest Ltd. secured by hypothecation of all fixed assets of the subsidiary company and pledge of equity shares of subsidiary company, repayable in 120 months start from 1st May 2016.		-		472,725,000
Term Loans from Edelweiss Retail Finance Ltd. against the hypothecation of commercial property of the Company repayable in 122 EMI for Rs.6,09,098/- starting from 5th December 2016.		37,227,958		-
		84,524,206		540,456,886
b. Unsecured Loans				
From Banks and Financial Institutions		3,745,904		375,537
		3,745,904		375,537
		88,270,110		540,832,423

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2017

Description	Amount in Rs.	
	As at 31st March 2017	As at 31st March 2016
NOTE - 4		
<u>Deferred Tax Liabilities/(Assets) (Net)</u>		
Refer to Note 26(b)(14)		
Opening Balance	(19,661,000)	(8,686,300)
Add/(Less): Debited/(Reversed) during the year	22,340,700	(10,974,700)
	2,679,700	(19,661,000)
NOTE - 5		
<u>Other Long Term Borrowings</u>		
<u>Unsecured Loans</u>		
From Directors	12,320,000	84,940,440
	12,320,000	84,940,440
NOTE - 6		
<u>Short Term Borrowings</u>		
<u>Loan Repayable on Demand</u>		
Secured:		
From Banks:		
Working Capital Limit from Syndicate Bank - Secured by creating charge on Inventories, Book Debts and Factory Land and Building.	590,708,762	326,220,770
	590,708,762	326,220,770
NOTE - 7		
<u>Trade Payables</u>		
Micro, Small and Medium Enterprises	-	67,167
Acceptances	488,967,330	335,268,652
Others	206,578,804	14,386,881
	695,546,134	349,722,699
NOTE - 8		
<u>Other Current Liabilities</u>		
Current Maturities of Long Term Debts	14,374,545	32,331,493
Unclaimed Dividend	272,347	289,347
Proposed Dividend	14,777,457	-
Advance from Customers	11,051,003	2,005,263
Statutory Liabilities	96,080,802	6,284,278
Interest accrued but not due on borrowings	843,253	7,332,615
Other Payables	46,417,430	23,522,585
	183,816,837	71,765,580
NOTE - 8.1		
Details of Other Payable:		
Expenses Payable	22,132,932	16,016,617
Creditors for Capital Goods	5,326,641	4,752,787
Creditors for Job Work	17,069,348	1,275,681
Creditors for Stores	1,482,149	1,133,522
Creditors for Transportation	406,360	343,978
	46,417,430	23,522,585
NOTE - 9		
<u>Short Term Provisions</u>		
Provision for Income Tax (net)	109,907,784	89,395,967
	109,907,784	89,395,967

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2017

NOTE - 10

GROUP OF ASSETS	TANGIBLE ASSETS					INTANGIBLE ASSETS				
	GROSS BLOCK			DEPRECIATION BLOCK		GROSS BLOCK			DEPRECIATION BLOCK	
	Value at 1.04.2016	Addition During Year	Sold during the year	Value at 31.03.2017	Upto 01.04.2016	For The Year	Written Back during the year	As At 31.03.2017	As At 31.03.2017	As At 31.03.2016
Land - Freehold	56,799,930	-	-	56,799,930	-	-	-	-	56,799,930	56,799,930
Factory Buildings	21,537,756	1,383,543	-	22,921,299	4,476,929	671,924	-	5,148,853	17,772,446	17,060,827
Office Building	25,145,100	-	-	25,145,100	75,582	50,434	-	126,016	25,019,084	25,069,518
Plant & Equipment	110,624,731	6,609,112	200,000	117,033,843	74,766,573	4,049,189	23,892	78,791,870	38,241,972	35,858,157
Furniture & Fixture	4,555,483	72,593	-	4,628,076	2,735,964	373,766	-	3,109,730	1,518,346	1,819,519
Office Equipments	12,347,771	970,190	-	13,317,961	7,865,325	2,191,887	-	10,057,212	3,260,749	4,482,446
Vehicles	34,871,914	7,170,289	1,320,716	40,721,487	13,368,257	4,318,942	1,094,783	16,592,416	24,129,071	21,503,657
Total	265,882,685	16,205,727	1,520,716	280,567,696	103,288,630	11,656,142	1,118,675	113,826,097	166,741,599	162,594,055
Previous Year	230,286,834	98,552,493	62,956,643	265,882,685	154,632,118	11,092,908	62,436,396	103,288,630	162,594,055	75,654,717
GROUP OF ASSETS	TANGIBLE ASSETS					INTANGIBLE ASSETS				
	GROSS BLOCK			DEPRECIATION BLOCK		GROSS BLOCK			DEPRECIATION BLOCK	
	Value at 1.04.2016	Addition During Year	Sold during the year	Value at 31.03.2017	Upto 01.04.2016	For The Year	Written Back during the year	As At 31.03.2017	As At 31.03.2017	As At 31.03.2016
Computer Software	6,926,518	-	-	6,926,518	1,821,474	1,731,630	-	3,553,104	3,373,414	5,105,044
Total	6,926,518	-	-	6,926,518	1,821,474	1,731,630	-	3,553,104	3,373,414	5,105,044
Previous Year	6,700,000	226,518	-	6,926,518	123,904	1,697,570	-	1,821,474	5,105,044	6,576,096
Grand Total	272,809,203	16,205,727	1,520,716	287,494,214	105,110,104	13,387,772	1,118,675	117,379,201	170,115,013	167,699,099
Previous Year	236,986,834	98,779,011	62,956,643	272,809,203	154,756,022	12,790,478	62,436,396	105,110,104	167,699,099	82,230,813

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2017

Description	Amount in Rs.	
	As at 31st March 2017	As at 31st March 2016
NOTE - 11		
<u>Non Current Investments</u>		
<u>Non-Trade Investments "Valued at cost"</u>		
In Quoted and Fully paid up Equity Shares of Dena Bank 300 (Previous year 300) Equity Shares of Rs.10 each fully paid up (Market Value as on 31.03.2017 Rs.38.40 each, Total Value Rs.11,520/-)	4,656	4,656
(Market Value as on 31.03.2016 Rs.28.35 each, Total Value Rs.8,505/-)		
In Unquoted and Fully paid up Equity Shares of wholly owned subsidiary company 'CMI Energy India Pvt. Ltd.' 12,531,617 (Previous year 12,531,617) the 100% Equity Shares of Rs.100 each fully paid up	4,878,374	4,878,374
	4,883,030	4,883,030
NOTE - 12		
<u>Long Term Loans and Advances</u>		
(Unsecured, considered good)		
Advances to related parties (Refer Note - 12.1)	488,555,257	967,355,257
Loans and Advances to Staff	88,000	470,083
Security Deposits	1,681,050	1,756,050
Capital Advances	5,220,303	7,528,862
	495,544,610	977,110,252
NOTE - 12.1		
Due from CMI Energy India Pvt. Ltd., a wholly owned subsidiary of the Company.		
NOTE - 13		
<u>Inventories</u>		
(As per inventories taken, valued and certified by the Management)		
i) Raw Materials	186,551,185	112,934,525
ii) Work-in-Progress	445,012,190	309,753,770
iii) Finished Goods	11,831,759	22,528,398
iv) Stores and Spares	5,343,805	6,093,619
v) Goods-in-Transit	9,946,855	-
	658,685,794	451,310,312
NOTE - 14		
<u>Trade Receivables</u>		
(Unsecured Considered Good)		
(a) Debt outstanding for a period exceeding six months from the date due for payment	179,751,571	54,470,636
(b) Others	756,812,642	440,791,212
	936,564,213	495,261,848

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2017

Description	Amount in Rs.	
	As at 31st March 2017	As at 31st March 2016
NOTE - 15		
<u>Cash and Bank Balances</u>		
Cash in Hand	2,515,198	889,790
Balances with Banks:		
In Current Accounts (Includes towards unclaimed dividend of Rs.2.72 Lakhs (Previous year Rs.2.89 Lakhs))	318,074	513,197
In Term Deposits (Pledged with banks as margin money including deposits maturing after 12 months)	75,671,779	48,423,520
	78,505,051	49,826,507
NOTE - 15.1		
	SBNs	Other Denomination notes
		Total
Closing cash in hand as on 08-11-2016	2,830,000	2,832,617
(+) Permitted receipts	-	724,000
(-) Permitted payments	16,500	42,037
(-) Amount deposited in Banks	2,813,500	2,814,280
Closing cash in hand as on 30-12-2016	-	700,300

Description	Amount in Rs.	
	As at 31st March 2017	As at 31st March 2016
NOTE - 16		
<u>Short Term Loans and Advances</u>		
(Unsecured, considered good)		
Advances to related parties (Refer to Note - 16.1)	199,514,046	-
Prepaid Expenses	759,907	1,298,310
Balance with Central Excise Authorities	10,500,091	6,169,888
Loans and Advances to others (Refer to Note - 16.2)	84,596,688	54,306,400
	295,370,732	61,774,598
NOTE - 16.1		
Due from CMI Energy India Pvt. Ltd., a wholly owned subsidiary of the Company.		
NOTE - 16.2		
Loans and Advances to others includes:		
Advance for Raw Material	75,787,157	46,262,011
Advance for Expenses	3,442,196	7,834,103
Advance Income Tax	-	-
VAT Recoverable	5,322,335	-
Margin Money	45,000	210,286
	84,596,688	54,306,400
NOTE - 17		
<u>Other Current Assets</u>		
Interest Accrued	1,688,194	2,469,149
	1,688,194	2,469,149

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2017

Description	Amount in Rs.		Amount in Rs.	
	For the year ended on 31st March 2017		For the year ended on 31st March 2016	
NOTE - 18				
<u>Sales of Products</u>				
Sales of Products	3,438,016,346	3,438,016,346	2,699,094,361	2,699,094,361
NOTE - 19				
<u>Other Income</u>				
Duty Drawback	42,062		524,675	
Job Work Income	-		20,050	
Interest Received	16,599,400		2,776,664	
Freight & Cartage Outward (Net)	-		5,234,086	
Rent received	2,503,000		580,000	
Amounts written back	-		5,215,980	
Miscellaneous Receipts	3,182,233	22,326,695	482,199	14,833,655
NOTE - 20				
<u>Cost of Raw Materials Consumed</u>				
Opening Stock of Raw Material	112,934,525		66,195,114	
Add: Purchases	2,494,745,588		1,983,491,826	
Less: Closing Stock of Raw Material	(186,551,185)	2,421,128,928	(112,934,525)	1,936,752,415
Opening Stock of Stores and Spares	6,093,619		4,084,382	
Add: Purchases of Stores, Spares and Packing Materials	30,670,867		30,016,841	
Less: Closing Stock of Stores and Spares	(5,343,805)	31,420,681	(6,093,619)	28,007,604
		2,452,549,609		1,964,760,019
NOTE - 21				
<u>Change in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade</u>				
Opening Stock:				
- Finished Goods	22,528,398		34,266,641	
- Work-in-Progress	309,753,770		242,205,655	
- Stock in Trade	-		1,050,814	
	332,282,168		277,523,110	
Less: Closing Stock				
- Finished Goods	11,831,759		22,528,398	
- Work-in-Progress	445,012,190		309,753,770	
- Stock in Trade	-		-	
	456,843,949	(124,561,781)	332,282,168	(54,759,058)
NOTE - 22				
<u>Employee Benefit Expenses</u>				
Director's Remuneration	5,053,500		3,420,000	
Salaries, Wages, Bonus and Other Benefits	33,532,335		25,059,416	
Contribution to Provident and Other Funds	2,580,016		1,525,267	
Workmen and Staff Welfare Expenses	1,147,073	42,312,924	707,669	30,712,352

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2017

Description	Amount in Rs.		Amount in Rs.	
	For the year ended on 31st March 2017		For the year ended on 31st March 2016	
NOTE - 23				
<u>Finance Cost</u>				
Interest Expenses	109,117,185		56,611,551	
Interest on Direct Tax	5,206,296		4,296,964	
Other Financial Charges	16,973,132	131,296,613	23,377,548	84,286,064
NOTE - 24				
<u>Other Expenses</u>				
<u>Manufacturing Expenses</u>				
Power & Fuel Charges	21,325,562		21,434,038	
Job Work Charges	41,949,425		32,664,521	
Other Manufacturing Expenses	11,254,195		12,233,134	
Repairs to Building	3,622,845		4,521,715	
Repair and Maintenance Other Assets	450,247		523,912	
Repairs to Plant and Machinery	13,189,883	91,792,157	9,255,105	80,632,425
<u>Administrative and Selling Expenses</u>				
Advertisement and Publicity	-		197,782	
Auditors' Remuneration & Refreshment	200,000		100,000	
Computer Expenses	291,338		276,877	
Conveyance Expenses	2,181,238		2,089,977	
Donation	441,200		246,000	
Fees, Rates and Taxes	1,071,500		469,240	
Festival Expenses	184,392		98,303	
Freight & Cartage Outward (Net)	2,616,737		-	
Insurance Charges	1,095,380		741,086	
Legal & Professional Fees	11,758,987		7,385,606	
Listing Compliance & Fees	1,787,535		599,264	
Meeting Expenses	1,281,675		591,072	
Misc. Expenses	656,962		553,086	
Contract Services	2,950,000		-	
Postage & Courier Charges	226,664		240,001	
Printing & Stationery	630,528		580,123	
Penalty and Fines	80,600		-	
Rent	9,241,583		7,207,750	
Rent of Office Equipments	123,500		141,100	
Lease Rent Car	300,000		300,000	
Security Service Charges	461,982		974,129	
Service Tax on Freight	1,150,402		2,729,754	
Telephone and Telecommunication Charges	1,205,283		514,167	
Tour and Travelling Expenses	6,566,422		3,768,420	
Amounts written off	3,394,130		1,462,793	
Corporate Social Responsibility	217,934		-	
Prior Period Expenses	464,940		334,509	
Selling Expenses	22,589,092	73,170,004	19,979,971	51,581,009
		164,962,161		132,213,434
NOTE - 25				
<u>Exceptional Items</u>				
Profit on Sale of Fixed Assets	72,706	72,706	558,678	558,678

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2017

NOTE - 26:

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

The Financial Statements are prepared under the historical cost convention, on going concern concept and in compliance with the relevant accounting principles, accounting standards issued by the Institute of Chartered Accountants of India and relevant provisions of the Companies Act, 2013. The Company follows the mercantile system of accounting and recognizes income and expenditure on accrual basis to the extent measurable and where there is certainty of ultimate realization in respect of incomes. The significant accounting policies adopted by the Company are detailed below:

1. Fixed Assets, Intangible Assets and Capital Work-in-Progress

Fixed assets are stated at cost, less accumulated depreciation. Direct costs are capitalized until fixed assets are ready for use. Capital work-in-progress comprises the cost of fixed assets that are not yet ready for their intended use at the balance sheet date. Intangible assets are recorded at the consideration paid for acquisition.

2. Investments

Long term investments are valued at their acquisition cost. Any decline in the value of the investment, other than a temporary decline, is recognized and provided for in the statement of profit and loss. Short-term investments are carried at cost or their market values whichever is lower.

3. Revenue Recognition

Revenue from the sale of goods is accounted for on the basis of actual dispatches of goods. Sales are inclusive of excise duty but net of sales tax and VAT. Materials returned/rejected are accounted for in the year of return/rejection.

4. Foreign Currency Transaction

The transactions in foreign currency are recorded at the exchange rate prevailing on the date of transaction. Monetary liability/assets on account of foreign currency are converted at the exchange rates prevailing as at the end of the year. Exchange differences are appropriately dealt within the statement of profit and loss.

5. Depreciation/Amortization

Depreciation on fixed assets is provided to the extent of depreciable amount on straight line method except for fixed assets of PVC Cable division where depreciation is provided on written down value method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. The Intangible assets of the Company are amortized over lease period or economic useful life whichever is shorter. That software has been amortized over four years.

6. Valuation of Inventories

- a) Raw Materials, Stores and Spares and Packing Material are valued at lower of cost, based on FIFO basis (Net of CENVAT Credit) or net realizable value.
- b) Work in Progress is valued at their estimated absorption cost (Net of CENVAT). Cost of Work in Process includes cost of raw materials and estimated overheads up to the stage of completion.
- c) Finished Goods are valued at lower of cost of production or net realizable value. Cost of finished goods includes cost of raw material, cost of manufacturing, cost of conversion and other cost incurred in finishing the goods.
- d) Scrap is valued at estimated net realizable value.
- e) Trading Goods are valued at lower of cost or net realizable value.

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2017

7. Retirement Benefits

Liability in respect of retirement benefit is provided for and/or funded and charged to statement of profit and loss as follows:-

Provident Fund: Retirement Benefits in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective fund.

Gratuity: Liability in respect of Gratuity is provided in the books of account, the present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method.

Leave Encashment: The liability in respect of Leave Encashment is recognized in the same manner as gratuity.

8. Taxes on Income

Current Tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of Income Tax Act, 1961.

Deferred Tax reflects the effect of temporary timing differences between the assets and liabilities recognized for financial reporting purposes and the amounts that are recognized for current tax purposes. As a matter of prudence deferred tax assets are recognized and carried forward only to the extent, there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Minimum Alternative Tax (MAT) credit asset is recognized in the Balance Sheet where it is likely that it will be adjusted against the discharge of the tax liability in future under Income Tax Act, 1961.

9. Use of Estimates

The financial statements have been prepared in conformity with generally accepted accounting principles, which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the end of the reporting years. Although these estimates are based upon the best knowledge of the management of current events and actions, actual results could differ from these estimates.

10. Impairment of Assets

An assets is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount. No Provision for impairment of assets is required since the management is of the opinion that the recoverable amount of fixed assets is equal to the amount at which they are stated in the balance sheet.

11. Borrowing Cost

Borrowing Costs attributable to the acquisition or construction of a qualifying asset is capitalized as part of the cost of the asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

12. Leases

Lease rental in respect of operating lease arrangements are charged to expense on a straight line basis over the term of the related lease agreement.

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2017

13. Provisions, Contingent Liabilities and Contingent Assets

The Company creates provisions only when there is a present obligation as a result of past events and when reliable estimate of the amount of the obligation can be made. Contingent liability is disclosed for (i) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or (ii) recent obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligations cannot be made. Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

14. Cash Flow Statement

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

15. Earnings Per Share

The earnings considered in ascertaining the Company's EPS comprise of the net profit after-tax as per Accounting Standard 20 on "Earnings Per Share", issued by the Institute of Chartered Accountants of India. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the period. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless the effect of the potential dilutive equity shares is anti-dilutive.

B. OTHER EXPLANATORY INFORMATION TO ACCOUNTS

1. Contingent Liabilities

Contingent Liabilities are not provided for in the accounts and are disclosed by way of notes herein below:

(Rs. In Lakhs)

Sr. No.	Nature of Liability	March 31, 2017	March 31, 2016
(a)	Counter Guarantee given to Company's Bankers for the Guarantee given by them on behalf of the Company (Net of Advances).	3,061.68	1,372.04
(b)	Pending suit in court filed by parties for alleged demand for recovery.	64.36	64.36
(c)	Outstanding Bills Discounted.	1,955.02	1,467.76
(d)	TDS Liability Outstanding.	0.65	0.64
(e)	Corporate Guarantee.	6,788.10	0.00

2. The most recent actuarial valuations of plan assets and the present values of the defined benefit obligations were carried out at 31 March, 2017. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Gratuity:

As per actuarial valuation, the Present Value of Obligation is Rs.101.92 Lakhs and the Fair Value of Plan Assets is of Rs.18.97 Lakhs and the Net Gratuity Liability is Rs.82.95 Lakhs as on 31st March, 2017.

Leave Encashment:

As per actuarial valuation, the Present Value of Obligation is Rs.12.47 Lakhs and the Fair Value of Plan Assets is of Rs. Nil and the Net Leave Encashment Liability is Rs.12.47 Lakhs as on 31st March, 2017 and is provided in the books of account.

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2017

3. In the opinion of Board, Current Assets, Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated and provision for all known liabilities has been made.

4. Auditors' remuneration (Inclusive service tax) includes the following:

(Rs. in Lakhs)

	March 31, 2017	March 31, 2016
Payment to Auditor		
a) Audit Fees	2.00	1.00
b) Other Services (fees for preparation, filing and representations in IT Scrutiny and Appeal Cases)	0.50	1.33
c) Certification Charges and Others	2.15	1.62
Total	4.65	3.95

5. Foreign Currency Receipts & Expenditure:

(Amount in Lakhs)

	2016-17	2015-16
CIF Value of Imports	Rs.3,038.86 (USD 44.73)	Rs.3,619.54 (USD 53.76)
	Rs.19.36 (EURO 0.28)	Rs.17.23 (EURO 0.25)
Expenditure in foreign currency	Rs.2.22 (USD 0.03)	Rs.1.81 (USD 0.03)
	Rs.0.22 (EUR 0.003)	
	Rs.3.44 (NZD 0.07)	
	Rs.0.31 (SGD 0.008)	
	Rs.1.69 (AED 0.09)	
	Rs.1.49 (GBP 0.02)	
	Rs.0.28 (BHD 0.002)	
	Rs.0.23 (NPR 0.37)	
Earning in foreign currency	Rs.24.38 (USD 0.39)	Rs.277.72 (USD 1.31)

6. The Company has manufactured various types of Cables during the year under review; therefore there are no separate reportable segments as per Accounting Standard 17.

7. Leases:

- i. The disclosure under Accounting Standard-26 (Intangible Assets):-

The Company has no Intangible Asset on lease as on 31.03.2017.

- ii. Disclosure under AS-19 (Leases):-

All operating leases entered into by the Company are cancelable on giving notice of one to three months. As per AS-19 (Leases), the disclosure requirements for operating leases of the Company are as follows:

- a) the total of future minimum lease payments under non-cancellable operating leases for each of the following periods:
- not later than one year;
 - later than one year and not later than five years;
 - later than five years;

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2017

- The details are tabulated herein below:

(Rs. in Lakhs)

Sr. No.	Particulars	Up to 1 Year	>1,=5 Years	>5 Years
1	Plot No. 82, Sector - 6, Faridabad, Haryana. (Subject to renewal of lease agreement)	32.40	162.00	Nil
2	501 - 503, New Delhi House, 27, Barakhamba Road, New Delhi - 110001.	49.46	20.86	Nil
3	Flat No. L - 1602, Laburnum Tower, Designarch Gardenia E Homes, Sector - 5, Vaishali, Ghaziabad, U.P.	4.00	Nil	Nil
4	Toyota Innova Car	2.25	Nil	Nil

- b) the total of future minimum sublease payments expected to be received under non-cancellable subleases at the balance sheet date;
- **Not Applicable**
- c) Lease payments recognized in the statement of profit and loss for the period, with separate amounts for minimum lease payments and contingent rents;
- **Details of lease payments recognized in the statement of profit and loss for the period are as per Clause 1(a) here in above and there are no contingent rents.**
- d) Sub-lease payments received for (or receivable) recognized in the statement of profit and loss for the period;
- **Not Applicable**
- e) a general description of the lessee's significant leasing arrangements including, but not limited to, the following:
- the basis on which contingent rent payments are determined;
 - the existence and terms of renewal or purchase options and escalation clauses; and
 - restrictions imposed by lease arrangements, such as those concerning dividends, additional debt and further leasing.
- **Not Applicable**
8. Trade Payables include an amount of Rs. Nil (Previous year Rs.0.67 Lakhs) being amount payable to Micro, Small & Medium Enterprises as defined in Micro, Small & Medium Enterprises Development Act, 2006. In terms of Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 and the Companies Act, 2013, the outstanding, interest due thereon, interest paid etc. to these enterprises are required to be disclosed. However, these enterprises are required to be registered under the Act. In absence of information about registration of the enterprises under the above Act, the details of MSME dues have been furnished to the extent such parties have been identified by the Company based on information made available by them.
9. The Company has purchased 100% shares of CMI Energy India Private Limited (formerly known as General Cable Energy India Private Limited) having state-of-the-art cable manufacturing facilities at Baddi, Himachal Pradesh. It became wholly owned subsidiary company as at 29th February 2016.
10. The Board of Directors of CMI Limited {"the Transferee Company"} and CMI Energy India Private Limited {"the Transferor Company"} at their Board Meetings held on 30th March, 2016 have approved the proposed Scheme of Amalgamation {"Scheme"} by and between CMI Energy India Private Limited and CMI Limited, with effect from 1.03.2016 being the Appointed Date, upon and subject to the requisite statutory and regulatory approvals. Company has completed all process and filing at their end for merger of both the Companies. The final Order of the Regional Director, approving and registering the Scheme is awaited.

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2017

11. Related Party Transactions As Per Accounting Standard 18:

I. Key Managerial Personnel

Mr. Amit Jain	Managing Director
Mr. V. K. Gupta	Whole-Time Director
Mr. Pyare Lal Khanna	Director
Mr. Ramesh Chand	Director
Mr. Manoj Bishan Mittal	Director
Mr. Kishor Punamchand Ostwal	Director
Mrs. Archana Bansal	Director
Mr. Subodh Kumar Barnwal	Secretary
Mr. Raj Kumar (Upto 29-02-2016)	C.F.O.
Mr. Ghan Shyam Dass (Upto 04-12-2016)	C.F.O.
Mr. Rattan Lal Aggarwal (From 05-12-2016)	C.F.O.

II. Parties in which the Key Managerial Personnel/Directors of the Company are interested:

- Wire House - A proprietorship concern of a relative of Director of the Company.
- Vardhman Cables India Pvt. Ltd. - Relative of director is Director of the Company.
- Lancer Telecom (India) Pvt. Ltd. - Relative of director is Director of the Company.
- Dhruv Cables & Conductors - A partnership concern in which a Director of the Company is a partner.
- Himani Metals LLP - A partnership concern in which a Director of the Company is a partner.
- CMI Energy India Pvt. Ltd. - 100% Subsidiary Company.

III. Relatives of Key Managerial Personnel/Directors of the Company:

Mrs. Himani Jain.

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2017

Details of transactions under the ordinary course of business between Company and the related parties during the year and the status of outstanding balances as on 31st March 2017 is as follows:

(Rs. in Lakhs)

Nature of Transaction	Key Managerial Personnel, Other Directors and their relatives		Companies or firms in which Key Managerial Personnel/Directors are interested	
	2017	2016	2017	2016
Directors' Remuneration (Note "a")	50.54	34.20	-	-
Secretary's Remuneration (Note "b")	6.96	6.22	-	-
CFO Remuneration (Note "c")	53.85	6.09	-	-
Interest Paid/Payable (Note "d")	17.63	32.93	-	-
Lease Rent Paid/Payable (Note "e")	3.00	3.00	-	-
Interest Received/Receivable (Note "f")	-	-	603.09	78.64
Reimbursement of Expenses (Note "g")	-	-	297.21	22.03
Rent Received/Receivable (Note "h")	-	-	4.63	-
Job Work Charges Paid/Payable (Note "i")	-	-	76.99	-
Purchases (Note "j")	-	-	93.78	-
Sales (Note "k")	-	-	1,577.52	-
Sale of Fixed Assets (Note "l")	-	-	1.18	-
FINANCE				
Unsecured Loans Received (Note "m")	1,224.60	2,393.50	-	2,326.50
Unsecured Loans Paid back (Note "n")	1,950.80	1,629.61	-	2,326.50
Unsecured Loans Paid (Note "o")	-	-	-	10,154.37
Unsecured Loans Received Back (Note "p")	-	-	4,788.00	551.60
Short Term Loans Paid (Note "q")	-	-	4,279.06	-
Short Term Loans Received Back (Note "r")	-	-	2,283.92	-
Advances Paid (Note "s")	-	-	1,150.00	-
Advances Received Back (Note "t")	-	-	1,150.00	-
YEAR END BALANCES				
Closing Debit Balances (Note "u")	-	-	6,880.69	9,673.55
Closing Credit Balances (Note "v")	130.23	852.94	8.71	-

Notes:

a) Remuneration paid to:

Mr. Amit Jain Rs.39.14 Lakhs (Previous Year Rs.27.00 Lakhs)

Mr. V. K. Gupta Rs.11.40 Lakhs (Previous Year Rs.7.20 Lakhs)

b) Mr. Subodh Kumar Barnwal Rs.6.96 Lakhs (Previous Year Rs.6.22 Lakhs)

c) Mr. Raj Kumar Rs. Nil (Previous Year Rs.1.65 Lakhs)

Mr. Ghan Shyam Dass Rs.38.98 Lakhs (Previous Year Rs.4.44 Lakhs)

Mr. Rattan Lal Aggarwal Rs.14.87 Lakhs (Previous Year Rs. Nil)

d) Interest paid/payable to:

Mr. Amit Jain Rs.17.63 Lakhs (Previous Year Rs.32.93 Lakhs)

e) Lease rent (Vehicle) paid/payable to:

Mr. Amit Jain Rs.3.00 Lakhs (Previous Year Rs.3.00 Lakhs)

f) Interest received/receivable from:

CMI Energy India Pvt. Ltd Rs.603.09 Lakhs (Previous Year Rs.78.64 Lakhs)

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2017

g) Reimbursement of Expenses from:

CMI Energy India Pvt. Ltd Rs.297.21 Lakhs (Previous Year Rs.22.03 Lakhs)

h) Rent Received/Receivable from:

CMI Energy India Pvt. Ltd. Rs.0.13 Lakhs (Previous Year Rs. Nil)

Dhruv Cables & Conductors Rs.4.50 Lakhs (Previous Year Rs. Nil)

i) Job Work Charges Paid/Payable to:

CMI Energy India Pvt. Ltd. Rs.50.60 Lakhs (Previous Year Rs. Nil)

Wire House Rs.26.39 Lakhs (Previous Year Rs. Nil)

j) Purchases from:

CMI Energy India Pvt. Ltd. Rs.37.09 Lakhs (Previous Year Rs. Nil)

Dhruv Cables & Conductors Rs.56.69 Lakhs (Previous Year Rs. Nil)

k) Sales to:

CMI Energy India Pvt. Ltd. Rs.1,313.56 Lakhs (Previous Year Rs. Nil)

Dhruv Cables & Conductors Rs.145.07 Lakhs (Previous Year Rs. Nil)

l) Sales of Fixed Assets to:

CMI Energy India Pvt. Ltd. Rs.1.18 Lakhs (Previous Year Rs. Nil)

m) Transactions in Unsecured Loans Received during the year with:

Mr. Amit Jain Rs.1,224.60 Lakhs (Previous Year Rs.2,391.50 Lakhs)

RKJ Alloys & Conductors Pvt. Ltd. Rs. Nil (Previous Year Rs.2,216.50 Lakhs)

Lancer Telecom (India) Pvt. Ltd. Rs. Nil (Previous Year Rs.85.00 Lakhs)

Vardhman Cables India Pvt. Ltd. Rs. Nil (Previous year Rs.25.00 Lakhs)

Himani Jain Rs. Nil (Previous year Rs.2.00 Lakhs)

n) Transactions in Unsecured Loans paid back during the year with:

Mr. Amit Jain Rs.1,950.80 Lakhs (Previous Year Rs.1,627.61 Lakhs)

RKJ Alloys & Conductors Pvt. Ltd. Rs. Nil (Previous Year Rs.2,216.50 Lakhs)

Lancer Telecom (India) Pvt. Ltd. Rs. Nil (Previous Year Rs.85.00 Lakhs)

Vardhman Cables India Pvt. Ltd. Rs. Nil (Previous Year Rs.25.00 Lakhs)

Himani Jain Rs. Nil (Previous year Rs.2.00 Lakhs)

o) Transactions in Unsecured Loans Paid during the year to:

CMI Energy India Pvt. Ltd Rs. Nil (Previous Year Rs.10,154.37 Lakhs)

p) Transactions in Unsecured Loans Received Back during the year from:

CMI Energy India Pvt. Ltd Rs.4,788.00 Lakhs (Previous Year Rs.551.60 Lakhs)

q) Transactions in Short Term Loans Paid during the year to:

CMI Energy India Pvt. Ltd Rs.4,279.06 Lakhs (Previous Year Rs. Nil)

r) Transactions in Short Term Loans Received Back during the year from:

CMI Energy India Pvt. Ltd Rs.2,283.92 Lakhs (Previous Year Rs. Nil)

s) Transactions in Advances Paid during the year to:

Himani Metals LLP Rs.1,150.00 Lakhs (Previous Year Rs. Nil)

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2017

t) Transactions in Advances Received Back during the year from:

Himani Metals LLP Rs.1,150.00 Lakhs (Previous Year Rs. Nil)

u) Closing debit balances ;

CMI Energy India Pvt. Ltd Rs.6,880.69 Lakhs (Previous Year Rs.9,673.55 Lakhs)

v) Closing credit balances ;

Amit Jain Rs.125.92 Lakhs (Previous Year Rs.851.93 Lakhs)

Dhruv Cables & Conductors Rs.5.80 Lakhs (Previous Year Rs. Nil)

Vijay Kumar Gupta Rs.0.95 Lakhs (Previous Year Rs.0.62 Lakhs)

Subodh Kumar Barnwal Rs.0.66 Lakhs (Previous Year Rs.0.39 Lakhs)

Rattan Lal Aggarwal Rs.2.70 Lakhs (Previous Year Rs. Nil)

Ghan Shyam Dass Rs. Nil (Previous Year Rs.3.05 Lakhs)

Wire House Rs.2.91 Lakhs (Previous Year Rs. Nil)

12. Breakup of consumption of Raw Material and Stores and Spares into Imported and Indigenous

Sr. No.	Particulars	Current Year Amount (Rs. in Lakhs)	Percentage	Previous Year Amount (Rs. in Lakhs)	Percentage
Raw Material					
a	Imported	2,464.06	10.18%	3,590.03	18.54%
b	Indigenous	21,747.23	89.82%	15,777.49	81.46%
	Total	24,211.29	100.00%	19,367.52	100.00%
Stores and Spares					
a	Imported	Nil	0.00%	Nil	0.00%
b	Indigenous	314.21	100.00%	280.08	100.00%
	Total	314.21	100.00%	280.08	100.00%

13. As per Accounting Standard (AS-20) on Earning per share (EPS) issued by the ICAI, the particulars of EPS for the equity shareholders are as below:

Sr. No.	Particulars	March 31, 2017	March 31, 2016
(a)	Net Profit/(loss) as per Profit & Loss Account (Rs.)	375,302,915	169,959,987
(b)	Weighted Average No. of Ordinary Shares outstanding (Basic EPS)	14,520,471	12,690,127
(c)	EPS (Basic) (Rs.) [(a)/(b)]	25.85	13.39
(d)	Weighted Average No. of Ordinary Shares on the assumption of full conversion of warrants into shares	14,584,717	12,969,840
(e)	EPS (Diluted) (Rs.) [(a)/(d)]	25.73	13.10
(f)	Face Value of each equity share (Rs.)	10.00	10.00

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2017

14. Deferred Tax Liability/Asset for the year under review:

The computation of deferred tax liability/assets provided in the books of accounts is as follows:

Particulars	Amount (Rs.) March 31, 2017	Amount (Rs.) March 31, 2016
WDV of Fixed Assets as per Companies Act, 2013	170,115,013	167,699,099
WDV of Fixed Assets as per Income Tax Act, 1961	147,750,098	202,936,734
Taxable/(Deductible) Temporary Difference on account of depreciation	22,364,915	35,237,635
Deferred Tax Liability/(Asset) @ 30.90%	6,910,800	(10,888,400)
Expenses allowed on the basis of payment as per Income Tax Act, 1961	13,692,956	28,390,436
Deferred Tax Liability/(Asset) @ 30.90%	(4,231,100)	(8,772,600)
Deferred Tax Liability/(Asset) @ 30.90%	2,679,700	(19,661,000)

Deferred Tax Assets and Deferred Tax Liabilities have been offset as they relate to the same governing taxation laws.

15. There is no amount due and outstanding to be credited to Investor Education & Protection Fund during the year.
16. Certain debit and credit balances of the parties are subject to confirmations.
17. Previous year figures have been regrouped/rearranged wherever considered necessary.
18. Information required in terms of the Schedule III to the Companies Act, 2013 as complied by the Company is attached.

As per our report of even date attached

For J. K. Manocha & Associates

Chartered Accountants

FRN: 007345N

CA. J. K. Manocha

Partner

Membership No. 082442

Place: New Delhi

Date: 29 - June - 2017

For Krishna Neeraj & Associates

Chartered Accountants

FRN: 023233N

CA. Krishna Kumar Neeraj

Partner

Membership No. 506669

For and on behalf of the Board of Directors

Amit Jain

Chairman cum Managing Director

DIN: 00041300

Subodh Kumar Barnwal

Company Secretary

M. No.: 21928

Ramesh Chand

Director

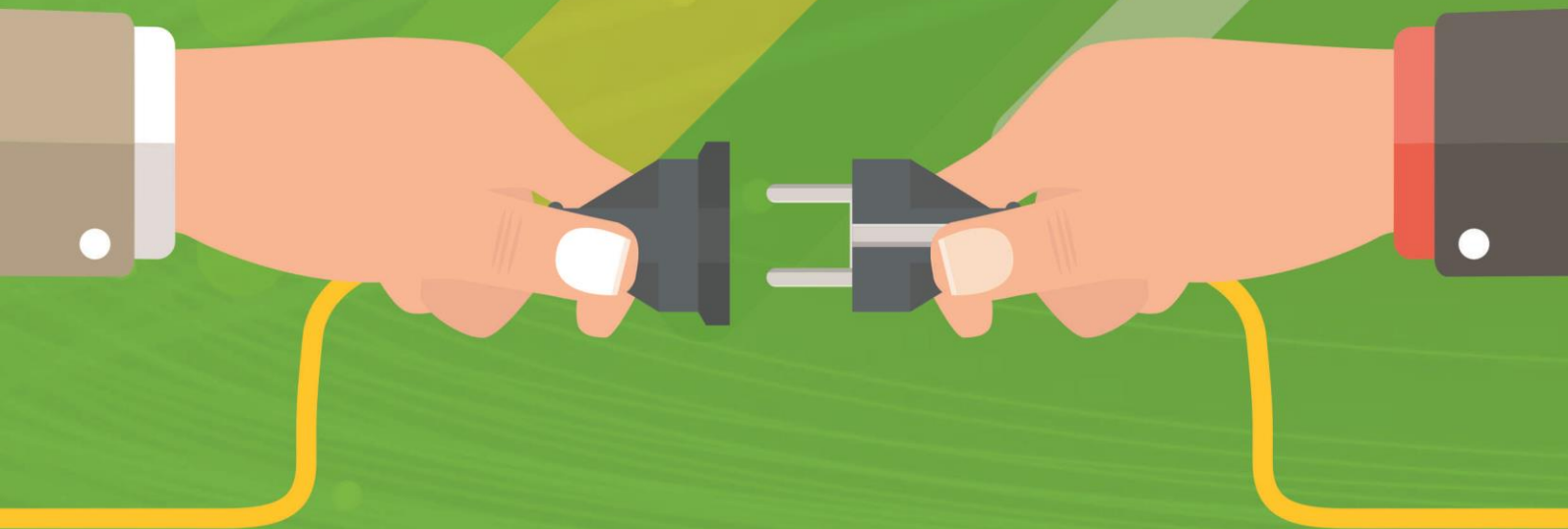
DIN: 02759859

Rattan Lal Aggarwal

C.F.O.

Page Intentionally Left Blank

CONSOLIDATED FINANCIAL STATEMENTS & NOTES



Independent Auditor's Report

To the Members of CMI Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **CMI Limited** ("the Company") and its subsidiary **CMI Energy India Private Limited** (the Company and its subsidiary company together referred to as 'the Group') which comprise the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated 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 consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at 31st March, 2017, and their consolidated profit and consolidated cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. 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 Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the Directors as on 31st March, 2017 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2017 from being appointed as a Director in terms of Section 164 (2) of the Act.
- 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 A'.
- 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 consolidated financial position of 'the Group' - Refer Note 26 (B)(1) to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in its consolidated financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the Company.

For J. K. Manocha & Associates

Chartered Accountants
FRN: 007345N

CA. J. K. Manocha

Partner

Membership No. 082442
Place: New Delhi
Date: 29 - June - 2017

For Krishna Neeraj & Associates

Chartered Accountants
FRN: 023233N

CA. Krishna Kumar Neeraj

Partner

Membership No. 506669

Annexure 'A'

Report on Internal Financial Controls Over Financial Reporting

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 CMI Limited ("the Company") and its subsidiary CMI Energy India Private Limited (the Company and its subsidiary company together referred to as 'the Group') as at March 31, 2017 in conjunction with our audit of the consolidated 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 and its subsidiary incorporated in India 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. 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 internal financial controls over financial reporting of the Company and its subsidiary incorporated in India, 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.

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 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 judgement, 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 internal financial controls system over financial reporting of the Company and its subsidiary.

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. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
2. provide 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. provide 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.

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 March 31, 2017, 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 J. K. Manocha & Associates

Chartered Accountants
FRN: 007345N

CA. J. K. Manocha

Partner

Membership No. 082442
Place: New Delhi
Date: 29 - June - 2017

For Krishna Neeraj & Associates

Chartered Accountants
FRN: 023233N

CA. Krishna Kumar Neeraj

Partner

Membership No. 506669

Consolidated Balance Sheet

As at 31st March 2017

Description	Note	Amount in Rs.		Amount in Rs.	
		As at 31st March 2017		As at 31st March 2016	
I EQUITY AND LIABILITIES					
1 Shareholders' Funds					
a. Share Capital	1	147,807,070		140,807,070	
b. Reserves and Surplus	2	1,898,006,760		1,601,472,958	
c. Money Received against Share Warrants		-	2,045,813,830	11,200,000	1,753,480,028
2 Share Application Money Pending Allotment					
3 Non-Current Liabilities					
a. Long-term Borrowings	3	507,223,215		540,832,423	
b. Deferred Tax Liability (Net)		-		-	
c. Other Long-term Liability	4	12,320,000		84,940,440	
d. Long-term Provisions		-	519,543,215	-	625,772,863
4 Current Liabilities					
a. Short-term Borrowings	5	799,195,056		326,220,770	
b. Trade Payables	6	1,021,781,731		350,464,380	
c. Other Current Liabilities	7	273,562,807		76,101,212	
d. Short-term Provisions	8	109,907,784	2,204,447,378	89,395,967	842,182,329
TOTAL			4,769,804,423		3,221,435,220
II ASSETS					
1 Non-Current Assets					
a. Fixed Assets					
i. Tangible Assets	9	1,618,015,892		1,633,426,565	
ii. Intangible Assets	9	19,095,541		28,884,779	
iii. Capital work-in-progress		49,073,692		72,643,049	
iv. Intangible Assets under Development		-	1,686,185,125	-	1,734,954,393
b. Non-Current Investments	10		4,656		4,656
c. Deferred Tax Assets (Net)	11		179,385,000		19,661,000
d. Long-Term Loans and Advances	12		27,940,447		24,509,270
e. Other Non Current Assets			-		-
2 Current Assets					
a. Current Investments			-		-
b. Inventories	13	1,004,427,022		451,310,312	
c. Trade Receivables	14	1,410,351,507		506,136,871	
d. Cash and Bank Balances	15	87,984,453		71,914,483	
e. Short-term Loans & Advances	16	370,844,005		392,609,153	
f. Other Current Assets	17	2,682,209	2,876,289,195	20,335,083	1,442,305,901
TOTAL			4,769,804,423		3,221,435,220
Significant Accounting Policies and Notes on Financial Statements	1 to 26				

As per our report of even date attached

For J. K. Manocha & Associates

Chartered Accountants

FRN: 007345N

CA. J. K. Manocha

Partner

Membership No. 082442

Place: New Delhi

Date: 29 - June - 2017

For Krishna Neeraj & Associates

Chartered Accountants

FRN: 023233N

CA. Krishna Kumar Neeraj

Partner

Membership No. 506669

For and on behalf of the Board of Directors

Amit Jain

Chairman cum Managing Director

DIN: 00041300

Subodh Kumar Barnwal

Company Secretary

M. No.: 21928

Ramesh Chand

Director

DIN: 02759859

Rattan Lal Aggarwal

C.F.O.

Consolidated Statement of Profit & Loss Account

For the year ended on 31st March 2017

Description	Note	Amount in Rs.		Amount in Rs.	
		For the Year Ended on March 31, 2017		For the Year Ended on March 31, 2016	
Incomes:					
I. Revenue from Operations					
Sale of Products	18	4,207,311,756		2,699,094,361	
Less: Excise Duty		428,571,759	3,778,739,997	296,873,904	2,402,220,457
II. Other Incomes	19		48,195,950		127,417,608
III. Total Revenue			3,826,935,947		2,529,638,065
IV. Expenses:					
a. Cost of Raw Materials Consumed	20	3,238,986,026		1,968,257,239	
b. Purchase of Stock-in-Trade		46,583,209		2,424,214	
c. Change in Inventories of finished goods, work-in-progress and Stock-in-Trade	21	(373,644,917)		(54,759,058)	
d. Employee Benefits Expenses	22	114,588,914		33,353,213	
e. Finance Costs	23	205,668,299		92,186,918	
f. Depreciation and Amortization Expenses	9	101,332,465		12,790,478	
g. Other Expenses	24	266,872,823		130,911,984	
Total Expenses		3,600,386,819		2,185,164,987	
V. Profit before exceptional and extra ordinary items and taxes		226,549,128		344,473,078	
VI. Exceptional Items	25	72,706		558,678	
VII. Profit before extra ordinary items and tax		226,621,834		345,031,756	
VIII. Extra Ordinary Items		-		790,000,000	
IX. Profit before Tax		226,621,834		1,135,031,756	
X. Tax Expense:					
1 Current Tax		(103,095,000)		(86,200,000)	
2 Excess/(short) provision for taxes of earlier years		-		-	
3 Deferred Tax		177,221,100		10,974,700	
XI. Profit for the year		300,747,934		1,059,806,456	
XII. Earning per Share					
1 Basic		20.61		83.51	
2 Diluted		20.51		81.71	
Significant Accounting Policies and Notes on Financial Statements	1 to 26				

As per our report of even date attached

For J. K. Manocha & Associates

Chartered Accountants

FRN: 007345N

CA. J. K. Manocha

Partner

Membership No. 082442

Place: New Delhi

Date: 29 - June - 2017

For Krishna Neeraj & Associates

Chartered Accountants

FRN: 023233N

CA. Krishna Kumar Neeraj

Partner

Membership No. 506669

For and on behalf of the Board of Directors

Amit Jain

Chairman cum Managing Director

DIN: 00041300

Subodh Kumar Barnwal

Company Secretary

M. No.: 21928

Ramesh Chand

Director

DIN: 02759859

Rattan Lal Aggarwal

C.F.O.

Consolidated Cash Flow Statement

For the year ended 31st March 2017

		Amount in Rs.	Amount in Rs.
		For the Year Ended on March 31, 2017	For the Year Ended on March 31, 2016
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit after Depreciation	300,747,934	1,059,806,456
Add:	Depreciation	101,332,465	12,790,478
	Interest & Bank Commission paid	205,668,299	92,186,918
	Miscellaneous Expenditure written off	-	-
	Previous Year Adjustments	-	-
Less:	Interest Receipt	21,197,521	2,905,308
	Reversal of impairment of fixed assets	-	790,000,000
	Profit/(Loss) on sale of Assets (Net)	72,706	558,678
	Operating Profit before extraordinary items and Working Capital Change	586,478,470	371,319,866
Adjustments for			
<u>Adjustments for (increase)/decrease in operating assets:</u>			
	- Trade Receivables	(904,214,636)	(287,235,656)
	- Inventories	(553,116,710)	(103,507,706)
	- Short Term Loans and Advances & Other Current Assets	39,418,022	(280,974,964)
<u>Adjustments for increase/(decrease) in operating liabilities:</u>			
	- Trade Payables	671,317,350	183,897,115
	- Other Current Liabilities & Short Term Provisions	217,973,412	76,369,730
	Cash Generated from Operations	57,855,909	(40,131,615)
Add:	Extra ordinary items		
	Previous Year Adjustments	-	-
	Net Cash used in Operating Activities	57,855,909	(40,131,615)
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Assets	(52,965,237)	(121,615,607)
	Sale of Assets	1,520,716	62,956,643
	Profit/(Loss) on sale of Assets (Net)	72,706	558,678
	Depreciation Written Back	(1,118,675)	(62,436,396)
	Purchase of Investments in Subsidiaries	-	(4,878,374)
	Long-Term Loans and Advances	(3,431,177)	-
	Deferred Tax Assets (Net)	(183,952,340)	-
	Interest Received	21,197,521	2,776,665
		(218,676,485)	(122,638,391)

Consolidated Cash Flow Statement

For the year ended 31st March 2017

		Amount in Rs.	Amount in Rs.
		For the Year Ended on March 31, 2017	For the Year Ended on March 31, 2016
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Long Term Borrowings/Repayments/FDR	(106,229,648)	597,410,014
	Increase/(Decrease) in Share Application Money	-	-
	Increase/(Decrease) in Share Capital	7,000,000	26,256,500
	Increase/(Decrease) in Share Warrant	(11,200,000)	-
	Increase/(Decrease) in Share Premium	37,800,000	238,934,150
	Interim Dividend paid (Including Dividend Distribution Tax)	(17,785,793)	(16,100,783)
	Increase/(Decrease) in Short Term Borrowings	472,974,286	(575,963,807)
	Interest & Bank Commission Paid	(205,668,299)	(92,186,918)
	Net Cash from Financing Activities	176,890,547	178,349,157
	NET INCREASE IN CASH & CASH EQUIVALENTS	16,069,970	15,579,150
	(A + B + C)		
	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	71,914,483	56,335,333
	CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	87,984,453	71,914,483

Notes:

- Above Cash Flow Statement has been prepared under the indirect method set out in the Accounting Standard-3 (Revised) specified in the Companies "Accounting Standard" Rules, 2006.
- Previous year figures have been regrouped wherever necessary.

Auditors' Report:

We have examined the Cash Flow Statement of CMI Limited for the period ended 31st March, 2017. The Statement prepared by the Company in accordance with the Regulation 34(c) and Regulation 53(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is based on and in agreement with the corresponding Statement of Profit & Loss and Balance Sheet covered by our report to the members of the Company in terms of our attached report of even date.

As per our report of even date attached

For J. K. Manocha & Associates

Chartered Accountants

FRN: 007345N

CA. J. K. Manocha

Partner

Membership No. 082442

Place: New Delhi

Date: 29 - June - 2017

For Krishna Neeraj & Associates

Chartered Accountants

FRN: 023233N

CA. Krishna Kumar Neeraj

Partner

Membership No. 506669

For and on behalf of the Board of Directors

Amit Jain

Chairman cum Managing Director

DIN: 00041300

Subodh Kumar Barnwal

Company Secretary

M. No.: 21928

Ramesh Chand

Director

DIN: 02759859

Rattan Lal Aggarwal

C.F.O.

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

DESCRIPTION	Amount in Rs.		Amount in Rs.	
	As at 31st March 2017		As at 31st March 2016	
NOTE 1				
<u>Share Capital</u>				
Authorized Capital				
25,000,000 Equity Shares of Rs.10/- each.		250,000,000		250,000,000
		250,000,000		250,000,000
Issued, Subscribed and Paid-up Capital				
14,777,457 (Previous year 14,077,457) Equity Shares of Rs.10 each, fully paid up.		147,774,570		140,774,570
Add: Forfeited Shares - Amount Originally Paid up		32,500		32,500
		147,807,070		140,807,070
NOTE 1.1				
The details of Shareholders holding more than 5% shares:				
Name of the Shareholder		No. of Shares - % held	No. of Shares - % held	
Amit Jain		5,093,877 - 34.47	5,093,877 - 36.18	
GMO Emerging Domestic Opportunities Fund		1,178,365 - 7.97	1,178,365 - 8.37	
NOTE 1.2				
The reconciliation of the number of shares outstanding is set out below:				
Particulars		No. of Shares	No. of Shares	
Equity Shares at the beginning of the year		14,077,457	14,077,457	
Add: Shares issued on exercise of preferential allotment during the year		700,000	-	
Equity Shares at the end of the year		14,777,457	14,077,457	
NOTE 1.3				
<u>Terms & rights attached to Equity shares</u>				
The Company has issued only one class of shares, i.e. equity shares of face value of Rs 10/- each. All Equity Shareholders are entitled to one vote per share.				
In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in the proportion to their shareholdings.				
NOTE 1.4				
a. The Company has not issued any bonus shares in the last five years.				
b. The Company has not bought back any share in the last five years.				
c. The Company has not issued share other than cash in the last five years.				
NOTE - 2				
<u>Reserves and Surplus</u>				
Capital Redemption Reserve:				
As per last Balance Sheet		8,000,000		8,000,000
Share Premium:				
As per last Balance Sheet	349,305,049		110,370,899	
Add: Received on shares issued during the year	37,800,000	387,105,049	238,934,150	349,305,049
Surplus in Statement of Profit and Loss:				
As per last Balance Sheet	1,169,739,661		126,033,988	
Add: Transferred from Statement of Profit & Loss	300,747,934		1,059,806,456	
Less: Income/Deferred Tax relating to earlier years	(24,228,340)		-	
Less: Proposed Dividend/Interim Dividend	(14,777,457)		(13,377,457)	
Less: Dividend Distribution Tax	(3,008,336)	1,428,473,463	(2,723,326)	1,169,739,661
Capital Reserve on Consolidation		74,428,248		74,428,248
		1,898,006,760		1,601,472,958

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

DESCRIPTION	Amount in Rs.	
	As at 31st March 2017	As at 31st March 2016
NOTE - 3		
<u>Long Term Borrowings</u>		
<u>Secured Loans</u>		
From Banks		
Term Loan from HDFC Bank Ltd. against hypothecation of two Cars repayable in 60 EMI of Rs.1,13,075/- starting from 07th April 2013 and for 36 months of EMI Rs.52,900/- starting from 05th December 2015.	407,986	2,142,640
Term Loan from ICICI Bank Ltd. against hypothecation of six Cars repayable in 36 EMI of (i) Rs.45,240/- starting from 01st July 2015, (ii) Rs.63,889/- starting from 1st July 2015, (iii) Rs.33,530/- starting from 01st February 2016, (iv) Rs.28,948/- starting from 1st February 2016, (v) Rs.21,558/- starting from 1st February 2016 and (vi) Rs.30,336/- starting from 1st February 2016.	2,732,683	5,012,017
Term Loans from Syndicate Bank against hypothecation of two Cars repayable in 84 EMI of (i) Rs.16,385/- starting from 31st March 2017 and (ii) Rs.14,747/- starting from 31st March 2017.	1,690,826	-
Term Loans from Kotak Mahindra Bank Ltd. against hypothecation of industrial property of the Company repayable in 120 months, EMI for Rs.7,34,443/- starting from 10th October 2015.	42,464,753	60,577,228
Term Loan from Religare Finvest Ltd. secured by hypothecation of all fixed assets of the subsidiary Company and pledge of equity shares of subsidiary company, repayable in 120 months start from 1st May 2016.	-	472,725,000
Term Loans from Edelweiss Retail Finance Ltd. against the hypothecation of commercial property of the Company repayable in 122 EMI for Rs.6,09,098/- starting from 5th December 2016.	37,227,958	-
HDFC BANK - (Secured by way of first charge on Land & Building & entire movable fixed assets (including Plant & Machinery) located at Baddi, Himachal Pradesh, second charge on entire current assets of the Company, personal guarantee of Mr. Amit Jain and corporate guarantee of CMI Ltd. Repayable in quarterly installment of Rs 14,962,611/- in 8 Years starting from April, 2017)	418,953,105	-
Unsecured		
From Related parties	-	-
	503,477,311	540,456,886
<u>Unsecured Loans</u>		
From Banks and Financial Institutions	3,745,904	375,537
	3,745,904	375,537
	507,223,215	540,832,423
NOTE - 4		
<u>Other Long Term Borrowings</u>		
<u>Unsecured Loans</u>		
From Directors	12,320,000	84,940,440
From Intercompany Deposits	-	-
	12,320,000	84,940,440

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

DESCRIPTION	Amount in Rs.	Amount in Rs.
	As at 31st March 2017	As at 31st March 2016
NOTE - 5		
<u>Short Term Borrowings</u>		
Loan Repayable on Demand		
Secured:		
From Banks:		
Working Capital Limit from Syndicate Bank - Secured by creating charge on Inventories, Book Debts and Factory Land and Building.	799,195,056	326,220,770
	799,195,056	326,220,770
NOTE - 6		
<u>Trade Payables</u>		
Micro, Small and Medium Enterprises	-	67,167
Acceptances	488,967,330	-
Others	532,814,401	350,397,213
	1,021,781,731	350,464,380
NOTE - 7		
<u>Other Current Liabilities</u>		
Current Maturities of Long Term Debts	74,224,989	32,331,493
Unclaimed Dividend	272,347	289,347
Proposed Dividend	14,777,457	-
Advance from Customers	12,708,107	3,265,007
Security deposits from customers	355,000	355,000
Statutory Liabilities	102,663,341	7,178,452
Employees liabilities	455,413	475,906
Interest accrued but not due on borrowings	843,253	7,332,615
Other Payables	67,262,900	24,873,392
	273,562,807	76,101,212
NOTE - 7.1		
Details of Other Payable:		
Expenses Payable	42,590,613	17,367,424
Creditors for Capital Goods	5,326,641	4,752,787
Creditors for Job Work	17,457,138	1,275,681
Creditors for Stores	1,482,149	1,133,522
Creditors for Transportation	406,360	343,978
	67,262,901	24,873,392
NOTE - 8		
<u>Short Term Provisions</u>		
Provision for Income Tax (net)	109,907,784	89,395,967
	109,907,784	89,395,967

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

NOTE - 9

GROUP OF ASSETS	GROSS BLOCK			DEPRECIATION BLOCK			NET BLOCK	
	Value at 1.04.2016	Addition During Year	Sold during the year	Value at 31.03.2017	Upto 01.04.2016	For The Year	Written Back during the year	As At 31.03.2017 As At 31.03.2016
Land - Freehold	281,972,601	-	-	281,972,601	-	-	-	281,972,601 281,972,601
Factory Buildings	612,180,852	1,383,543	-	613,564,395	55,870,680	19,505,039	-	538,188,676 556,310,173
Office Building	25,145,100	-	-	25,145,100	75,582	50,434	-	25,019,084 25,069,518
Leasehold Improvement	348,174	-	-	348,174	348,174	-	-	- -
Plant & Equipment	939,420,981	66,511,980	200,000	1,005,732,961	224,729,077	57,189,200	23,892	723,838,576 714,691,904
Furniture & Fixture	12,759,006	391,641	-	13,150,647	5,396,784	1,150,207	-	6,546,991 7,362,222
Office Equipments	54,429,711	970,190	-	55,399,901	27,913,221	9,274,322	-	37,187,543 26,516,490
Vehicles	34,871,914	7,222,892	1,320,716	40,774,090	13,368,257	4,319,677	1,094,783	16,593,151 24,180,939
Total	1,961,128,339	76,480,246	1,520,716	2,036,087,870	327,701,775	91,488,878	1,118,675	1,618,015,892 1,633,426,565
Previous Year	230,286,834	1,793,798,147	62,956,643	1,961,128,339	154,632,118	235,506,052	62,436,396	327,701,774 1,633,426,565

GROUP OF ASSETS	GROSS BLOCK			DEPRECIATION BLOCK			NET BLOCK	
	Value at 1.04.2016	Addition During Year	Sold during the year	Value at 31.03.2017	Upto 01.04.2016	For The Year	Written Back during the year	As At 31.03.2017 As At 31.03.2016
Computer Software	53,487,484	54,348	-	53,541,832	24,602,704	9,843,587	-	34,446,291 19,095,541
Total	53,487,484	54,348	-	53,541,832	24,602,704	9,843,587	-	34,446,291 19,095,541
Previous Year	53,260,966	226,518	-	53,487,484	123,904	24,478,801	-	24,602,705 28,884,779
Grand Total	2,014,615,823	76,534,594	1,520,716	2,089,629,702	352,304,479	101,332,465	1,118,675	452,518,269 1,637,111,433
Previous Year	283,547,800	1,794,024,665	62,956,643	2,014,615,823	154,756,022	259,984,853	62,436,396	352,304,479 1,662,311,344

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

DESCRIPTION	Amount in Rs.	
	As at 31st March 2017	As at 31st March 2016
NOTE - 10		
<u>Non Current Investments</u>		
<u>Non-Trade Investments "Valued at cost"</u>		
In Quoted and Fully paid up Equity Shares of Dena Bank		
300 (Previous year 300) Equity Shares of Rs.10 each fully paid up	4,656	4,656
(Market Value as on 31.03.2017 Rs.38.40 each, Total Value Rs.11,520/-)		
(Market Value as on 31.03.2016 Rs.28.35 each, Total Value Rs.8,505/-)		
	4,656	4,656
NOTE - 11		
<u>Deferred Tax Assets (Net)</u>		
Refer to Note 27(b)(13)		
Opening Balance	19,661,000	8,686,300
Add/(Less): Debited/(Reversed) during the year	159,724,000	10,974,700
	179,385,000	19,661,000
NOTE - 12		
<u>Long Term Loans and Advances</u>		
(Unsecured, considered good)		
Loans and Advances to Staff	222,021	470,083
Security Deposits	8,121,301	2,883,550
Capital Advances	19,597,125	21,155,638
	27,940,447	24,509,271
NOTE - 13		
<u>Inventories</u>		
(As per inventories taken, valued and certified by the Management)		
i) Raw Materials	264,975,680	112,934,525
ii) Work-in-Progress	585,365,225	309,753,770
iii) Finished Goods	120,561,860	22,528,398
iv) Stores and Spares	6,059,709	6,093,619
v) Goods-in-Transit	27,464,548	-
	1,004,427,022	451,310,312
NOTE - 14		
<u>Trade Receivables</u>		
<u>(Unsecured Considered Good)</u>		
(a) Debt outstanding for a period exceeding six months	182,403,075	65,345,659
(b) Others Debts	1,227,948,432	440,791,212
	1,410,351,507	506,136,871

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

DESCRIPTION	Amount in Rs.	Amount in Rs.
	As at 31st March 2017	As at 31st March 2016
NOTE - 15		
<u>Cash and Bank Balances</u>		
Cash in Hand	3,551,601	889,790
Balances with Banks:		
In Current Accounts	455,810	5,019,910
(Includes towards unclaimed dividend of Rs.2.72 Lakhs (Previous year Rs.2.89 Lakhs))		
In Term Deposits	83,977,042	66,004,783
(Pledged with banks as margin money including deposits maturing after 12 months)		
	87,984,453	71,914,483

NOTE - 15.1

Closing cash in hand as on 08-11-2016

(+) Permitted receipts

(-) Permitted payments

(-) Amount deposited in Banks

Closing cash in hand as on 30-12-2016

SBNs	Other Denomination Notes	Total
2,830,000	2,617	2,832,617
-	1,242,000	1,242,000
16,500	65,297	81,797
2,813,500	780	2,814,280
-	1,178,540	1,178,540

DESCRIPTION	Amount in Rs.	Amount in Rs.
	As at 31st March 2017	As at 31st March 2016
NOTE - 16		
<u>Short Term Loans and Advances</u>		
(Unsecured, considered good)		
Advances to related parties	-	-
Prepaid Expenses	1,780,061	2,055,691
Balance with Central Excise Authorities	147,797,183	115,106,243
VAT credit receivable	9,229,812	91,154
Advance Income tax	1,136,989	1,365,714
Loans and Advances to others	210,899,960	273,990,352
	370,844,005	392,609,153

NOTE - 16.2

Loans and Advances to others includes:

Advance for Raw Material

Advance for Expenses

VAT Recoverable

Margin Money

168,739,566

29,664,133

5,322,335

7,173,925

244,819,779

23,709,559

-

5,461,013

210,899,960

273,990,352

NOTE - 17

Other Current Assets

Interest Accrued

Assets held for sale

Sale tax recoverable

2,182,209

-

500,000

2,682,209

2,664,551

17,170,532

500,000

20,335,083

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

DESCRIPTION	Amount in Rs.		Amount in Rs.	
	For the year ended on 31st March 2017		For the year ended on 31st March 2016	
NOTE - 18				
<u>Sales of Products</u>				
Sales of Products	4,207,311,756	4,207,311,756	2,699,094,361	2,699,094,361
NOTE - 19				
<u>Other Income</u>				
Duty Drawback	42,062		524,675	
Job Work Income	-		20,050	
Interest Received	21,197,521		2,905,308	
Freight & Cartage Outward (Net)	-		5,234,086	
Rent received	2,490,000		580,000	
Lease Rent Received			217,000	
Amounts written back	-		110,997,691	
Miscellaneous Receipts	24,466,367	48,195,950	6,938,799	127,417,609
NOTE - 20				
<u>Cost of Raw Materials Consumed</u>				
Opening Stock of Raw Material	112,934,525		66,195,114	
Add: Purchases	3,319,958,261		1,986,989,046	
Less: Closing Stock of Raw Material	(264,975,680)	3,167,917,106	(112,934,525)	1,940,249,635
Opening Stock of Stores and Spares	6,093,619		4,084,382	
Add: Purchases of Stores, Spares and Packing Materials	71,035,010		30,016,841	
Less: Closing Stock of Stores and Spares	(6,059,709)	71,068,920	(6,093,619)	28,007,604
		3,238,986,026		1,968,257,239
NOTE - 21				
<u>Change in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade</u>				
Opening Stock:				
- Finished Goods	22,528,398		34,266,641	
- Work-in-Progress	309,753,770		242,205,655	
- Stock in Trade	-		1,050,814	
	332,282,168		277,523,110	
Less: Closing Stock				
- Finished Goods	120,561,860		22,528,398	
- Work-in-Progress	585,365,225		309,753,770	
- Stock in Trade	-		-	
	705,927,085	(373,644,917)	332,282,168	(54,759,058)
NOTE - 22				
<u>Employee Benefit Expenses</u>				
Director's Remuneration	5,053,500		3,420,000	
Salaries, Wages, Bonus and Other Benefits	104,331,938		27,700,277	
Contribution to Provident and Other Funds	2,580,016		1,525,267	
Workmen and Staff Welfare Expenses	2,623,460	114,588,914	707,669	33,353,213

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

DESCRIPTION	Amount in Rs.		Amount in Rs.	
	For the year ended on 31st March 2017		For the year ended on 31st March 2016	
NOTE - 23				
<u>Finance Cost</u>				
Interest Expenses	180,821,927		64,475,661	
Interest on Direct Tax	5,206,296		4,296,964	
Other Financial Charges	19,640,076	205,668,299	23,414,293	92,186,918
NOTE - 24				
<u>Other Expenses</u>				
<u>Manufacturing Expenses</u>				
Power & Fuel Charges	55,204,757		22,069,856	
Job Work Charges	36,889,028		33,110,759	
Other Manufacturing Expenses	24,523,179		12,296,013	
Repairs to Building	6,395,713		4,521,715	
Repair and Maintenance Other Assets	648,229		523,912	
Repairs to Plant and Machinery	20,030,128	143,691,034	9,255,105	81,777,360
<u>Administrative and Selling Expenses</u>				
Advertisement and Publicity	100,119		197,782	
Auditors' Remuneration & Refreshment	309,489		100,000	
Computer Expenses	291,338		276,877	
Conveyance Expenses	2,906,674		2,100,445	
Donation	446,300		246,000	
Exchange Fluctuation	629,096		(154,847)	
Fees, Rates and Taxes	1,657,356		469,240	
Festival Expenses	254,693		98,303	
Freight & Cartage Outward (Net)	27,140,155		-	
Insurance Charges	1,963,490		1,250,927	
Increase/(decrease) in excise duty on finished goods	-		(3,485,520)	
Legal & Professional Fees	21,585,347		7,673,546	
Listing Compliance & Fees	1,787,535		599,264	
Meeting Expenses	1,281,675		591,072	
Misc. Expenses	4,418,704		554,998	
Postage & Courier Charges	247,841		240,419	
Printing & Stationery	968,880		580,123	
Penalty and Fines	80,600		-	
Rent	9,268,618		7,207,750	
Rent of Office Equipments	123,500		141,100	
Lease Rent Car	300,000		300,000	
Security Service Charges	3,545,468		1,308,652	
Service Tax on Freight	1,150,402		2,729,754	
Telephone and Telecommunication Charges	1,622,638		514,617	
Tour and Travelling Expenses	7,193,672		3,816,848	
Amounts written off	3,394,130		1,462,793	
Corporate Social Responsibility	217,934		-	
Prior Period Expenses	218,706		334,509	
Selling Expenses	30,077,430	123,181,789	19,979,971	49,134,622
		266,872,823		130,911,983

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

DESCRIPTION	Amount in Rs.		Amount in Rs.	
	For the year ended on 31st March 2017		For the year ended on 31st March 2016	
NOTE - 25				
Exceptional Items				
Profit on Sale of Fixed Assets	149,067		735,581	
Less: Loss on Sale of Fixed Assets	76,361	72,706	176,903	558,678

NOTE - 26:

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION

The Financial Statements are prepared under the historical cost convention, on going concern concept and in compliance with the relevant accounting principles, accounting standards issued by the Institute of Chartered Accountants of India and relevant provisions of the Companies Act, 2013. The Company follows the mercantile system of accounting and recognizes income and expenditure on accrual basis to the extent measurable and where there is certainty of ultimate realization in respect of incomes. The significant accounting policies adopted by the Company are detailed below:

1. Fixed Assets, Intangible Assets and Capital Work-in-Progress

Fixed assets are stated at cost, less accumulated depreciation. Direct costs are capitalized until fixed assets are ready for use. Capital work-in-progress comprises the cost of fixed assets that are not yet ready for their intended use at the balance sheet date. Intangible assets are recorded at the consideration paid for acquisition.

2. Investments

Long term investments are valued at their acquisition cost. Any decline in the value of the investment, other than a temporary decline, is recognized and provided for in the statement of profit and loss. Short-term investments are carried at cost or their market values whichever is lower.

3. Revenue Recognition

Revenue from the sale of goods is accounted for on the basis of actual dispatches of goods. Sales are inclusive of excise duty but net of sales tax and VAT. Materials returned/rejected are accounted for in the year of return/rejection.

4. Foreign Currency Transaction

The transactions in foreign currency are recorded at the exchange rate prevailing on the date of transaction. Monetary liability/assets on account of foreign currency are converted at the exchange rates prevailing as at the end of the year. Exchange differences are appropriately dealt within the statement of profit and loss.

5. Depreciation/Amortization

Depreciation on fixed assets is provided to the extent of depreciable amount on straight line method except for fixed assets of PVC Cable division where depreciation is provided on written down value method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. The Intangible assets of the Company are amortized over lease period or economic useful life whichever is shorter. That software has been amortized over four years.

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

6. Valuation of Inventories

- a) Raw Materials, Stores and Spares and Packing Material are valued at lower of cost, based on FIFO basis (Net of CENVAT Credit) or net realizable value.
- b) Work in Progress is valued at their estimated absorption cost (Net of CENVAT). Cost of Work in Process includes cost of raw materials and estimated overheads up to the stage of completion.
- c) Finished Goods are valued at lower of cost of production or net realizable value. Cost of finished goods includes cost of raw material, cost of manufacturing, cost of conversion and other cost incurred in finishing the goods.
- d) Scrap is valued at estimated net realizable value.
- e) Trading Goods are valued at lower of cost or net realizable value.

7. Retirement Benefits

Liability in respect of retirement benefit is provided for and/or funded and charged to statement of profit and loss as follows:-

Provident Fund: Retirement Benefits in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective fund.

Gratuity: Liability in respect of Gratuity is provided in the books of account, the present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method.

Leave Encashment: The liability in respect of Leave Encashment is recognized in the same manner as gratuity.

8. Taxes on Income

Current Tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of Income Tax Act, 1961.

Deferred Tax reflects the effect of temporary timing differences between the assets and liabilities recognized for financial reporting purposes and the amounts that are recognized for current tax purposes. As a matter of prudence deferred tax assets are recognized and carried forward only to the extent, there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Minimum Alternative Tax (MAT) credit asset is recognized in the Balance Sheet where it is likely that it will be adjusted against the discharge of the tax liability in future under Income Tax Act, 1961.

9. Use of Estimates

The financial statements have been prepared in conformity with generally accepted accounting principles, which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the end of the reporting years. Although these estimates are based upon the best knowledge of the management of current events and actions, actual results could differ from these estimates.

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

10. Impairment of Assets

An assets is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount. No Provision for impairment of assets is required since the management is of the opinion that the recoverable amount of fixed assets is equal to the amount at which they are stated in the balance sheet.

11. Borrowing Cost

Borrowing Costs attributable to the acquisition or construction of a qualifying asset is capitalized as part of the cost of the asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

12. Leases

Lease rental in respect of operating lease arrangements are charged to expense on a straight line basis over the term of the related lease agreement.

13. Provisions, Contingent Liabilities and Contingent Assets

The Company creates provisions only when there is a present obligation as a result of past events and when reliable estimate of the amount of the obligation can be made. Contingent liability is disclosed for (i) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or (ii) recent obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligations cannot be made. Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

14. Cash Flow Statement

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

15. Earnings Per Share

The earnings considered in ascertaining the Company's EPS comprise of the net profit after-tax as per Accounting Standard 20 on "Earnings Per Share", issued by the Institute of Chartered Accountants of India. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the period. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless the effect of the potential dilutive equity shares is anti-dilutive.

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

B. OTHER EXPLANATORY INFORMATION TO ACCOUNTS

1. Contingent Liabilities

Contingent Liabilities are not provided for in the accounts and are disclosed by way of notes herein below:

		(Rs. in Lakhs)	
Sr. No.	Nature of Liability	March 31, 2017	March 31, 2016
(a)	Counter Guarantee given to Company's Bankers for the Guarantee given by them on behalf of the Company (Net of Advances).	3,061.68	1,372.04
(b)	Pending suit in court filed by parties for alleged demand for recovery.	64.36	64.36
(c)	Outstanding Bills Discounted.	1,955.02	1,467.76
(d)	TDS Liability outstanding.	0.65	0.64
(e)	Corporate Guarantee.	6,788.10	0.00

2. The most recent actuarial valuations of plan assets and the present values of the defined benefit obligations were carried out at 31 March, 2017. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Gratuity:

As per actuarial valuation, the Present Value of Obligation is Rs.101.92 Lakhs and the Fair Value of Plan Assets is of Rs.18.97 Lakhs and the Net Gratuity Liability is Rs.82.95 Lakhs as on 31st March, 2017.

Leave Encashment:

As per actuarial valuation, the Present Value of Obligation is Rs.12.47 Lakhs and the Fair Value of Plan Assets is of Rs. Nil and the Net Leave Encashment Liability is Rs.12.47 Lakhs as on 31st March, 2017 and is provided in the books of account.

3. In the opinion of Board, Current Assets, Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated and provision for all known liabilities has been made.

4. Auditors' remuneration (Inclusive service tax) includes the following: (Rs. in Lakhs)

	March 31, 2017	March 31, 2016
Payment to Auditor		
a) Audit Fees	2.50	1.50
b) Other Services (fees for preparation, filing and representations in IT Scrutiny and Appeal Cases)	1.00	1.33
c) Certification Charges and Others	2.98	1.62
Total	6.48	4.45

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

5. Foreign Currency Receipts & Expenditure:

(Amount in Lakhs)

	2016-17	2015-16
CIF Value of Imports	Rs.3,218.67 (USD 47.38)	Rs.3,619.54 (USD 53.76)
	Rs.19.36 (EURO 0.28)	Rs.17.23 (EURO 0.25)
Capital Goods	Rs.0.67 (USD 0.01)	Nil
Expenditure in foreign currency	Rs.2.22 (USD 0.03)	Rs.1.81 (USD 0.03)
	Rs.0.22 (EUR 0.003)	
	Rs.3.44 (NZD 0.07)	
	Rs.0.31 (SGD 0.008)	
	Rs.1.69 (AED 0.09)	
	Rs.1.49 (GBP 0.02)	
	Rs.0.28 (BHD 0.002)	
	Rs.0.23 (NPR 0.37)	
Earning in foreign currency	Rs.63.15 (USD 0.97)	Rs.277.72 (USD 1.31)

6. The Company has manufactured various types of Cables during the year under review; therefore there are no separate reportable segments as per Accounting Standard 17.

7. Leases:

i. The disclosure under Accounting Standard-26 (Intangible Assets):-

The Company has no Intangible Asset on lease as on 31.03.2017.

ii. Disclosure under AS-19 (Leases):-

All operating leases entered into by the Company are cancelable on giving notice of one to three months. As per AS-19 (Leases), the disclosure requirements for operating leases of the Company are as follows:

a) the total of future minimum lease payments under non-cancellable operating leases for each of the following periods:

- (i) not later than one year;
- (ii) later than one year and not later than five years;
- (iii) later than five years;

• The details are tabulated herein below:

(Rs. in Lakhs)

Sr. No.	Particulars	Up to 1 Year	>1,=5 Years	>5 Years
1	Plot No. 82, Sector - 6, Faridabad, Haryana. (Subject to renewal of lease agreement)	32.40	162.00	Nil
2	501 - 503, New Delhi House, 27, Barakhamba Road, New Delhi - 110001.	49.46	20.86	Nil
3	Flat No. L - 1602, Laburnum Tower, Designarch Gardenia E Homes, Sector - 5, Vaishali, Ghaziabad, U.P.	4.00	Nil	Nil
4	Toyota Innova Car	2.25	Nil	Nil

b) the total of future minimum sublease payments expected to be received under non-cancellable subleases at the balance sheet date;

▪ **Not Applicable**

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

- c) Lease payments recognized in the statement of profit and loss for the period, with separate amounts for minimum lease payments and contingent rents;
 - **Details of lease payments recognized in the statement of profit and loss for the period are as per Clause 1(a) here in above and there are no contingent rents.**
 - d) Sub-lease payments received for (or receivable) recognized in the statement of profit and loss for the period;
 - **Not Applicable**
 - e) a general description of the lessee's significant leasing arrangements including, but not limited to, the following:
 - i. the basis on which contingent rent payments are determined;
 - ii. the existence and terms of renewal or purchase options and escalation clauses; and
 - iii. restrictions imposed by lease arrangements, such as those concerning dividends, additional debt and further leasing.
 - **Not Applicable**
8. Trade Payables include an amount of Rs. Nil (Previous year Rs.0.67 Lakhs) being amount payable to Micro, Small & Medium Enterprises as defined in Micro, Small & Medium Enterprises Development Act, 2006. In terms of Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 and the Companies Act, 2013, the outstanding, interest due thereon, interest paid etc. to these enterprises are required to be disclosed. However, these enterprises are required to be registered under the Act. In absence of information about registration of the enterprises under the above Act, the details of MSME dues have been furnished to the extent such parties have been identified by the Company based on information made available by them.
 9. The Company has purchased 100% shares of CMI Energy India Private Limited (formerly known as General Cable Energy India Private Limited) having state-of-the-art cable manufacturing facilities at Baddi, Himachal Pradesh. It became wholly owned subsidiary company as at 29th February 2016.
 10. The Board of Directors of CMI Limited {"the Transferee Company"} and CMI Energy India Private Limited {"the Transferor Company"} at their Board Meetings held on 30th March, 2016 have approved the proposed Scheme of Amalgamation {"Scheme"} by and between CMI Energy India Private Limited and CMI Limited, with effect from 1.03.2016 being the Appointed Date, upon and subject to the requisite statutory and regulatory approvals. Company has completed all process and filing at their end for merger of both the Companies. The final Order of the Regional Director, approving and registering the Scheme is awaited.

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

11. Related Party Transactions As Per Accounting Standard 18:

I. Key Managerial Personnel

Mr. Amit Jain	Managing Director
Mr. V. K. Gupta	Whole-Time Director
Mr. Pyare Lal Khanna	Director
Mr. Ramesh Chand	Director
Mr. Manoj Bishan Mittal	Director
Mr. Kishor Punamchand Ostwal	Director
Mrs. Archana Bansal	Director
Mr. Subodh Kumar Barnwal	Company Secretary
Ms. Ankita Sharan	Company Secretary
Mr. Raj Kumar (Upto 29-02-2016)	C.F.O.
Mr. Ghan Shyam Dass (Upto 04-12-2016)	C.F.O.
Mr. Rattan Lal Aggarwal (From 05-12-2016)	C.F.O.

II. Parties in which the Key Managerial Personnel/Directors of the Company are interested:

- Wire House - A proprietorship concern of a relative of Director of the Company.
- Vardhman Cables India Pvt. Ltd. - Relative of director is Director of the Company.
- Lancer Telecom (India) Pvt. Ltd. - Relative of director is Director of the Company.
- Dhruv Cables & Conductors - A partnership concern in which a Director of the Company is a partner.
- Himani Metals LLP - A partnership concern in which a Director of the Company is a partner.

III. Relatives of Key Managerial Personnel/Directors of the Company:

Mrs. Himani Jain.

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

Details of transactions under the ordinary course of business between Company and the related parties during the year and the status of outstanding balances as on 31st March 2017 is as follows:

(Rs. in Lakhs)

Nature of Transaction	Key Managerial Personnel, Other Directors and their relatives		Companies or firms in which Key Managerial Personnel/Directors are interested	
	2017	2016	2017	2016
Directors' Remuneration (Note "a")	50.54	34.20	-	-
Secretary's Remuneration (Note "b")	10.70	6.22	-	-
CFO Remuneration (Note "c")	53.85	6.09	-	-
Interest Paid/Payable (Note "d")	17.63	32.93	-	-
Lease Rent Paid/Payable (Note "e")	3.00	3.00	-	-
Rent Received/Receivable (Note "f")	-	-	4.50	-
Job Work Charges Paid/Payable (Note "g")	-	-	26.39	-
Purchases (Note "h")	-	-	203.31	-
Sales (Note "i")	-	-	145.07	-
FINANCE				
Unsecured Loans Received (Note "j")	1,244.60	2,393.50	-	2,326.50
Unsecured Loans Paid back (Note "k")	1,970.80	1,629.61	-	2,326.50
Short Term Loans and Advances Paid (Note "l")	-	-	1,150.00	-
Short Term Loans and Advances Received Back (Note "m")	-	-	1,150.00	-
YEAR END BALANCES				
Closing Debit Balances (Note "n")	-	-	42.12	0.00
Closing Credit Balances (Note "o")	130.23	852.94	8.71	-

Notes:

a) Remuneration paid to:

Mr. Amit Jain Rs.39.14 Lakhs (Previous Year Rs.27.00 Lakhs)

Mr. V. K. Gupta Rs.11.40 Lakhs (Previous Year Rs.7.20 Lakhs)

b) Mr. Subodh Kumar Barnwal Rs.6.96 Lakhs (Previous Year Rs.6.22 Lakhs)

Ms. Ankita Sharan Rs.3.74 Lakhs (Previous Year Rs. Nil)

c) Mr. Raj Kumar Rs. Nil (Previous Year Rs.1.65 Lakhs)

Mr. Ghan Shyam Dass Rs.38.98 Lakhs (Previous Year Rs.4.44 Lakhs)

Mr. Rattan Lal Aggarwal Rs.14.87 Lakhs (Previous Year Rs. Nil)

d) Interest paid/payable to:

Mr. Amit Jain Rs.17.63 Lakhs (Previous Year Rs.32.93 Lakhs)

e) Lease rent (Vehicle) paid/payable to:

Mr. Amit Jain Rs.3.00 Lakhs (Previous Year Rs.3.00 Lakhs)

f) Rent Received/Receivable from:

Dhruv Cables & Conductors Rs.4.50 Lakhs (Previous Year Rs. Nil)

g) Job Work Charges Paid/Payable to:

Wire House Rs.26.39 Lakhs (Previous Year Rs. Nil)

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

h) Purchases from:

Dhruv Cables & Conductors Rs.203.31 Lakhs (Previous Year Rs. Nil)

i) Sales to:

Dhruv Cables & Conductors Rs.145.07 Lakhs (Previous Year Rs. Nil)

j) Transactions in Unsecured Loans Received during the year with:

Mr. Amit Jain Rs.1,234.60 Lakhs (Previous Year Rs.2,391.50 Lakhs)

Mr. Ramesh Chand Rs.10.00 Lakhs (Previous Year Rs. Nil)

RKJ Alloys & Conductors Pvt. Ltd. Rs. Nil (Previous Year Rs.2,216.50 Lakhs)

Lancer Telecom (India) Pvt. Ltd. Rs.0.00 Lakhs (Previous Year Rs.85.00 Lakhs)

Vardhman Cables India Pvt. Ltd. Rs.0.00 Lakhs (Previous year Rs.25.00 Lakhs)

Himani Jain Rs.0.00 Lakhs (Previous year Rs.2.00 Lakhs)

k) Transactions in Unsecured Loans paid back during the year with:

Mr. Amit Jain Rs.1,960.80 Lakhs (Previous Year Rs.1,627.61 Lakhs)

Mr. Ramesh Chand Rs.10.00 Lakhs (Previous Year Rs. Nil)

RKJ Alloys & Conductors Pvt. Ltd. Rs. Nil (Previous Year Rs.2,216.50 Lakhs)

Lancer Telecom (India) Pvt. Ltd. Rs.0.00 Lakhs (Previous Year Rs.85.00 Lakhs)

Vardhman Cables India Pvt. Ltd. Rs.0.00 Lakhs (Previous Year Rs.25.00 Lakhs)

Himani Jain Rs.0.00 Lakhs (Previous year Rs.2.00 Lakhs)

l) Transactions in Short Term Loans and Advances Paid during the year to:

Himani Metals LLP Rs.1,150.00 Lakhs (Previous Year Rs. Nil)

m) Transactions in Short Term Loans and Advances Received Back during the year from:

Himani Metals LLP Rs.1,150.00 Lakhs (Previous Year Rs. Nil)

n) Closing debit balances:

Dhruv Cables and Conductors Rs.42.12 Lakhs (Previous Year Rs. Nil)

o) Closing credit balances:

Amit Jain Rs.125.92 Lakhs (Previous Year Rs.851.93 Lakhs)

Dhruv Cables & Conductors Rs.5.80 Lakhs (Previous Year Rs. Nil)

Vijay Kumar Gupta Rs.0.95 Lakhs (Previous Year Rs.0.62 Lakhs)

Subodh Kumar Barnwal Rs.0.66 Lakhs (Previous Year Rs.0.39 Lakhs)

Rattan Lal Aggarwal Rs.2.70 Lakhs (Previous Year Rs. Nil)

Ghan Shyam Dass Rs. Nil (Previous Year Rs.3.05 Lakhs)

Wire House Rs.2.91 Lakhs (Previous Year Rs. Nil)

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

12. Breakup of consumption of Raw Material and Stores and Spares into imported and Indigenous

Sr. No.	Particulars	Current Year Amount (Rs. in Lakhs)	Percentage	Previous Year Amount (Rs. in Lakhs)	Percentage
Raw Material					
a.	Imported	2,626.51	8.20%	3,608.43	17.98%
b.	Indigenous	29,730.84	91.80%	16,459.06	82.02%
	Total	32,387.35	100.00%	20,067.49	100.00%
Stores and Spares					
a.	Imported	Nil	0.00%	Nil	0.00%
b.	Indigenous	708.60	100.00%	300.17	100.00%
	Total	708.60	100.00%	300.17	100.00%

13. As per Accounting Standard (AS-20) on Earning per share (EPS) issued by the ICAI, the particulars of EPS for the equity shareholders are as below:

Sr. No.	Particulars	March 31, 2017	March 31, 2016
(a)	Net Profit/(loss) as per Profit & Loss Account (Rs.)	300,747,934	1,059,806,456
(b)	Weighted Average No. of Ordinary Shares outstanding (Basic EPS)	14,520,471	12,690,127
(c)	EPS (Basic) (Rs.) [(a)/(b)]	20.71	83.51
(d)	Weighted Average No. of Ordinary Shares on the assumption of full conversion of warrants into shares	14,584,717	12,969,840
(e)	EPS (Diluted) (Rs.) [(a)/(d)]	20.62	81.71
(f)	Face Value of each equity share (Rs.)	10.00	10.00

14. Deferred Tax Liability/Asset for the year under review:

The computation of deferred tax liability/assets provided in the books of accounts is as follows:

Particulars	Amount (Rs.) March 31, 2017	Amount (Rs.) March 31, 2016
WDV of Fixed Assets as per Companies Act, 2013	1,637,111,433	167,699,099
WDV of Fixed Assets as per Income Tax Act, 1961	1,085,960,103	202,936,734
Taxable/(Deductible) Temporary Difference on account of depreciation	551,151,330	35,237,635
Deferred Tax Liability/(Asset) @ 30.90%	170,305,800	(10,888,400)
Expenses allowed on the basis of payment as per Income Tax Act, 1961	14,148,369	28,390,436
Carried forward Business Losses & Unabsorbed Depreciation	1,117,537,062	-
Deferred Tax Liability/(Asset) @ 30.90%	(349,690,800)	(8,772,600)
Deferred Tax Liability/(Asset) @ 30.90%	(179,385,000)	(19,661,000)

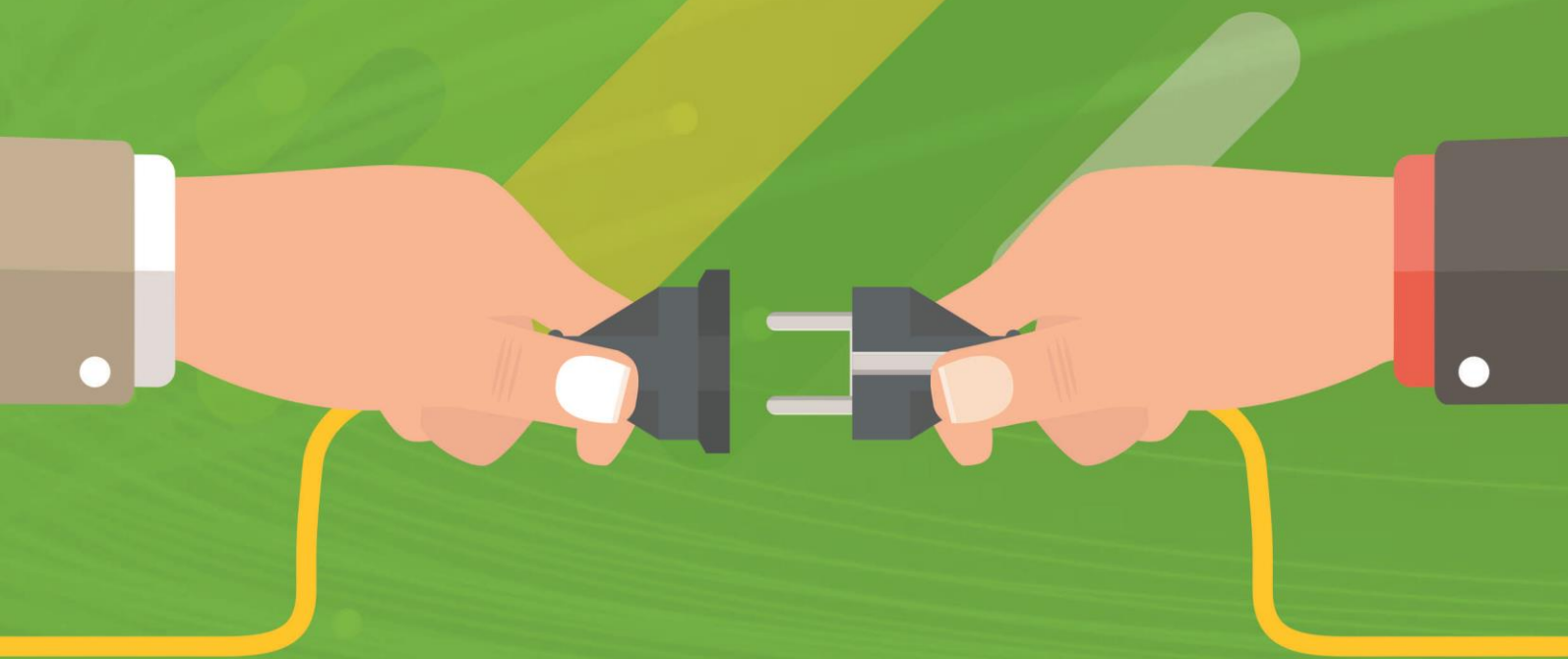
Deferred Tax Assets and Deferred Tax Liabilities have been offset as they relate to the same governing taxation laws. Having regard to the significant accumulated losses, the subsidiary Company has not recognized net deferred tax assets in the absence of virtual certainty at this stage that there will be sufficient future taxable income available to realize such assets.

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2017

15. There is no amount due and outstanding to be credited to Investor Education & Protection Fund during the year.
16. Certain debit and credit balances of the parties are subject to confirmations.
17. Previous year figures have been regrouped/rearranged wherever considered necessary.
18. Information required in terms of the Schedule III to the Companies Act, 2013 as complied by the Company is attached.

As per our report of even date attached		For and on behalf of the Board of Directors	
For J. K. Manocha & Associates	For Krishna Neeraj & Associates		
Chartered Accountants	Chartered Accountants	Amit Jain	Ramesh Chand
FRN: 007345N	FRN: 023233N	Chairman cum Managing Director	Director
		DIN: 00041300	DIN: 02759859
CA. J. K. Manocha	CA. Krishna Kumar Neeraj		
Partner	Partner	Subodh Kumar Barnwal	Rattan Lal Aggarwal
Membership No. 082442	Membership No. 506669	Company Secretary	C.F.O.
Place: New Delhi		M. No.: 21928	
Date: 29 - June - 2017			

NOTICE OF AGM



CMI LIMITED

CIN L74899DL1967PLC018031

Regd. Office: Flat No. 501 - 503, 5th Floor, New Delhi House, 27,
Barakhamba Road, New Delhi - 110001

Tel No.: 011 - 49570000 - 12 Fax No.: 011 - 23739902

Email Id: info@cmilimited.in, Website: www.cmilimited.in

NOTICE IS HEREBY GIVEN THAT THE 50TH ANNUAL GENERAL MEETING OF CMI LIMITED will be held on Friday, 29th December, 2017 at 11:30 am at Lajwaab Banquet Hall, Vikas Marg, Delhi - 110092 to transact the following business.

Further take notice that as per the provisions of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, all the following business may also be transacted by e-voting as per the process and conditions mentioned in this notice:-

ORDINARY BUSINESS:

1. To receive, consider and adopt
 - a. The Audited Standalone Financial Statements for the year ended March 31, 2017 together with the Report of the Directors and Auditors thereon; and
 - b. The Audited Consolidated Financial Statements for the year ended March 31, 2017 together with the Report of Auditors thereon.
2. To declare a dividend of Rs.1 per Equity share for the Financial Year ended on March 31, 2017
3. To appoint a Director in the place of Mr. Vijay Kumar Gupta (holding DIN 00995523) who retire by rotation and being eligible, offers himself for reappointment.
4. To ratify the appointment of Auditor and in this regard to consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 and other applicable provisions of the Act, if any and the Rules framed there under as amended from time to time, the Company hereby ratifies the appointment of M/s. Krishna Neeraj & Associates, Chartered Accountants, (Firm Registration No. 023233N), New Delhi as the Statutory Auditors of the Company, to hold office from the conclusion of 50th Annual General Meeting until the conclusion of the 54th Annual General Meeting of the Company subject to ratification at every Annual General Meeting, on such remuneration as may be agreed upon between the Board of Directors or any Committee thereof and the Statutory Auditors, in addition to the reimbursement of service tax and actual out of pocket expenses incurred in relation with the audit of accounts of the Company."

SPECIAL BUSINESS

5. To consider and if thought fit, to pass with or without modification, following resolution as Ordinary Resolution:

"RESOLVED THAT pursuant to provisions of Section 148 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s), enactment(s) or re-enactment(s) thereof, for the time in force), Sum of Rs.45,000/- (Rupees Forty Five Thousand only) plus applicable taxes and other incidental expenses payable as remuneration to M/s Ajay Kumar Singh & Co, Cost Accountants, who were appointed to conduct the audit of cost records maintained by the Company for the Financial year 2017-18 by the Board of Directors on recommendation of the Audit Committee, be and is hereby ratified."

6. To consider and if thought fit, to pass with or without modification, following resolution as Special resolution:

“RESOLVED FURTHER THAT pursuant to provisions of Section 196, 197 and 198, 203 read with Schedule V of the Companies Act, 2013 and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s), enactment(s) or re-enactment(s) thereof for the time being in force) and Articles of Association of the Company and subject to other approvals as may be necessary, the consent of the Company be and is hereby accorded to increase the remuneration of Mr. Amit Jain, Chairman Cum Managing Director (DIN: 00041300) w.e.f. 1st January, 2018, upto the remaining tenure of his appointment as per the details given hereunder and approved by nomination and remuneration committee of the Board:

For the Period 1st January, 2018 to 30th September, 2020

Particulars	Amount per Month (in Rs.)
Basic Salary	4,20,000
HRA (50% of Basic)	2,10,000
Education Allowance	36,000
Fixed Medical Allowance	50,000
Total	7,16,000

Perquisites:-

Leave travelling allowance/perquisites as per Income Tax Act, 1961 or any rules there under.

NOTES:-

- Net profit for this purpose shall be as per computation of net profit as per Section 198 of the Companies Act, 2013.
- The remuneration package is well within the overall limit prescribed under Schedule V to the Companies Act, 2013, which permits the Company to pay overall managerial remuneration upto 10% of net profit to Managing Director/Whole-Time Director/Manager in any financial year with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said Re-appointment and remuneration as it may deem fit and as may be acceptable to Mr. Amit Jain, subject to the same not exceeding the limits specified under Section 197, Schedule V to the Companies Act, 2013 or such other limits as may be prescribed from time to time or any statutory modification(s) or re-enactment thereof;

“RESOLVED FURTHER THAT the Board of Directors can alter and vary the remuneration payable to Mr. Amit Jain which shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deed and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

7. To consider and if thought fit, to pass with or without modification, following resolution as Special resolution:

“RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee, and approval of the Board and subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule - V of the Companies Act, 2013 and Articles of Association of the Company, consent of the Company be and is hereby accorded for the re-appointment of Mr. Vijay Kumar Gupta (DIN: 00995523), as Whole-Time Director of the Company, for the period of five years, with effect from April 01, 2017 to March 31, 2022 on the following remuneration and terms and conditions as given below:

Particulars	Amount per month (in Rs.)
Basic Salary	75,000
HRA (40% of Basic)	30,000
Fixed Medical Allowance	15,000
Total	1,20,000

Perquisites:-

Leave Travelling Allowance/Perquisites as per Income Tax Act, 1961 or any rules thereunder

NOTES:-

- Net profit for this purposes shall be as per computation of net profit as per Section 198 of the Companies Act, 2013.
- The remuneration package is well within the overall limit prescribed under Schedule V to the Companies Act, 2013, which permits the Company to pay overall managerial remuneration upto 10% of net profit to Managing Director/Whole-Time Director/Manager in any financial year with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and remuneration sit may deem fit and as may be acceptable to Mr. Vijay Kumar Gupta, subject to the same not exceeding the limits specified under Section 197, Schedule V to the Companies Act, 2013 or such other limits as may be prescribed from time to time or any statutory modification(s) or re-enactment thereof;

RESOLVED FURTHER THAT the Board of Directors can alter and vary the terms and conditions of the said re-appointment and/or agreement in such manner as may be agreed between the Board of Directors and Mr. Vijay Kumar Gupta and the remuneration payable to Mr. Vijay Kumar Gupta, shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time.

RESOLVED FURTHER THAT Mr. Vijay Kumar Gupta shall be liable to retire by rotation.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such other acts, deeds and things that are considered necessary or incidental thereto.”

By Order of the Board
CMI LIMITED

Place: New Delhi

Date: 22.11.2017

Amit Jain
Chairman cum Managing Director
(DIN: 00041300)

NOTES:

1. A member entitled to attend and vote at the Annual General Meeting (the “Meeting”) is entitled to appoint a proxy to attend and vote on a poll, instead of her/him and the proxy need not be a Member of the Company. The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not less than forty eight hours before the commencement of the Meeting.
A proxy form is sent herewith. A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in aggregate not more than 10 (ten) percent of the total share capital of the Company. Provided that a member holding more than 10 (ten) percent of the total share capital of the Company may appoint a single person as proxy and such person shall not act as proxy for any other member.
2. Corporate Members/societies etc. are requested to send a duly certified copy of the Board Resolution/authority, authorizing their representative(s) to attend and vote on their behalf at the Meeting.
3. Members/Proxies should fill in the Attendance Slip for attending the Meeting and bring their Attendance Slips along with their copy of the Annual Report to the Meeting.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Members who hold shares in electronic form are requested to write their DP ID and Client ID numbers and those who hold share(s) in physical form are requested to write their Folio Number in the Attendance Slip for attending the Meeting to facilitate identification of membership at the Meeting.
6. The Company’s Register of Members and Transfer Books will remain closed from Saturday, 23rd December, 2017 to Friday 29th December, 2017 (both days inclusive) for the purpose of the Meeting.
7. The dividend, if declared at the Annual General Meeting will be paid within 30 days from the date of declaration, to all beneficial owners in respect of shares held in dematerialized form as per the data made available by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as of the close of business hours on 22nd December, 2017 and to all members in respect of shares held in physical form after giving effects to valid transfers in respect of transfer requests lodged with the Company on or before the close of the business hours on 22nd December, 2017.
8. Members wishing to claim dividends, which remain unclaimed, except those members whose Equity Shares are held in abeyance, are requested to correspond with the Company Secretary/RTA. Members are requested to note that dividend which is unpaid or unclaimed within seven years from the date of transfer to the Company’s Unpaid Dividend Account, will be transferred to the Investor Education and Protection Fund as Section 124 of the Companies Act, 2013.
9. In accordance with provisions of section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the business proposed for the ensuing Annual General Meeting, may be transacted through electronic voting system provided by CDSL and the Company is providing facility for voting by electronic means (“e-voting”) to its members. Resolution(s) passed by Members through e-voting is/are deemed to have been passed as if they have been passed at the AGM.
10. The Company has engaged the services of Central Depository Services (India) Limited (“CDSL”) to provide e-voting facilities and for security and enabling the members to cast their vote in a secure manner.
11. It may be noted that this e-voting facility is optional. The e-voting facility will be available at the link <https://www.evotingindia.co.in> during the following voting period.

Commencement of e-voting: From 9.00 a.m. of Tuesday, December 26, 2017

End of e-voting Upto at 5.00 p.m. of Thursday, December 28, 2017

E-voting shall not be allowed beyond 5.00 P.M. of Thursday, December 28, 2017. During the e-voting period, Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date may cast their vote electronically. The cut off date for the limited purpose of e-voting is Friday December 22, 2017.

12. The login ID and password for e-voting along with process, manner and instructions for e-voting is being sent to the members who have not registered their e-mail IDs with the Company along with physical copy of the notice.
13. Those members who have registered their e-mail IDs with the Company/their respective Depository Participants are being forwarded the login ID and password for e-voting along with process, manner and instructions by e-mail.
14. The Company has, in compliance with Rule 20 of the (Management and Administration) Rules, 2014, appointed CS Pooja Anand/CS Mukul Tyagi of Pooja Anand & Associates, Practicing Company Secretaries, as Scrutinizer (as consented to be appointed as scrutinizer) for conducting the electronic Process in a fair and transparent manner.
15. Members are requested to intimate immediately any change in their address or other mandates to their Depository Participants with whom they are maintaining their demat accounts. The Company or its Registrar and Transfer Agent cannot change mandates for shares in electronic form.
16. Non-resident Indian Members are requested to inform Company's Share Registrar - Beetal Financial & Computer Services (P) Limited immediately for:
 - a. the change in the residential status on return to India for permanent settlement; and
 - b. the particulars of the bank account(s) maintained in India with complete name, Branch, account type, account number and address of the bank, if not furnished earlier.
17. An Explanatory statement pursuant to Section 102 of the Companies Act, 2013, relating to the special businesses to be transacted at the Meeting is annexed hereto.
18. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The nomination form can be obtained from the Company's Registrar.
19. Members who have not registered their e-mail addresses so far are requested to register their e-mail address so that they can receive the Annual Report and other communication from the Company electronically.
20. Shareholders seeking any information or clarification on the accounts are requested to send written queries to the Company, at least 10 days before the date of the meeting, to enable the management to keep the required information available at the meeting.
21. Annual Report of the Company including the notice of ensuing Annual General Meeting, has been uploaded **on website of the Company; www.cmilimited.in under the segment "For Investor"** which can be freely downloaded by any members, forthwith after it is sent to the members. Any shareholder wishing to receive a physical copy of the Annual Report, may write to the Company or Company's Share Registrar by email, the Company will arrange to send the physical copy of the annual report to such member within 7 days of the receipt of the communication.
22. **Voting through electronic means:**

Pursuant to the provisions of section 108 of the Companies Act, 2013, Rule 20 and Rule 21 of Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote electronically through the electronic voting service facility arranged by the Central Depository Services (India) Limited. The facility for voting through Ballot Paper, will also be available at the Annual General Meeting (AGM) and the Members attending the AGM who have not cast their votes

by remote e-voting shall be able to exercise their right at the AGM through Ballot Paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. The instructions for E-voting are prescribed below:

- (i) The voting period begins < **From 9.00 A.M. of Tuesday, December 26, 2017,** > and ends on <**5.00 P.M. of Thursday, December 28, 2017,**>. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <Friday, December 22, 2017>, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders/Members.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.
OR Date of Birth (DOB)	<ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolution(s) contained in this Notice.
- (xi) Click on the EVSN of CMI LIMITED on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) Note for Non - Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

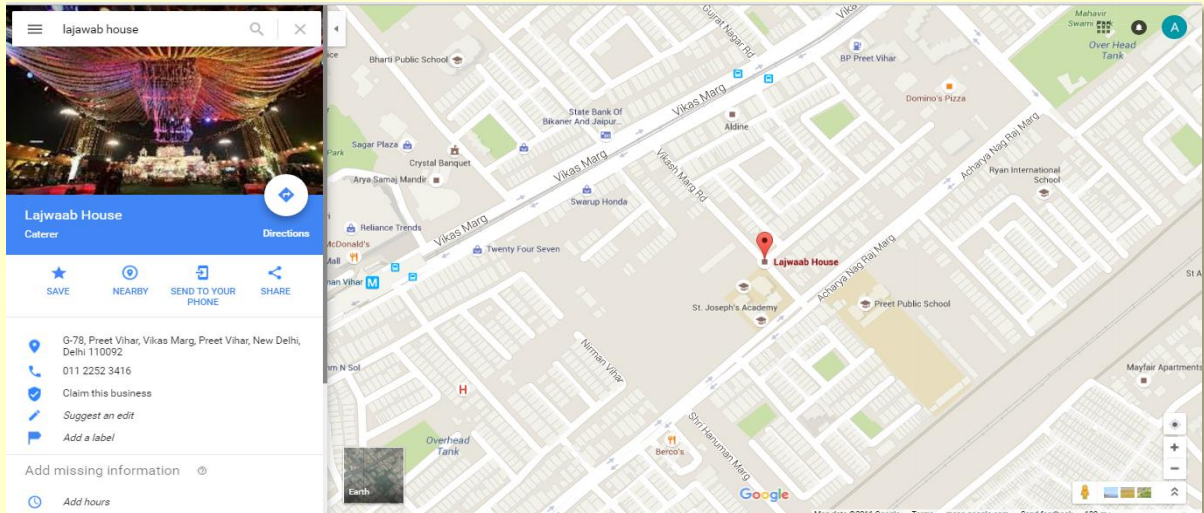
OTHER INSTRUCTIONS:

1. (a) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section.
 (b) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
2. The shareholders can opt for only one mode of voting, i.e. either physically by attending AGM or remote e-voting. If any shareholders opt for remote e-voting, he/she will not be eligible to vote physically in AGM.
3. The scrutinizer shall within a period of not exceeding three days from the conclusion of the AGM unblock the votes in the presence of at least two witnesses not in employment of the Company and make a scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
4. The results of the remote e-voting along with the scrutinizer's report shall be communicated to the stock exchanges where the shares of the Company are listed.

23. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9 A.M. to 5 P.M.) on all working days except Saturdays and Sundays, up to and including the date of the Annual General Meeting of the Company.
24. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), of the person seeking re-appointment, as Director/Managing Director under Item No. 3 of the Notice are:

Particulars	Mr. Vijay Kumar Gupta
(a) a brief resume of the Director;	Mr. Vijay Kumar Gupta, Whole-Time Director, a Mechanical Engineer (B.E.) from Delhi College of Engineering Delhi having more than 40 years experience in the field of Cable is a just a One Stop Solution Man for Cable. He has attained this Stature by virtue of knowledge in the area of Design/Production/Marketing of Cables covering the vast range of Power/Control/Instrumentation/communication/PIJF Telecom Cable.
(b) nature of his expertise in specific functional areas;	Mr. Gupta with his enriched knowledge and experience acted as a guiding star and under his guidance the Company bagged numerous orders and created avenues for new products and new customers which facilitated in enhancing the profitability of the Company. As a strategic advisor he enabled the Company to build its goodwill in the competitive environment. His excellence in business techniques facilitated the Company to achieve the desired growth level. His leadership quality acted as a motivator and increased employee motivation along with increased efficiencies in processes resulting in achieving financial gain and improvement in productivity and product quality of the Company. With his association, the Company has reached heights of success.
(c) disclosure of relationships between Directors inter-se;	NIL
(d) names of listed entities in which the person also holds the directorship and the membership of Committees of the board; and	NIL
(e) shareholding of Non-Executive Directors	Not applicable

25. Route Map for venue of Annual General Meeting

**GREEN INITIATIVE:**

The Ministry of Company Affairs (MCA) has taken the “Green Initiative in Corporate Governance” (Circular No. 17/2011 dated April, 2011 and Circular No. 18/2011 dated April 20, 2011) along with paperless compliance by companies through electronic mode.

Keeping in view underlying theme and circular issued by MCA, the Company proposes to send all documents to be sent to shareholders like General Meeting Notice, Annual Report including Audited Financial Statements, Director Report, Auditor Report etc. to our shareholder in electronic form, to the email address provided by them and made available to the Company by the Depositories. Please also note that you will be entitled to be furnished free of cost, with a copy of the Annual Report of the Company and all other documents required by law to be attached thereto, upon receipt of a requisition from you, any time, as a member of the Company such a requisition may be sent to the Registered Office of the Company addressed to the Company Secretary.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**ITEM No. 5:**

M/s Ajay Kumar Singh & Co, Cost Accountants were appointed as Cost Auditor of the Company by the Board of Directors in their meeting held on May 30, 2017 on recommendation of the Audit Committee, to conduct the audit of cost records maintained by the Company for the financial year ending on 31st March, 2018 at a remuneration of Rs.45,000 plus taxes as applicable and other incidental expenses that may be incurred for the purpose.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014, the remuneration payable to the Cost Auditors as approved by the Board of Directors on recommendation of the Audit Committee is required to be ratified by the members of the Company.

Accordingly, consent of the members is being sought for passing an Ordinary Resolution as sought in Item no. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2018.

None of the Directors/Key Managerial Personnel of the Company/their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out in item no. 05 of the Notice.

ITEM No. 6:

Mr. Amit Jain is a well qualified person and is a prominent and successful industrialist with a wide and varied experience in the cable industry. Mr. Jain has professional approach with great business acumen. Due to his foresightedness and hard work, the Company is achieving greater heights. Your Directors foresee a bright future of the Company under his management. Considering his valuable efforts, and on recommendation of Nomination and Remuneration Committee, the Board of Directors at their meeting held on September 29, 2015, re-appointed him as Chairman cum Managing Director of the Company w.e.f. 1st October, 2015 till 30th September, 2020, which was subsequently approved by Shareholders in the 49th AGM of the Company.

Keeping in view the above and Industrial standards and with a recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company has, in its meeting held on 22nd November, 2017, unanimously recommended the increase in the remuneration of Mr. Amit Jain, Chairman cum Managing Director of the Company from Rs.4,02,250/- per month to Rs.7,16,000/- per month, for the remaining tenure of his appointment i.e. w.e.f. 1st January, 2018 to 30th September 2020. Mr. Amit Jain is also Director in CMI Energy India Private Limited wholly owned subsidiary of the CMI Limited.

The holding of Mr. Amit Jain is 5,093,877 (33.90%) Equity share of the Company.

This explanatory statement and the resolution at Item no. 6 may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

In view of the provisions of Section 196, 197 and Section 203 and any other applicable provisions of the Companies Act, 2013, the Board of Directors recommends the Special Resolution set out at Item No. 6 of the accompanying Notice for the approval of the Members.

Except Mr. Amit Jain, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 6.

ITEM No. 7:

Mr. Vijay Kumar Gupta, has more than 40 years of rich experience in the cable industry including in marketing activities. His continuous efforts have helped creating avenues for new customers and new products for the Company. With his association of more than fourteen years with the Company, the Company's revenue have reached to a new height. Keeping in view the above and with recommendation of the Nomination and

Remuneration Committee, the Board of Directors of the Company in its meeting held on 22nd February, 2017, re-appointed Mr. Vijay Kumar Gupta, as a Whole-Time Director of the Company with effective from 1st April, 2017 for period of 5 years in accordance with the provisions contained in Section 196 and 197 read with Section 203 of the Companies Act, 2013 on the remuneration and other terms and conditions as per the said resolution.

Mr. Vijay Kumar Gupta holds 8,770 Equity Shares in the Company. The Board of Directors accordingly recommends the Special Resolution set out in Item No. 7 of the accompanying Notice for the confirmation and approval of the Members. Mr. Vijay Kumar Gupta is also Director in CMI Energy India Private Limited, the wholly owned subsidiary of CMI Limited.

This explanatory statement and the resolution at Item no. 7 may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

Except Mr. Vijay Kumar Gupta being appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out in Item No. 7.

**By Order of the Board
CMI LIMITED**

Place: New Delhi

Date: 22.11.2017

**Amit Jain
Chairman cum Managing Director
(DIN: 00041300)**

FORM NO. 11**Proxy Form**

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

CMI LIMITED**CIN L74899DL1967PLC018031****Regd. Office: 501 - 503, 5th Floor, New Delhi House, 27, Barakhamba Road, New Delhi - 110001****Tel.: 011 - 49570000, Fax: 011 - 23739902****Email Id: info@cmilimited.in Website: www.cmilimited.in****Name of the Member (s):****Registered Address:****Email ID:****Folio No./Client ID.:****DP ID:**

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

1. Name: Email Id:

Address:

Signature:

2. Name: Email Id:

Address:

Signature:

3. Name: Email Id:

Address:

Signature:

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 50th Annual General Meeting of the Company, to be held on Friday, 29th December, 2017 at 11.30 A.M. at Lajwaab Banquet Hall, Vikas Marg, Delhi - 110092 and any adjournment thereof in respect of such resolutions as are indicated below:-

Resolution No.:**Ordinary Business:**

1. To receive, consider and adopt
 - a. The Audited Standalone Financial Statement for the year ended March 31, 2017 together with the Report of the Directors and Auditors thereon; and
 - b. The Audited Consolidated Financial Statement for the year ended March 31, 2017 together with the Report of Auditors thereon
2. To declare Dividend of Rs.1 per equity share for the Financial Year ended on March 31, 2017.
3. Appointment of Director in place of Mr. Vijay Kumar Gupta, who retires by rotation and being eligible offers himself for re-appointment.
4. Ratification of appointment Statutory Auditors of the Company.

Special Business:

5. Ratification of remuneration of M/s. Ajay Kumar Singh & Co, Cost Accountants, appointed as Cost Auditor of the Company.
6. Increase in remuneration of Mr. Amit Jain, Chairman cum Managing Director of the Company.
7. Re-appointment of Mr. Vijay Kumar Gupta as Whole-Time Director of the Company.

Signed thisday of 2017.

Affix Rs.1/-
Revenue
Stamp

Signature of Shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

CMI LIMITED**CIN L74899DL1967PLC018031****Regd. Office: 501 - 503, 5th Floor, New Delhi House, 27, Barakhamba Road, New Delhi - 110001****Tel.: 011 - 49570000 - 12, Fax: 011 - 23739902****Email Id: info@cmilimited.in Website: www.cmilimited.in****ATTENDANCE SLIP****50th ANNUAL GENERAL MEETING****Date: 29th December, 2017 Time: 11:30 a.m.****Place: Lajawab Banquet Hall, Vikas Marg, Delhi - 110092**

Member's Folio/
DP ID - Client ID No.

Member's/Proxy's
Name in Block Letters

Member's/Proxy's Signature

Note:

1. Sign this attendance slip and hand it over at the attendance verification counter at the entrance of the meeting hall.
2. Bodies Corporate, whether a company or not, who are member, may attend through their authorized representatives appointed under section 113 of the Companies Act, 2013. A copy of the authorization should be deposited with the Company.
3. In case of shares held in demat/electronic form, the signature of the Beneficial Owner is liable for verification with the record furnished to the Company by NSDL/CDSL.
4. Electronic copy of the Annual General Meeting (AGM) along with attendance slip and proxy form is being sent to all the members whose email address is registered with the Company/Depository Participant unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending the AGM can print copy of the Attendance Slip.

Physical copy of the Annual Report for 2016-17 and Notice of the AGM along with the attendance slip and proxy form is sent in the permitted mode(s) to all members whose email is not registered for a hard copy.

Page Intentionally Left Blank

Registered Post

Printed Matter

If undelivered please return to:

CMI LIMITED

Regd. Office: Flat No. 501 - 503, 5th Floor, New Delhi House,
27, Barakhamba Road, New Delhi - 110001

Ph: 011-49570000 Fax: 91-11-23739902 E-mail: info@cmilimited.in