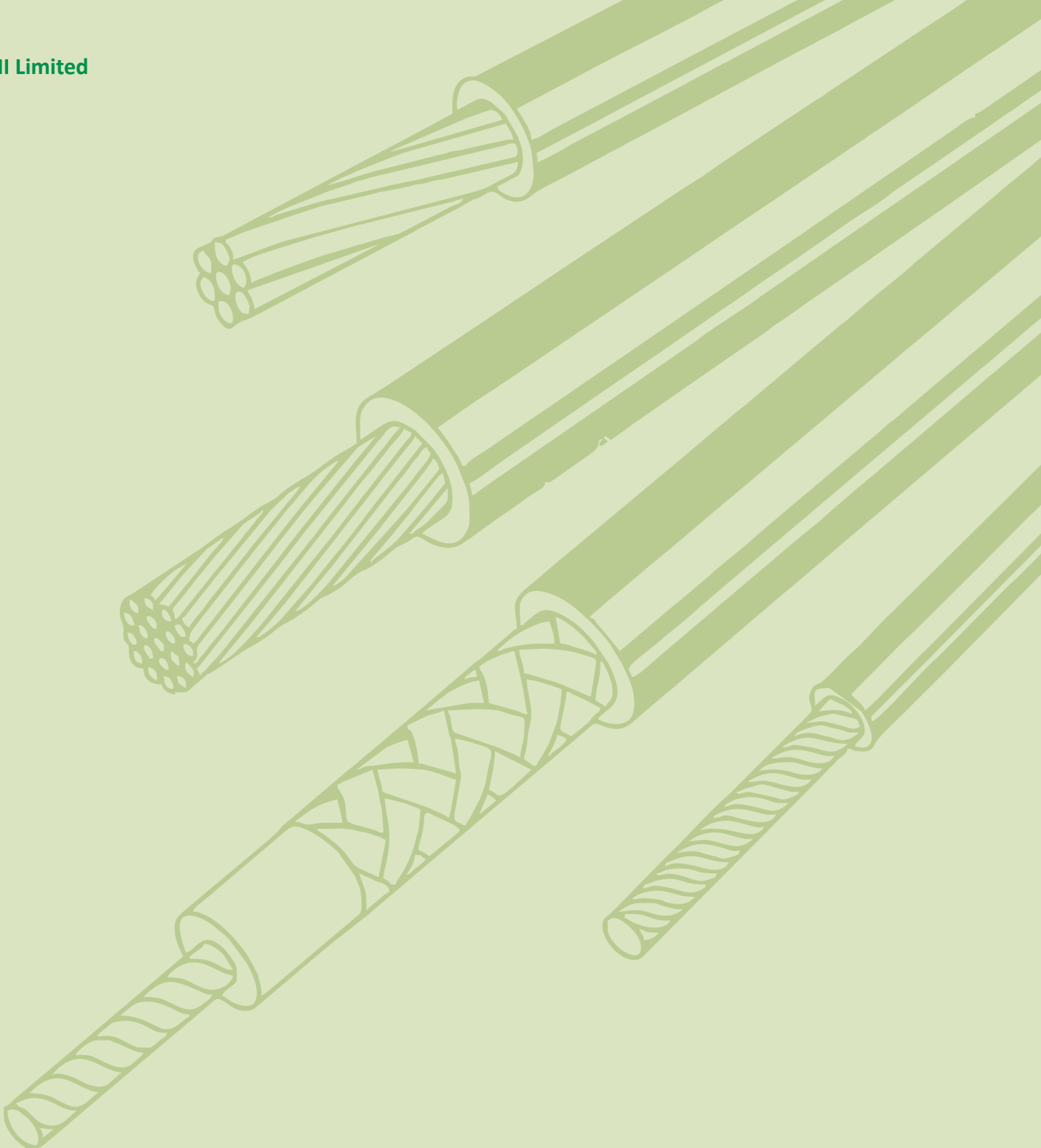


ANNUAL REPORT 2018-19

AN ISO 9001, ISO 14001 &
OHSAS 45001 COMPANY
CIN: L74899DL1967PLCO18031



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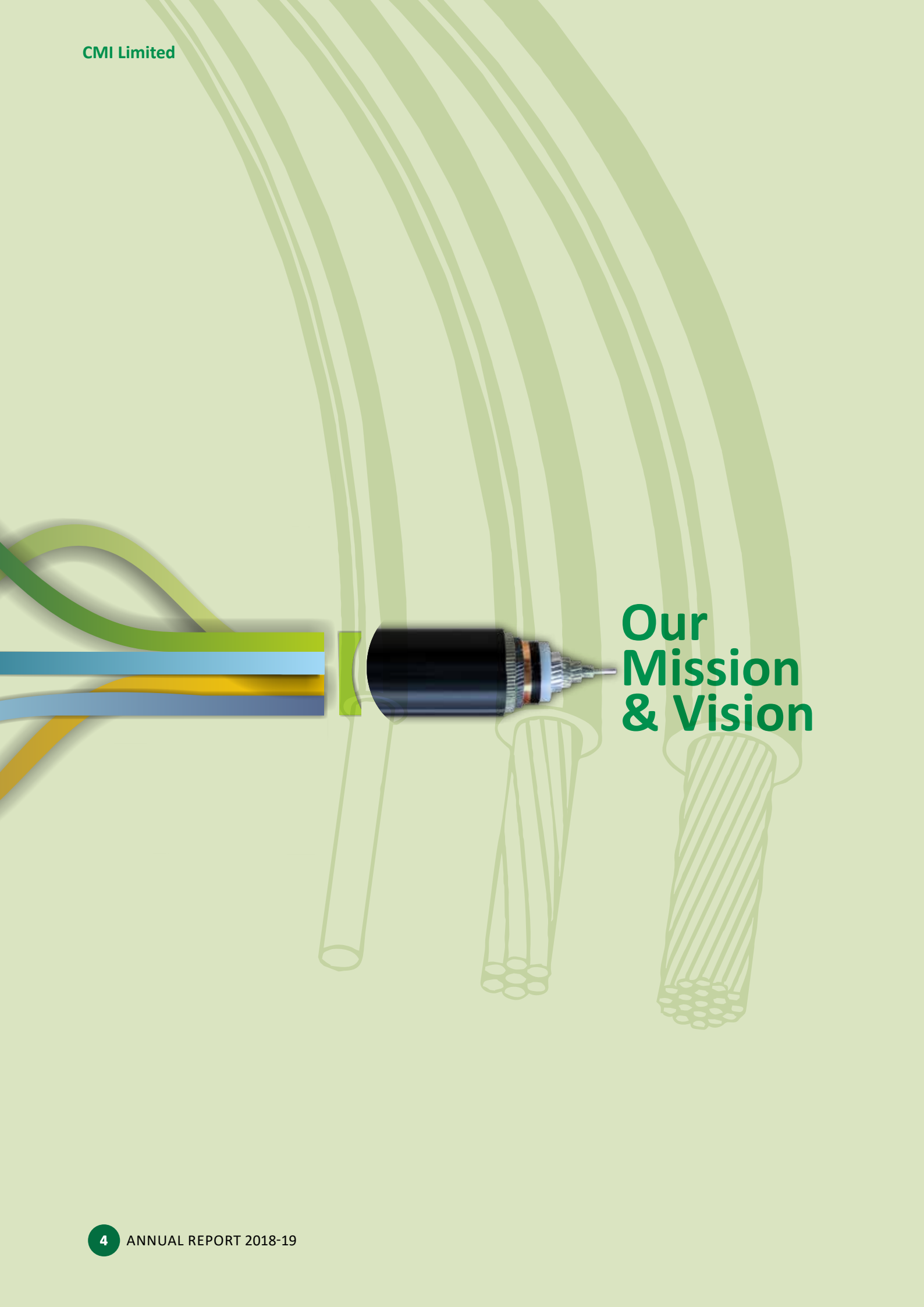
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Our Mission & Vision

MISSION

“Sustainable growth through innovation”

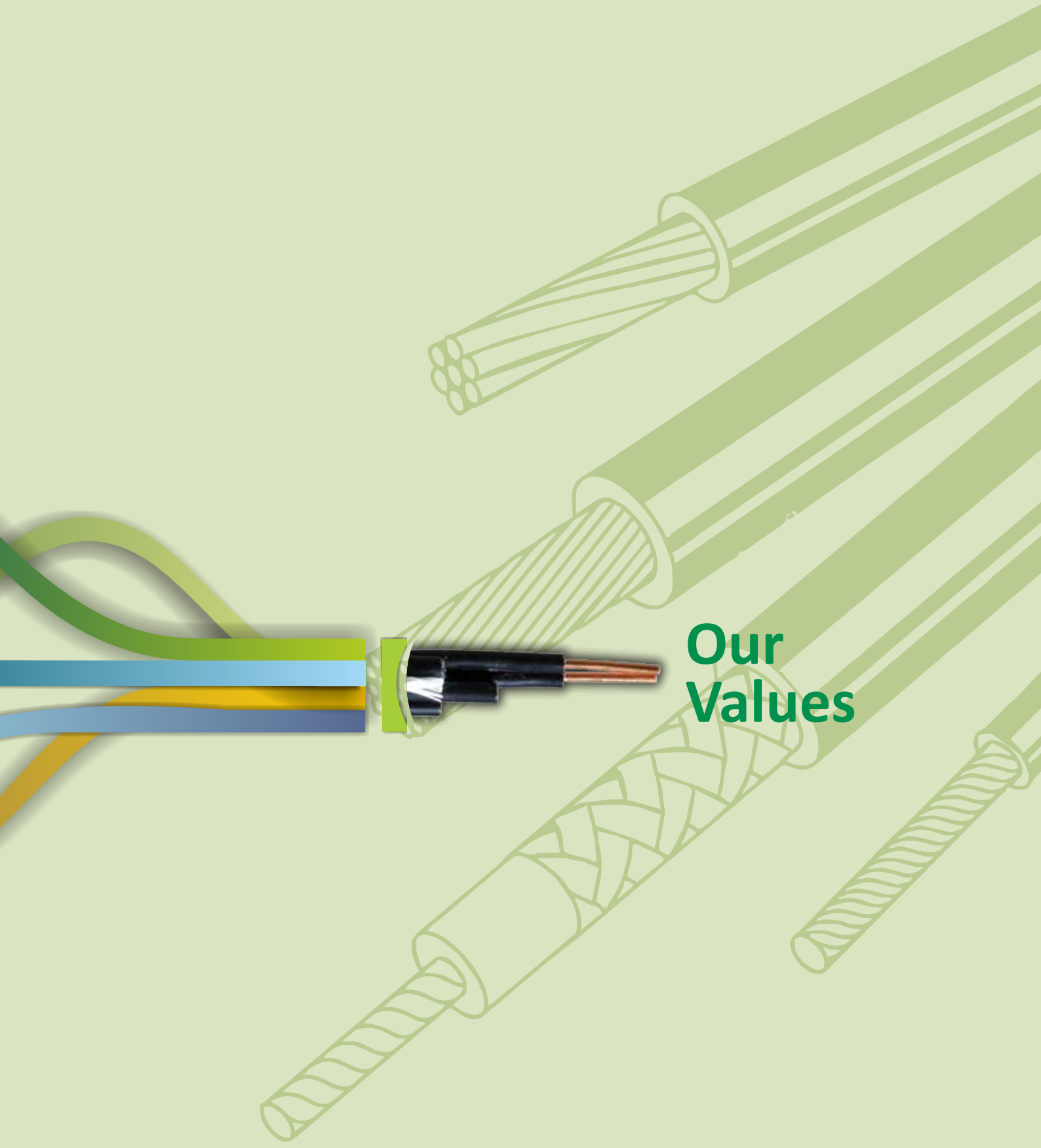
Our mission is to achieve sustainable growth by delivering high quality innovative products that meet new, undefined or existing market needs in unique ways. We achieve this by fostering innovation which helps us to stay ahead in the competition, provide meaningful differentiation and gain increased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

VISION

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

Our vision is to become one of the leading global 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 speciality cable manufacturing industry by delivering products which exceed customers expectations. Our priority is to maximize shareholders value through product development, improved efficiency and an open culture within the Company.





Our Values

- We shall be honest in all our business dealings and always follow ethical business practices



Integrity

- We shall take full responsibility for our decisions which shall always be taken in the best interest of the company, its employees and stakeholders



Accountability



Customer Satisfaction

- We shall strive to give our esteemed customers total satisfaction with products that meet the highest international quality standards

Excellence



- We are committed to excel in each of our operations through 100% teamwork, commitment and efficiency

Respect

Safety

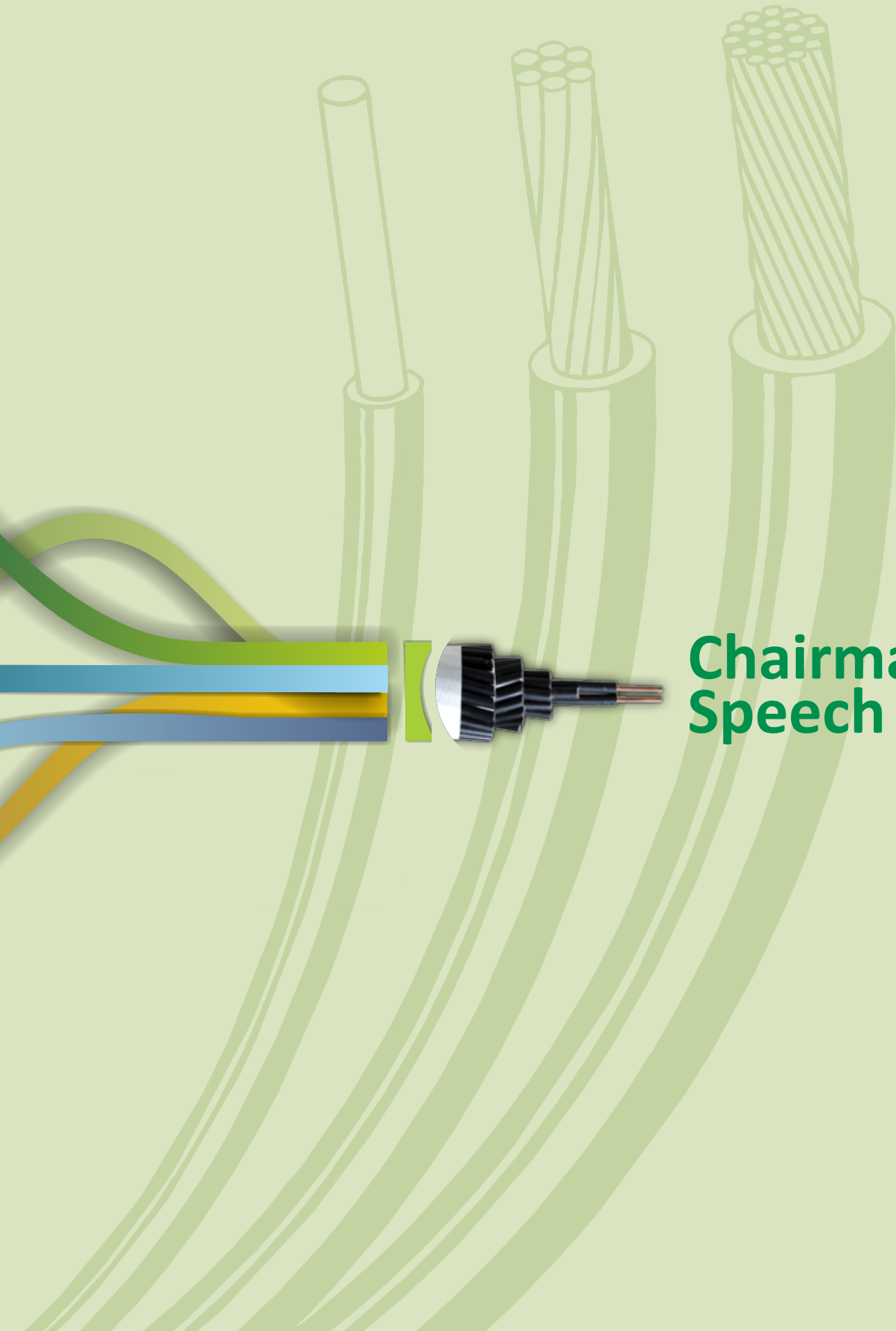


- We are committed to treat all our employees, customers and stakeholders with dignity and respect



- We are dedicated to follow the most stringent safety and security standards by following the laid down safety rules and guidelines both in letter and in spirit





Chairman's Speech

Chairman's Speech

Dear Friends,

The financial year 2018-19 has begun on a very optimistic note, yet another successful year of growth and achievements for your Company.

In FY 2018-19, the top-line of our Company grew up by 13.79% to Rs.637.29 Crores as compared to Rs. 560.06 Crores in FY 2017-18. EPS has also gone up by 73.86% to Rs.29.91 in FY 2018-19 as compared to Rs. 17.20 in FY 2017-18 on account of reversal of the tax provisions earlier made upon approval of amalgamation of CMI Energy India Private Limited with the Company.

At present, our Company is continuously striving for excellence in a highly volatile market. The focus is on restructuring in all areas of businesses whether it is sales, R&D, product innovation or investment. Our Company is taking concrete and effective steps to consolidate its position in the Cable industry. The underlying philosophy of our Company is to grow in a manner that is sustainable for its stakeholders, employees and the community at large.



The Company succeeded to get fresh approvals from various prospective customers for the Baddi plant. These include RDSO, Power Grid Corporation, BHEL, Airports Authority of India Limited, Mazagon Dock Shipbuilders Ltd, Jawaharlal Nehru Port Trust and more. Thus the capacity utilization continues to improve at Baddi plant, supported by sufficient headroom for growth.

It was a matter of great honor for us when our Company secured its presence on the global platform for the Baddi Plant. The Company got bulk export order from Mauritius for the supply of XLPE LV/HV underground

Power Cables. The trial orders executed in many other countries also converted in tremendous results. Riding on the performance of these trial orders, we look at higher overseas business in future years.

Another significant event occurred in April 2019 when hon'ble NCLT approved the scheme of amalgamation for CMI Energy India Private Limited into CMI Limited to merge our businesses. Both companies and their plants now operate under CMI Limited. This merger will help the Company to strengthen its business focus leading to better accounting procedures.

CMI's rating is now upgraded to CRISIL BBB+ (Triple B Plus) / Positive to the Long Term Bank Facilities from CARE BBB+ (Triple B Plus) stable and CRISIL A2 to Short Term Bank Facilities availed by the Company from A3+ (A Three Plus) to the short term bank facilities. Our business is highly working capital intensive and fund requirement assumes great importance in our scheme of things to help us grow at a steady pace, this development will help the Company in borrowing loans and advances from financial institutions at competitive pricing.

With the incumbent new Government keen to pursue infrastructure reforms at an accelerated pace, the opportunities are exciting and immense. In this dynamic landscape, CMI Limited is fully geared to make the most of the unfolding developments. The Company is well on its way to a brighter tomorrow. Our future expansion plans include among other plans, making a foray into the burgeoning retail business in India. A detailed plan is being worked out and strategies are being put in place to enter this space with a big bang. We will share more news in this regard with you as and when we are ready with it.

At this point, let me express my deepest gratitude to our Board of Directors & our esteemed shareholders, partners, employees, clients and Governments across the country as also every stakeholder who is committed to the cause of making this Company achieve greater heights of success, now and in the future.

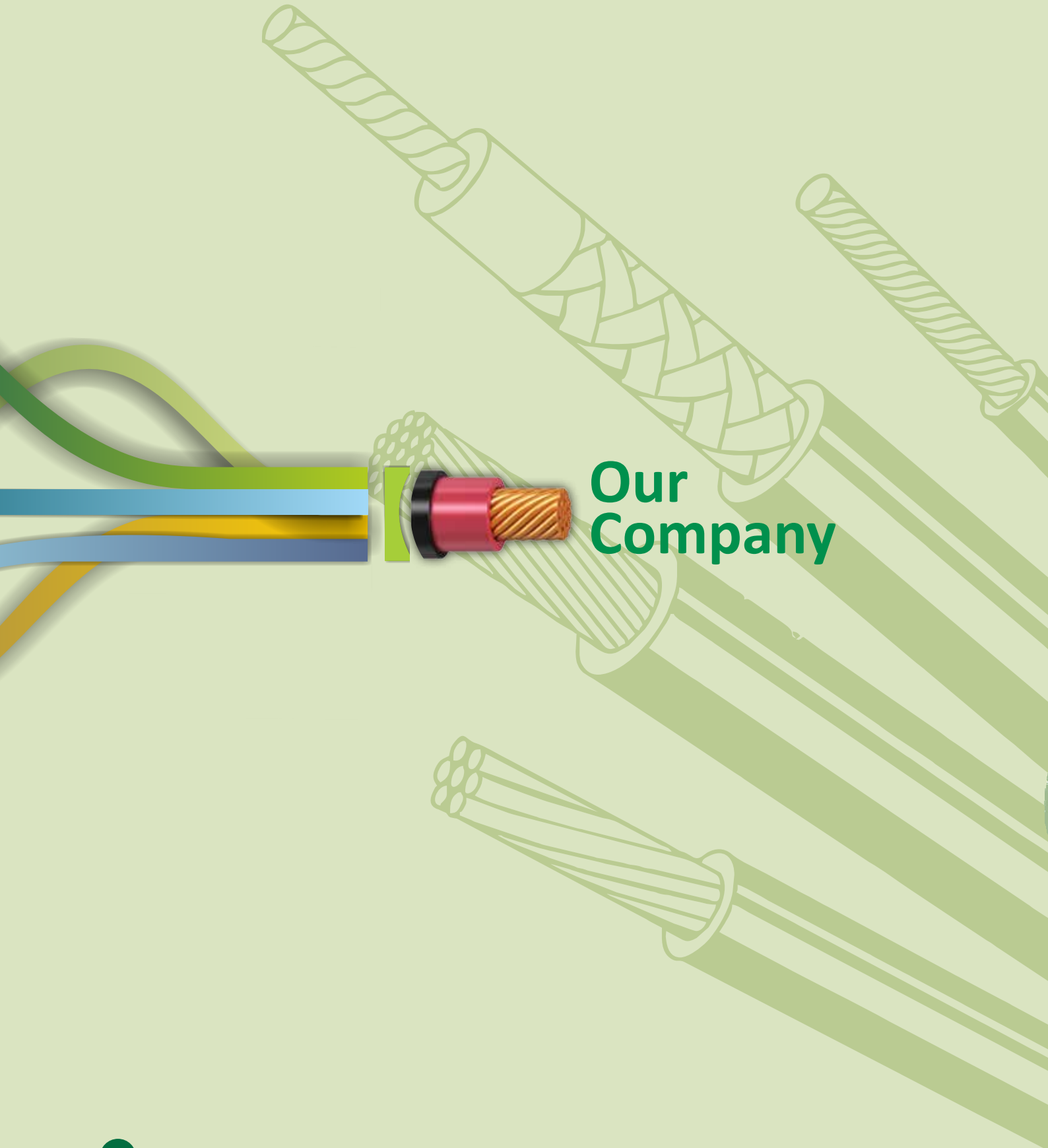
May I also take this opportunity to recommend a final dividend of Re.1 per equity share for the financial year ended 31 March 2019.

To conclude, let me say that your unflinching support is a great motivator for Team CMI and it is our constant endeavour to drive our Company forward in a sustained and responsible manner. I am confident that the Company will cross many new milestones in the years to come by leveraging its strengths and by tapping-in on new opportunities.

Thank you once again for the trust and confidence reposed on CMI.

Amit Jain
Chairman cum Managing Director





Our Company

Fardiabad-Haryana Plant



At CMI, we have always dared to dream big. Ever since Mr Amit Jain took over the business in 2007, we have set high goals for ourselves. From trading in metals to manufacturing wires and cables for the ever expanding Indian market, we've always challenged ourselves to achieve more.

Today, CMI Limited is an ISO 9001, ISO 14001 & OHSAS 45001 accredited Company and is engaged in the manufacture of products across a wide category including Extra High Voltage Cables, HT Aerial Bunched Cables, HT(PVC/XLPE), LT Cables(EP R/XLPE /PVC), LT Aerial Bunched Cables, Fire Survival Cables, Catenary & Contact Wires for Railways, Indoor & Outdoor Railways Signalling Cables, Airfield Lighting Cables, PT FE Cables, Balise Cables, Co-Axial Cables, LSZH/TPU Sheathed Control Cables, Control & Instrumentation Cables, PCM Cables, Profibus Cables, Quad Cables, PIJF Telecom Cables, Signalling Cables, Fire Alarm Cables, Data Cables, Telephone Cables, Rubber Cables, Submersible Cables, Overhead Conductors–AAC, AAAC,ACSR and other customised Cables as per client's requirements.

The Company has scaled newer heights not just in product expansion but also in management consolidation. CMI has consciously invested in developing speciality products for niche markets and core industries vital to the infrastructure development of our country. These include developing and manufacturing cables for Indian Railways, Metro Project, Power Cables for various industries, etc.

CMI enjoys the confidence and trust of core sectors like Space Research, Nuclear Power, Petrochemicals, Refineries, Computers & High Frequency Transmission, Telecom, Steel, EPC and many more.

Plants of the Company have Research and Development facility to address the needs of the ever-changing and rapidly evolving customer preferences. In the year 2016, CMI made acquisition at Baddi from General Cables, a fortune 500 Company to manufacture Power Cables. The plant which was operational for over a year turned things around by CMI. Production at Baddi plant began in 2016 while in 2017 the plant became fungible. Over the years, CMI has stood firm and has charted a consistent path of growth in the face of stiff challenges both from the Indian economy as well as the Indian Wires and Cables industry, reflecting its strong ethos and rich & strong fundamentals.

Today the Indian economy seems all set to leapfrog into the world stage in a big way. The Wires and Cables industry is going to play a crucial role in India's forward thrust. No wonder, CMI is well prepared to face the challenges the economy will present. We not only have the technological knowhow and the essential experience but also a great product range and a management team that is raring to go and prove its mettle on the big stage.

CMI
Strong cables.
Stronger bonds.

Baddi- Himachal Pradesh Plant



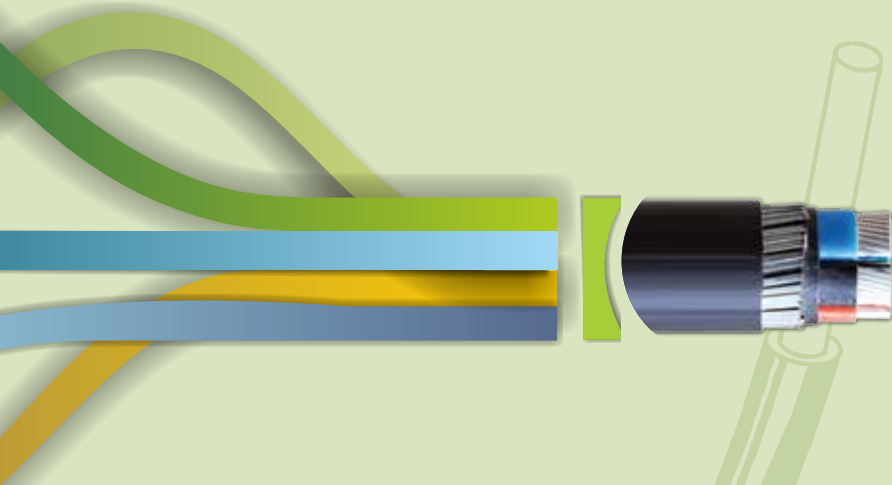
General Corporate Information

Board of Directors	Mr. Amit Jain, Chairman cum Managing Director Mr. Vijay Kumar Gupta, Whole-time Director Mr. Kishor Punamchand Ostwal, Non-executive Independent Director Mr. Manoj Bishan Mittal, Non-executive Independent Director Mr. Pyare Lal Khanna, Non-executive Independent Director Ms. Charu Jain, Non-executive Independent Director (w.e.f. 28.05.2019) Ms. Archana Bansal, Non-executive Independent Director (till 28.05.2019)
Chief Financial Officer	Mr. Rattan Lal Aggarwal
Company Secretary and Compliance Officer	Mr. Subodh Kumar Barnwal
Statutory Auditors	M/s Krishna Neeraj & Associates, Chartered Accountants
Internal auditor of the Company	Ms. Priyanka Singh
Cost Auditor	M/s. Ajay Kumar Singh & Co.
Secretarial auditor of the Company	M/s Pooja Anand & Associates, Practicing Company Secretaries
Audit Committee	Mr. Kishor Punamchand Ostwal-Chairman Mr. Pyare Lal Khanna -Member Mr. Vijay Kumar Gupta - Member (till 12.08.2019) Ms. Charu Jain – Member (w.e.f. 28.05.2019)
Nomination and Remuneration Committee	Mr. Pyare Lal Khanna –Chairman Mr. Manoj Bishan Mittal-Member Ms. Archana Bansal –Member (till 28.05.2019) Ms. Charu Jain – Member (w.e.f. 28.05.2019)
Stakeholder Relationship Committee	Mr. Pyare Lal Khanna –Chairman Mr. Vijay Kumar Gupta –Member Ms. Archana Bansal –Member (till 28.05.2019) Ms. Charu Jain – Member (w.e.f. 28.05.2019)
Investor Grievance Service	Mr. Subodh Kumar Barnwal Company Secretary & Compliance Officer 501-503, New Delhi House, 27 Barakhamba Road, New Delhi-110001 Tel: 011-49570000 E-mail: info@cmilimited.in and cmics@cmilimited.in
Registrar & Share Transfer Agent	BEETAL Financial & Computer Services Pvt Ltd. Address: BEETAL HOUSE, 3rd Floor, 99, Madangir, Behind LSC, New Delhi – 110062 Tel: 011-29961281-83/26051061/26051064 Fax : 011-29961284 Email: beetalrta@gmail.com
Corporate Website	www.cmilimited.in
Address	Registered Office: 501-503, New Delhi House, Barakhamba Road, New Delhi-110001 Faridabad Plant: Plot NO.71 and 82, Sector-6, Faridabad-121006 (Haryana) Baddi Plant: Village: Bhaatauli Khurd,Baddi, Tehsil: Nalagarh, District: Solan , (Himachal Pradesh)-173205

Senior Management Personnel of CMI Limited

Sr. No.	Name	Designation
1	Munishvar Gaur	Group President
2	S. K. Chopra	General Manager, Business Development
3	S. R. Sarup	General Manager, Sales
4	P. Aggarwal	General Manager Technical
5	S. Suresh	General Manager HV Cables
6	Mohit Madan	DGM - Marketing & Sales
7	Madhurendu Bajpai	AGM International Marketing
8	Aatif Rasheed Khan	AGM Sales and Marketing
9	Natique Quamar	AGM Technical
10	Shyam Kumar Saraswat	Sr. DGM - Production
11	Rajesh Singh	GM Production, Baddi
12	Pawan Kumar Gupta	DGM – HT Cables
13	Harendra Singh Tyagi	AGM – LT Cables
14	Ayodhya Prasad Pandey	AGM – Maintenance
15	Ajit Pal Rana	AGM – HR





Management Discussion & Analysis



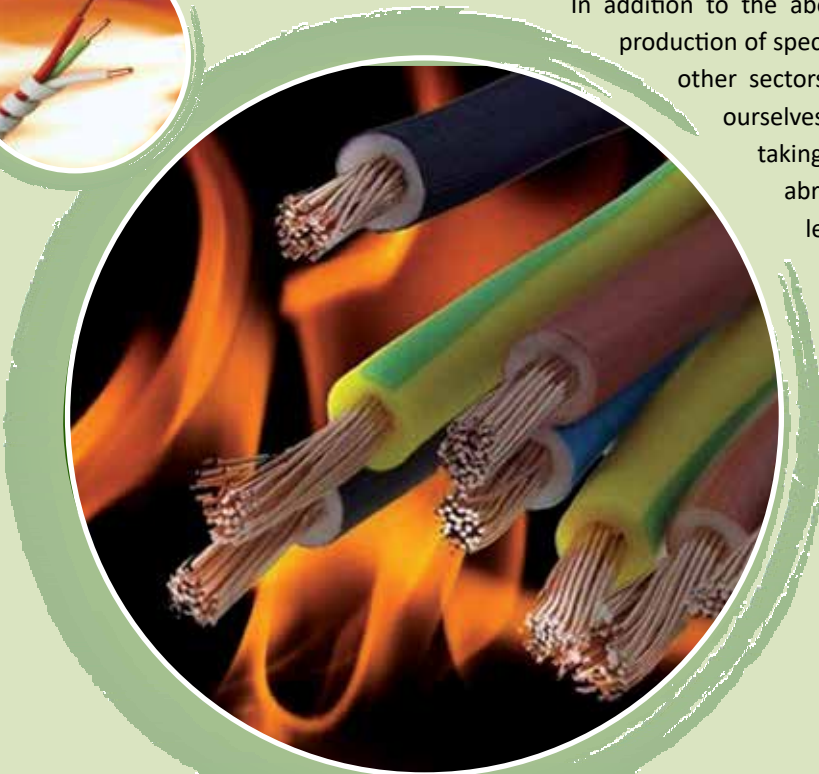
CMI Limited has made giant strides in one of India's most competitive industries, the wire and cable industry. We have consistently expanded our product portfolio and are taking some of the biggest names in the industry head on. Over the years, CMI has worked with such prestigious organizations as the Indian Railways, BHEL, IOC, BPCL, NTPC, ISRO, BSNL, EIL, Metro Railways, MTNL, oil refineries, Visakhapatnam Steel Plant and other PSUs. CMI has also collaborated with well known EPC contractors like Schneider Electric, GE, Siemens, L&T and many other reputed EPC Companies. Today, our client base has expanded to cover countries like Australia, Bhutan, Egypt, Kuwait, Mauritius, Nigeria, Oman, Singapore, Sri Lanka, United Kingdom and Zambia.

CMI has recorded a consistent upward growth in the last three years. The Company achieved a consolidated net turnover of Rs. 637.30 Crores in FY 2018-19. With relatively low overhead costs, the Company's performance on the EBIDTA level has been consistent – Rs. 78.86 Crore in FY 2017-18 and Rs.87.01 Crores in FY 2018-19.

Company Overview

CMI is currently focusing on growing its footprints in the wire and cable market. Of late, there have been a few significant developments which have given the Company the added momentum to expand its business in various product segment such as : **EHV Cables, Signaling & Axle Counter Quad Cables for Indian Railways, Cables required for Refinery & Renewable energy, Control & Instrumentation Cables, Telecom cables and Building wire.**

In addition to the above, CMI is also considering the production of specialized dedicated cables in various other sectors. At CMI, we continuously keep ourselves updated with the developments taking place in the industry in India and abroad that helps us stay ahead of the learning curve.



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 45001). 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 panel & 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 - Caution is the key

Growth in the global economy is expected to remain steady at around 3% in 2019 and 2020. According to the World Economic Situation and Prospects 2019, this steady pace of growth disguises an increase in downside risks that could potentially worsen development challenges in many parts of the world,

Today, the global economy faces a range of challenges, capable of disrupting economic activity and causing significant damage to long-term growth expectations. These could well lead to tightening of global financial conditions, trade disputes between countries and increased climate related risks.

It may be pointed out here that the growth rates in many developed countries have reached close to their potential while the rates of unemployment have seen a downward spiral for some time now. In fact, it is mostly the South and East regions that are still enjoying a rather robust growth trajectory due to encouraging domestic demand environments.

But, the truth is that in spite of some strong global indicators, economic growth has by and large been extremely dull in large parts of the world. The last few years, especially 2018, saw a sharp decline in the per capita income of many large developing Countries.

Trends further suggest that even amongst economies that have recorded impressive per capita income growth, the economic activity is driven largely by core industries and large urban centres, making rural and other fringe areas lag behind.

Many countries in the world resorted to economic populism which may be a good policy in the short term. We can safely say that the next 12 months might well determine if countries will give further impetus to economic populism or will they begin to pull out of these policies.

Emerging political climate in Europe and the United States will also play a vital role in shaping the world economy in the coming years.



Indian economy - Roar of the tiger

India has emerged as the fastest growing major economy in the world and is expected to emerge as one of the top three economic powers of the world over the next 10-15 years.

India's GDP has grown steadily in the last few years. While it increased by 7.20% in 2017-18, in 2018 the growth was 7%. India's foreign exchange reserves stand at an impressive US\$ 405.64 Billion by March, 2019, as per the data released by the RBI.

In fact, a lot of this current slowdown is being attributed to weak private investment because of over leveraged private companies. Consumption, which often keeps the engine of economy moving smoothly, had begun to show a downward trend.

The newly elected Government of India promises to overturn this slowdown. The first step has been taken in this regard with the appointment of key ministry portfolios.

With these changes, the changes on the ground are immediately visible. GST collection crossed the trillion mark for the third consecutive month. In fact, the target for GST collection has been further revised upwards. GDP for the fourth quarter came in at 5.80% and for the full year 2018-19 at 6.80%. It's a definite slowdown and would act as a strong reason for RBI to cut rates. Plans to augment our manufacturing sector are also afoot. The Government and the newly appointed Finance Minister are doing their best to boost this manufacturing sector for the long run.

Looking back, in the last five years, the initiatives taken by the Govt. encouraged many global giants to set up facilities in India. This not only created a competitive environment in the country but also benefited the Indian consumer.

During 2018-19 (up to February 2019), merchandise exports from India increased by as much as 8.85% year-on-year to US\$ 298.47 Billion, while services exports grew 8.54% year-on-year to US\$ 185.51 Billion. Nikkei India Manufacturing Purchasing Managers' Index (PMI) reached a 14-month high in February 2019 and stood at 54.30%.

Our Country is also focussed on various renewable sources to generate energy. It is expected to attain 40% of its energy requirements from non-fossil sources by 2030 and also increase its renewable energy capacity to 175 GW by 2022.

With the Government of India now focusing on increased participation from the private sector and inflow of private investment, the road ahead for the Indian economy looks extremely encouraging and positive.



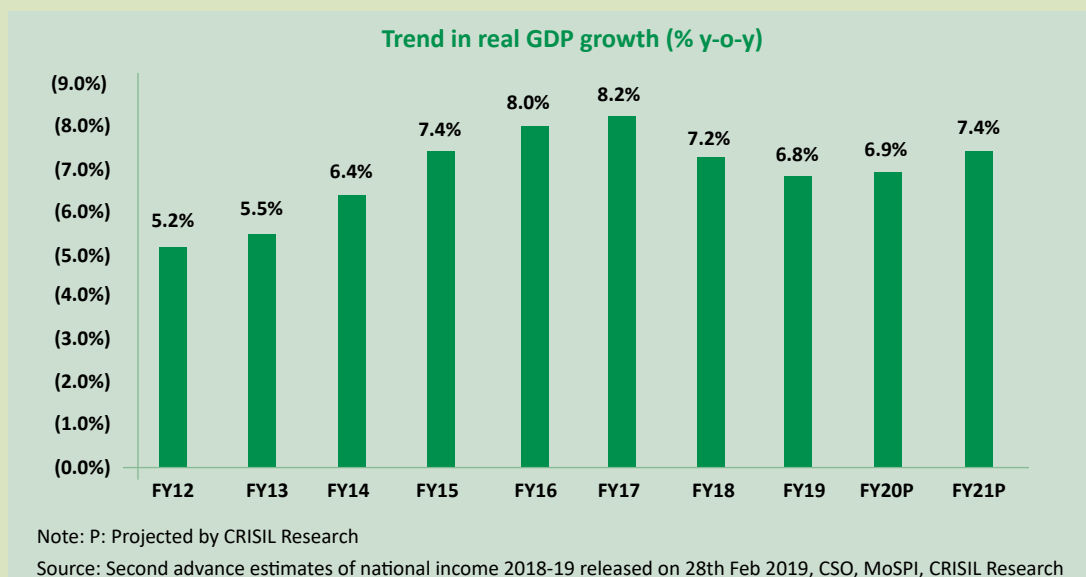
India's GDP - On the upward swing

India's GDP is expected to grow at 7.30% in 2019 and 7.50% in 2020, supported by the continued recovery of investment and robust consumption. GDP in India is expected to be US\$ 2,900.00 Billion by the end of this quarter, according to Trading Economics global macro models and analysts expectations. In the long term, the Indian GDP is projected to trend around US\$ 3,420.00 Billion in 2020, according to our econometric models. This will ensure, India remains the fastest growing major economy of the world.

In 2018, India's growth rate was 7.10%, as against China's 6.60%.

In fact, India's GDP is expected to reach US\$ 6 trillion by FY 2027 and achieve upper-middle income status on the back of digitisation, globalisation, favourable demographics, and reforms. GDP from manufacturing in India increased to Rs. 6,167.49 Billion in the first quarter of 2019 from Rs. 5638.04 Billion in the fourth quarter of 2018.

GDP from manufacturing in India averaged Rs. 4,562.15 Billion from 2011 until 2019, reaching an all time high of Rs. 6,167.49 Billion in the first quarter of 2019 and a record low of Rs. 3,331.04 Billion in the third quarter of 2011. The contribution of the manufacturing sector to India's GDP is expected to be almost 25% by the year 2025.



Make in India - Towards self reliance in manufacturing

Prime Minister Narendra Modi's vision to turn India into a manufacturing hub for every nation is slowly but surely coming to fruition. Under this scheme, India witnessed its highest-ever FDI flow of US\$ 60 Billion in 2016-17.

The government has identified 25 priority sectors that shall be promoted under the Make In India initiative. These are the sectors where likelihood of FDI (Foreign Direct Investment) is the highest and investment shall be promoted by the Government of India.

The Make in India initiative is also expected to enhance job creation, skill development and industrial infrastructure substantially.



Global Wire and Cable Market - Growth is inevitable

The global wires and cables market size was estimated at US\$ 186.09 Billion in 2017 and is estimated to witness a CAGR of 6.40% over the forecast period. Increasing reserves in smart grid technology, growing renewable energy production, and initiatives for upgrading the transmission and distribution systems are expected to drive this market. Adoption of smart grid technology has fulfilled the rising need for grid interconnections, significantly resulting in increased investments in new submarine and underground cables. In addition, the market growth is attributed to the growing offshore windfarms and high voltage direct current links.

Smart grids reduce the overall costs including operational and the cost incurred due to loss of power, thereby reducing energy prices and customer bills.

Increased energy demands in Asia Pacific, Middle East, and South America have resulted in heavy investments in smart grids in these regions. This will fuel the demand for low voltage cables. Growth in the power distribution sector and applications in automotive and non-automotive industries will also drive their demand. Urbanization and industrialization are also among the major factors responsible for market growth. Need for power grid interconnections in areas that are densely populated is creating a demand for submarine and underground cables.

Regions, such as North America and Europe, are adopting underground cables as they reduce space required and offer reliable transmission of electricity. Environmental regulations regarding the safety of electrical installations have led to the development of various innovative products, such as halogen-free flame retardant compounds. These regulations have also encouraged the implementation of new processes with efficient use of raw materials and low energy consumption.



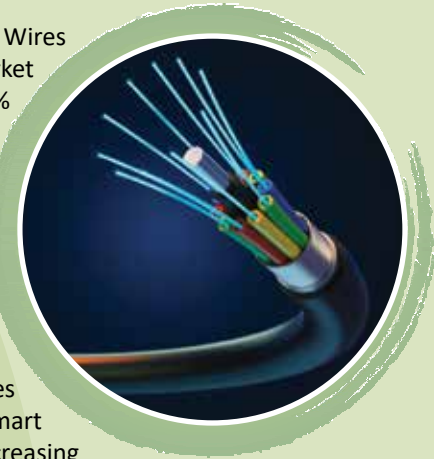
Indian Wire and Cable Market - The future is promising

Today, the Indian Wires and Cables market comprises nearly 40% of the electrical industry and is growing at a CAGR of 15% due to unprecedented growth in the power and infrastructure segments in the last few years. Other factors responsible for this impressive growth are development of Smart Cities across the country under Smart Cities Mission coupled with increasing number of electronic devices per household and development of manufacturing industries under the 'Make in India' initiative. Moreover, growing demand for reliable, efficient energy and data communication from rural areas and tier II and tier III cities and towns would positively influence the country's wire and cable market.

India's growing road infrastructure and its ever expanding urban infrastructure also contributes significantly to the growth of this sector.

The segment has also been witnessing extraordinary growth because of the impetus provided by the recent policy and regulatory initiatives as well as Government schemes like Ujjwal Discom Assurance Yojana (UDAY), the Deendayal Upadhyay Gram Jyoti Yojana (DDUGJY), the Integrated Power Development Scheme (IPDS) and the Pradhan Mantri Sahaj Bijli Har Ghar Yojana Saubhagya. Further, Indian Railway Mission 41K has generated the potential for Indian wires and cables industry through electrification of 38,000 km route. Under DDUGJY, the government has envisaged the electrification of all villages.

The market is forecast to grow at a CAGR of 10.30% through 2023, predominantly on account of growing government investments towards infrastructure development projects. Today, there is a growing need for the development of quality electrical infrastructure in India. This augurs well for the development of wires and cables industry in India. Being one of the key segments of power sector, wires and cables sector is experiencing an escalating demand owing to the growth in power generation infrastructure.

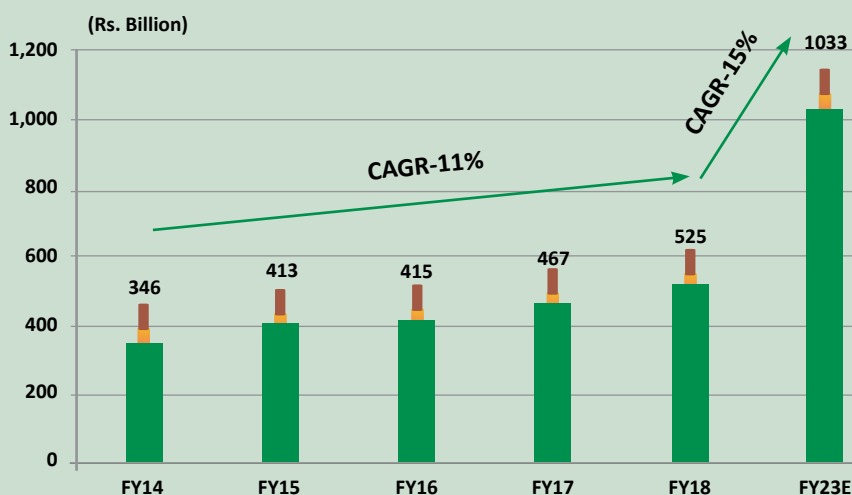


The Transmission and Distribution sector continues to remain in focus, especially, with the outlay of Rs. 2.6 lakhs crore announced by the Government for the five-year period ending FY2022. There is also a sharper focus on high voltage transmission lines along with the Government’s aims to provide 24x7 power, which is opening up opportunities in the sector. DISCOMS which have joined the UDAY scheme are expected to improve their T&D infrastructure through renewed investments. The government’s target of generation of 100 GW of solar energy by 2022 and measures such as excise duty exemption for ferro-silicon magnesium used for manufacturing components for wind-operated electric power generators have augmented the demand for electrical wires and cables.

Cable manufacturers, both power and telecom, have been shoring up their capacities in anticipation of the demand growth. In fact, global investors are also envisaging India as the potential market for high voltage (HV) and extra high voltage (EHV) cables.

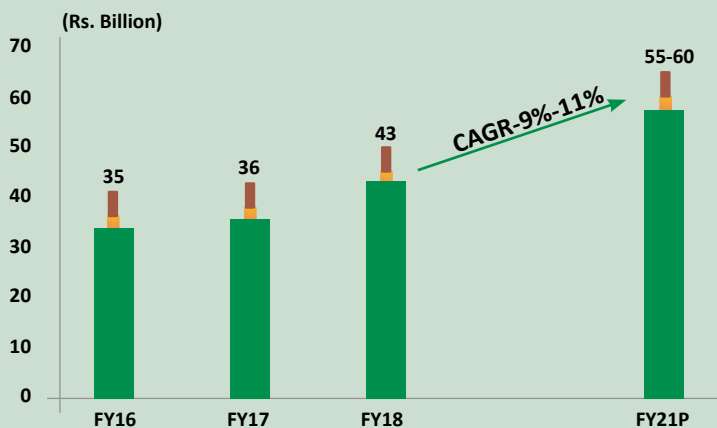
In the near future, there appears to be no viable alternative for cables for bulk power transmission. But trends such as Smart Grids or Distributed Generation have the potential to change the demand for cables, although they are yet to be fully established in terms of long term commercial viability.

Cable and wires market in revenue terms is expected to double over FY 18-23 E



Source : Industry, Yes Sec- research

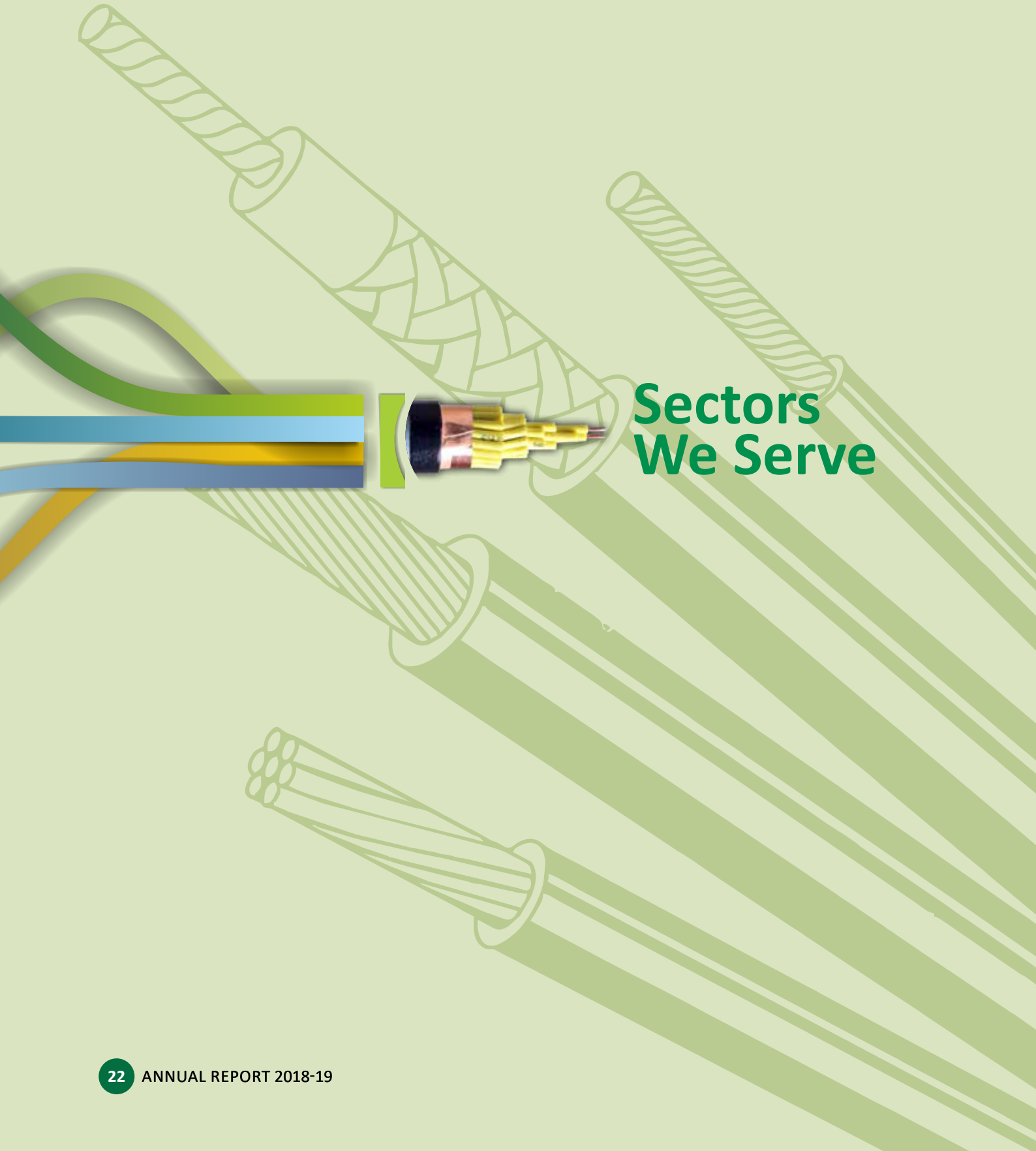
Cable and wires export projection till FY 2021(in Rs Billion)



Note: P: projected

Source: Directorate General of Foreign trade, Ministry of Commerce and Industry, CRISIL Research





Sectors We Serve



The Indian government is all set to revamp the age-old infrastructure of Indian Railways with well laid out investment and expansion plans. The Railway Ministry recently announced an investment plan of Rs. 905,000 Crores to upgrade its infrastructure and other services by 2020. Under this plan, the Indian railways is expected to add 2500 km of rail lines every year to the existing infrastructure by 2020.

In fact, the Ministry of Railways is developing a National Rail Plan, 2030 to provide a long term perspective to plan for augmenting the railway network. NRP-2030 will endeavour to harmonise and integrate the rail network with other modes of transport and create synergy for achieving a seamless multi modal transportation network across the country.

The Indian Railways is gearing itself to add as much as 1.50% to India's GDP by building infrastructure to support 40% modal freight share of India's economy.

For infrastructure upgradation, Indian Railway has identified 5 sub themes for driving growth:

- A. INCREASE THROUGHPUT ON EXISTING NETWORK
- B. BUILD TERMINAL INFRASTRUCTURE
- C. INNOVATIVE FUNDRAISING, SOURCING AND STRUCTURING
- D. ACCELERATING INFRASTRUCTURE BUILDOUT
- E. DELIVER HIGH SPEED NETWORKS

Indian Railways - On the right track

Segment - wise Investment Opportunity

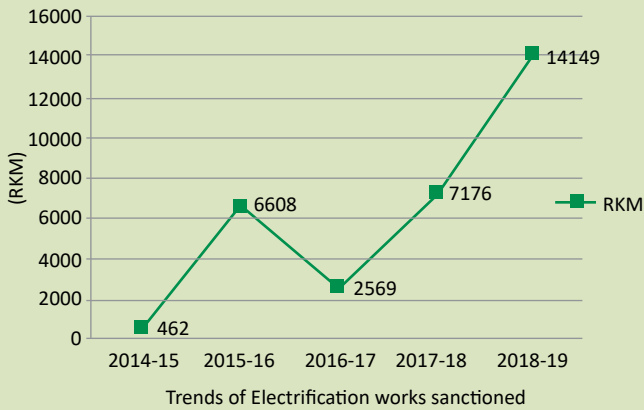
Following are the major segment - wise projects planned on priority basis by railways for the period FY 2016-25:

Particulars	Projects (In Nos)	Length (In Kms)	Cost (In crore)
New Lines	154	17,105	173,448
Gauge Conversion	42	9,704	41,803
Doubling	166	9,272	53,134
Traffic Facilities	560	-	9,537
Signal & Telecommunication	517	-	9,459
Railway Electrification	36	10,004	10,686
Workshop	479	-	26,464
Total	1,954	46,085	324,531

Source: Indian Railways Lifeline of the nation – A White Paper (Feb 2015) by Ministry of Railways



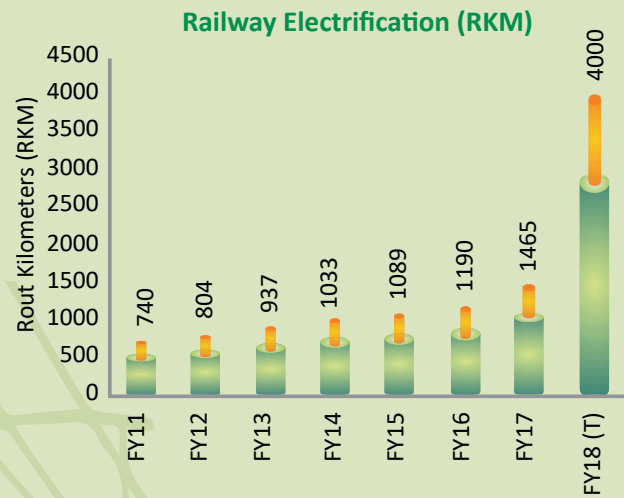
Major electrification plans are underway to electrify additional routes which will augur well for CMI.



A blueprint has been prepared by Indian Railways to electrify network with an estimated annual saving to the tune of Rs 13,500 crore per year post 100% electrification.

The government’s increasing focus on safety, infrastructure development, and electrification and energy efficiency has led to significant rise in the order inflows. Further, plans to award Public-Private Partnership projects for supply and manufacturing of Electric Multiple Unit (EMUs), DFC, high-speed rail and metro projects are expected to boost the country’s rail sector and also Companies involved in this space.

Electrification of Railway Lines as per Ministry of Railways report, during FY13-17 suggests the following figures: total 103 Railway Electrification projects consisting of 16,815 RKM at estimated cost of Rs. 176.15 Billion have been sanctioned and about 4,777 RKM were electrified during the same period. Going ahead, under its “Mission Electrification” project, Indian Railways plans for electrification of 24,400 RKM in the next five years which is almost equal to what has been done from introduction of electric traction since Feb 1925. Given the historical cost assumption of electrification, the total size of opportunity to electrify 24,400 RKM would come to around Rs. 244 Billion over the next five years.



Source: Central Organization for Railway Electrification, Budget Speech

The Bullet Train

Another ambitious project of the Government of India is the construction and commissioning of India's first high-speed train, the Bullet Train between Mumbai and Ahmedabad. Construction of the corridor began in August 2018 with the acquisition of land for the Sabarmati terminus. The marquee train is scheduled to do its maiden run on 15 August 2022.

Additionally, the new lines and the other proposed Bullet trains / High speed train projects will definitely enhance the demand for the specialized cables for this category.

While cities like Delhi and Kolkata have their own fully functional metro networks, which have already become the pride of those cities, smaller cities like Jaipur, Lucknow and Nagpur now also have a Metro network benefitting the residents of the city in a big way.

According to reports, many more Indian cities are expected to get fully functional metro networks in the future. These include:

Kanpur (Likely by 2021)
Visakhapatnam (By 2021)
Surat (By 2022)
Guwahati (By 2022)
Patna (By 2022)
Kanpur (By 2022)
Coimbatore (By 2023)
Thiruvananthapuram (By 2025)
Indore (By 2025)
Varanasi (By 2025)



Investments in Metro Rail infrastructure development have increased significantly from Rs. 587 Billion in FY2014-15 to Rs. 1.48 trillion for FY2018-19, growing at a CAGR of 26% over the last four years.

Metro Projects - Setting new standards in efficiency

No economy in the world can expect to grow at a fast pace unless it has a robust urban transport system in place. In India, the Metro Rail Project has been one of our most ambitious projects. During its many years of operations, it has successfully provided the much-needed filip to our economy and bridged the transport gap for the citizens of India, significantly.



Power transmission and distribution - A powerhouse called India

The power sector in India has been on a consistent upswing and is currently experiencing an exponential growth in its fortunes.

Today, India has emerged as the world's third largest electricity producer and has a total installed power generating capacity of 3,46,048 MW.

Further, a total capacity addition of 58,384 MW from conventional sources has been envisaged for the period 2017-2022, consisting of 47,855 MW of coal-based power stations, 406 MW of gas-based power stations, 6,823 MW of hydro power stations and 3,300 MW of nuclear stations. In addition, there has been a big thrust by the government for setting up renewable power generation capacity of 175 GW by the year 2022.

Rating agency ICRA has estimated a healthy 6% demand growth for the power sector during FY2019 and has maintained a stable outlook for the segment.

During the first seven months of FY2018-19, national power demand growth has remained at a steady 6.50% which is higher than the 5.50% reported in the first seven months of FY2017-18 and the full year growth of 6.20% reported in FY2018. The rising demand is being met from higher generation by both thermal and renewable energy plants. This is reflected in the improvement in thermal power PLF to 61.10% in the first seven months of FY2019 against 59% in the first seven months of FY2018, and also 29.50% higher generation from renewable energy sources (y-o-y basis)," as per ICRA reports.

On the distribution front, the implementation of the UDAY scheme has enabled a reduction in losses for the discoms at all India level, by about 43% for FY 2017-18, mainly from reduction in interest costs. Estimates of the Ministry of Power suggest that the aggregate losses of all discoms have fallen below Rs. 20,000 Crores for FY 2017-18. However, the improvement in the operational profile of the discoms remains slow, given that the reduction in AT&C losses is much lower than expected across majority of the states.



Opportunity for electrical equipment industry

According to the Central Electricity Authority's draft National Electricity Plan (Transmission), 2016, a line length addition of over 100,000 circuit kilometre and a substation capacity addition of about 290,000 MVA is envisaged during the period 2017-22. This is expected to enhance demand in the electrical equipment market. With the current focus on various schemes on the transmission and distribution sector, significant changes in the technology are expected in the products which will be deployed to improve supply reliability, quality and reduce losses. This will certainly have more focus on the research and development in product design, manufacturing and testing facilities.

Experts believe that government schemes like the Ujjwal Discom Assurance Yojana (UDAY), the Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY) and the Integrated Power Development Scheme (IPDS) will continue to improve power transmission and distribution facilities in India, well beyond the year 2019.

Of late, India has made significant strides in expanding access to electricity, connecting all of India's population to the grid and expanding the power supply to 24 hours a day. This would increase the income of rural households by US\$ 9.4 Billion a year, while eliminating power shortages and would prevent an estimated US\$ 22.7 Billion a year in business losses.

A challenging task indeed for all the stakeholders in this sector.

Renewable energy- Let the sun shine

Today, the Indian renewable energy market is one of the most attractive renewable energy markets in the world, standing at 4th position amongst all nations.

In fact, India's installed renewable power generation capacity has increased at a fast pace over the past few years, posting a CAGR of 19.78% between FY14-18. The focus of Government of India has shifted to clean energy after it ratified the Paris Agreement. With the increased support of government and improved economics, the sector has become attractive from investor's perspective. As India looks to meet its energy demand on its own, which is expected to reach 15,820 TWh by the year 2040, renewable energy is set to play an important role in our Country's future growth.

As of February 2019, total renewable power installed capacity (excluding large hydro) in the country stood at 75.06 GW. Off-grid renewable power capacity has also increased. As of October 2018, generation capacities for Waste to Energy, Biomass Gasifiers, SPV systems stood at 175.28 MWeq, 163.37 MWeq and 767.51 MWeq, respectively. With a potential capacity of 363 gigawatts (GW) and with policies focused on the renewable energy sector, Northern India is expected to become the hub for renewable energy in India.

Investments and Developments

According to data released by the Department for Promotion of Industry and Internal Trade (DPIIT), FDI inflows in the Indian non-conventional energy sector between April 2000 and December 2018 stood at US\$ 7.48 Billion. More than US\$ 42 Billion has been invested in India's renewable energy sector since 2014. New investments in clean energy in the Country reached US\$ 11.1 Billion in the year 2018.

Government Initiatives

Some initiatives by the Government of India to boost the Indian renewable energy sector are as follows:

- A new Hydropower policy for FY2018-28 has been drafted for the growth of hydro projects in the Country.
- The Government of India has announced plans to implement a US\$ 238 Million National Mission on advanced ultra-supercritical technologies for cleaner coal utilisation.
- The Ministry of New and Renewable Energy (MNRE) has decided to provide custom and excise duty benefits to the solar rooftop sector, which in turn will lower the cost of setting up as well as generate power, thus boosting growth.
- The Indian Railways is taking increased efforts through sustained energy efficient measures and maximum use of clean fuel to cut down emission level by 33% by the year 2030.

The Road Ahead

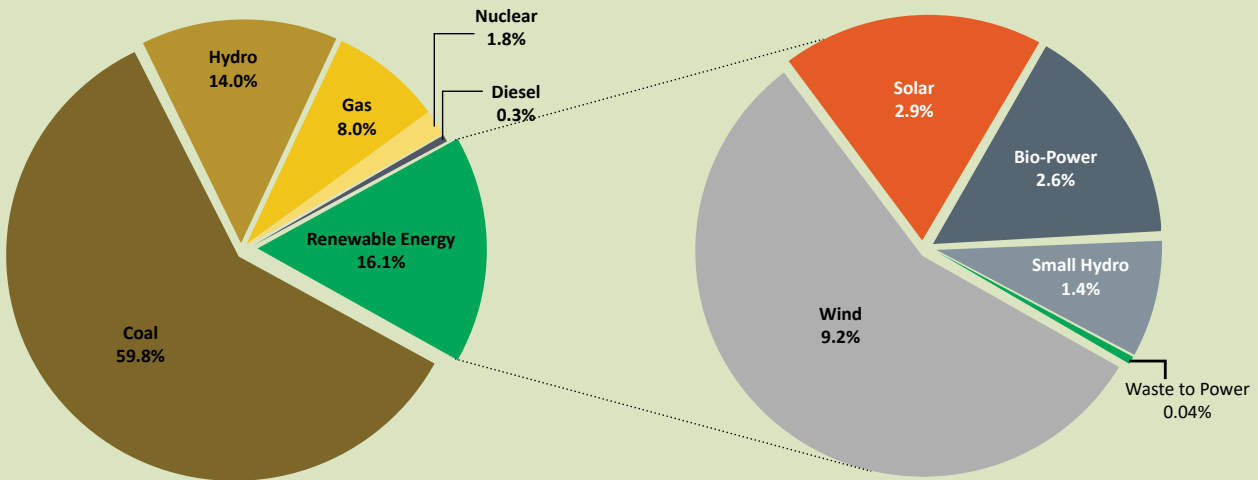
The Government of India is committed to increased use of clean energy sources and is already undertaking various large-scale sustainable power projects and promoting green energy heavily. In addition, renewable energy has the potential to create many employment opportunities at all levels, especially in rural areas. The Ministry of New and Renewable Energy (MNRE) has set an ambitious target to set up renewable energy capacities to the tune of 175 GW by the year 2022 of which about 100 GW is planned for solar, 60 GW for wind and other for hydro and bio among others. As of June 2018, Government of India



is aiming to achieve 225 GW of renewable energy capacity by the year 2022, much ahead of its target of 175 GW as per the Paris Agreement. India's renewable energy sector is expected to attract investments of up to US\$ 80 Billion in the next four years.

It is expected that by the year 2040, around 49% of the total electricity will be generated by the renewable energy, as more efficient batteries will be used to store electricity which will further cut the solar energy cost by 66%. Use of renewables in place of coal will save India Rs. 54,000 crore (US\$ 8.43 Billion).

India- Installed Power Capacity Mix (%)



Source: MNRE, CEA (Installed Capacity as on 31 Jan 2016)

eCars - Rapid charging for improved e-Mobility

Another innovative technology that is set to revolutionise infrastructure solutions all over the world is fast charging of electrical automotives. This breakthrough technology for e-mobility is dependent on the time taken for the charging process and a charging infrastructure that's user friendly.

It is well-known that one of the biggest impediments for car owners to move to owning e-vehicles is the inordinately long time their charging takes. Rapid charging technology is going to change that forever, with fast charging that will be possible not in hours but rather in just a few minutes. As per a Government of India estimate, 25% of all vehicles on Indian roads by the year 2030 will be electric vehicles, warranting a widespread, robust electric vehicle (EV) charging infrastructure across the Country. The government has already issued a set of guidelines to construct charging stations for electric vehicles across the Country, indicating ways to build such charging points every few kilometers.

The instant charging technology is expected to impact the home and institutional delivery sector, freight careers,

taxi owners and transporters in a big way. When this technology finally makes its presence felt in India, the Wire and Cables industry will benefit immensely from it.



Telecommunications - Advantage CMI

India boasts of the world's second-largest telecommunications market, with around 1.20 Billion subscribers as of December 2018. The telecom market can be split into three segments – wireless, wireline and internet services. The wireless market segment comprises 98.20% of the total subscriber base, as of February 2019. Wireless subscriptions witnessed a CAGR of 19.61% to reach 1,183.41 Million at the end of FY18.

India is also the second largest country in terms of internet subscribers with 604.21 Million internet subscribers, as of December 2018. India became the world's fastest-growing market for mobile applications in the first quarter of 2018 and remained as the world's fastest growing market for Google Play downloads in the second and third quarter of 2018.

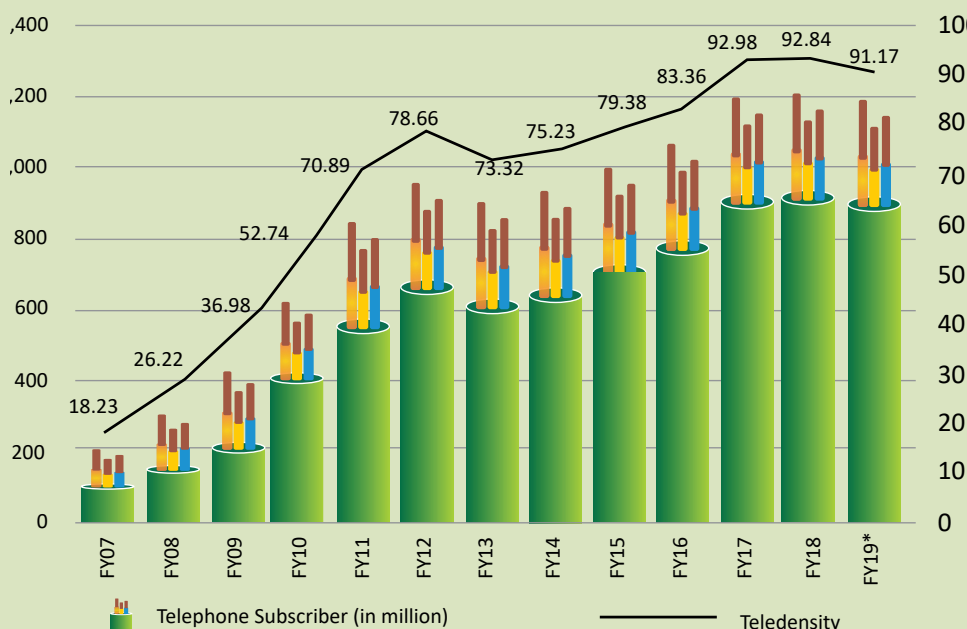
Strong policy support from the government has been crucial to the sector's development. Foreign Direct Investment (FDI) cap in the telecom sector has been increased to 100% from 74%. FDI inflows into the telecom



sector during April 2000 to December 2018 totalled to US\$ 32.45 Billion.

To propel the sector on a growth path, the Government of India has launched the National Digital Communications Policy, 2018, which envisages attracting investments worth US\$ 100 Billion in the telecommunications sector by the year 2022.

Growth in total subscribers and tele-density



Source: IBEF Report, May 2019

Smart Cities - For a smarter generation

The ambitious Smart Cities project of the Government of India is well on its course. It is estimated that 20 smart cities will be ready by the year 2021. Data sourced from the Ministry of Housing and Urban Development suggests that projects worth Rs. 50,221 crore are under implementation, out of which projects worth Rs. 9,981 crore have already been completed.

Under the mission, the government is focussing on innovative digital technologies interlinked with its 'Digital India' projects related to e-governance, mobility, integrated traffic management and solid waste management, etc.

Each city under this mission will have integrated command and control centres (ICCC). At present, 11 cities have operational ICCCs, centres in 29 cities are under construction, while tenders for 21 more have been processed. The ICCCs are designed to enable authorities



to monitor the status of various amenities in real time. The centres will control and monitor online water and power supply, sanitation, traffic movement, integrated building management, city connectivity and the Internet infrastructure.

All the projects under smart city mission, when completed will create immense opportunities for the Wire and Cable industry.

Smart City Projects



Outlook

The overall business environment in the Country coupled with progressive government policies over the last financial year bode well for the wires and cable industry. With an ever growing increase in private investments and a decisive push towards more and more Public Private

Partnerships (PPP) being encouraged, the demand for our products is all set to reach an all time high. What also gives us confidence is the increased capacity at our Baddi plant, which is ready to meet increased demand for our products. With no dearth of opportunities in our economy, CMI continues to grow at a consistent pace with the support of all its stakeholders and will continue to do so in the coming years as well.

CABLES THAT EMPOWER

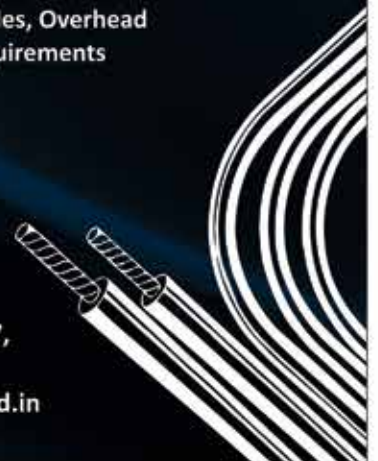


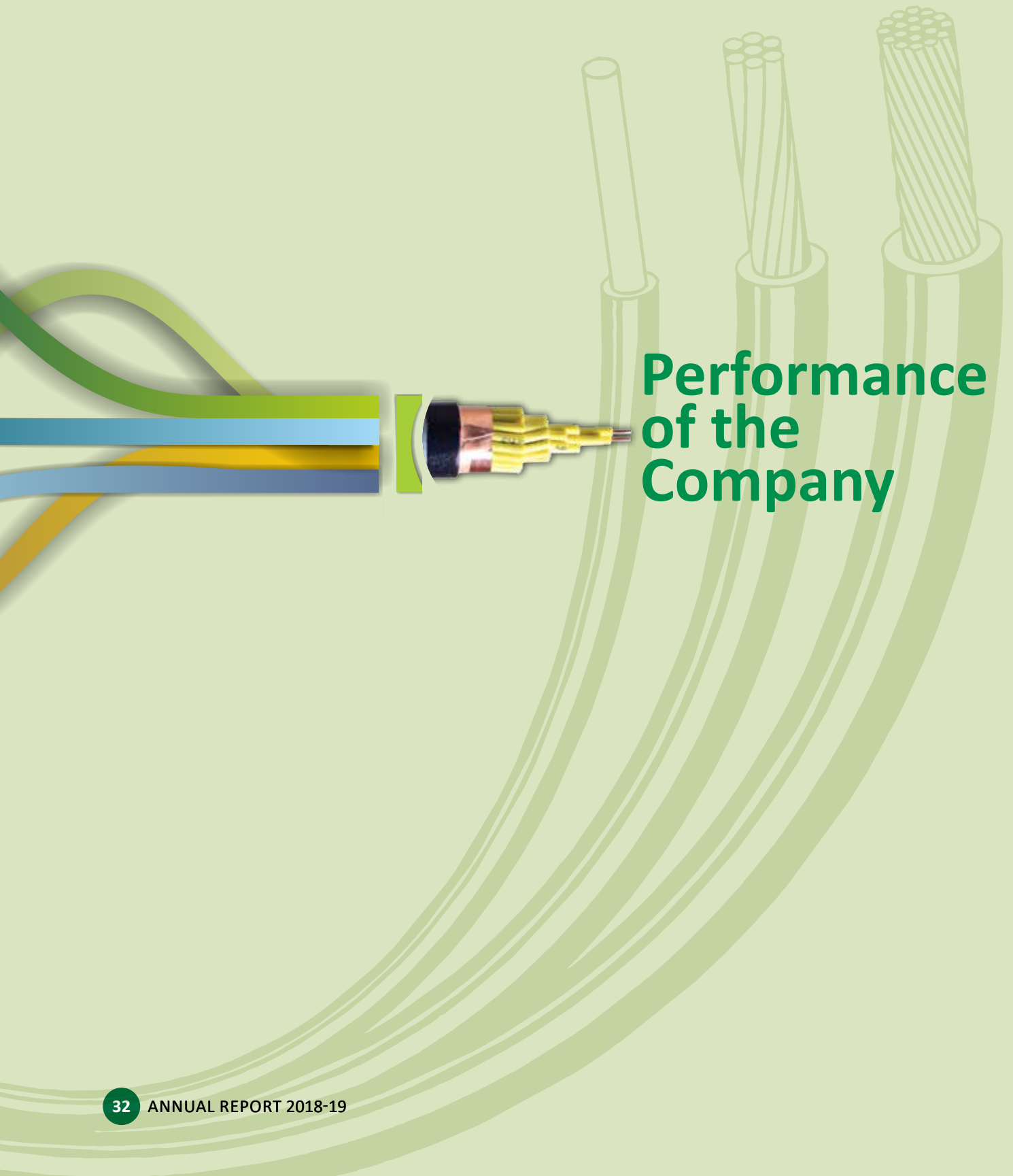
Extra High Voltage Cables, HT Aerial Bunched Cables, HT (PVC/XLPE), LT Cables(EPR/XLPE/PVC), LT Aerial Bunched Cables, Fire Survival Cables, Catenary & Contact wire for Railways, Indoor & Outdoor Railways Signalling Cables, Air field Lighting Cables, PTFE Cables, Balise Cables, Co-Axial Cables, LSZH/TPU Sheathed Control Cables, Control & Instrumentation Cables, PCM Cables, Profibus Cables, Quad Cables, PIJF Telecom Cables, Signalling Cables, Fire Alarm Cables, Data Cables, Telephone Cables, Rubber Cables, Submersible Cables, Overhead Conductors – AAC, AAAC, ACSR, and other Special Cables as per client requirements



CMI LIMITED

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Barakhamba Road, New Delhi 110001
Ph; 011-49570000, Fax: 91-11-23739902, Email; info@cmilimited.in
Website: www.www.cmilimited.in





Performance of the Company



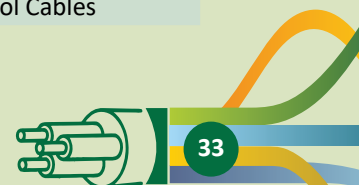
Operational Performance

The Amalgamation of CMI Energy India Pvt. Limited into its Parent Company CMI Limited resulted in usual economies of a centralized and a large Company including elimination of duplicate work, reduction in overheads, better and more productive utilization of human and other resource and enhancement of overall business efficiency. It has enabled us to combine managerial and operating strength, to build a wider capital & financial base and to promote & secure overall growth of our business.

The Company was able to expand its customer base and get new approvals for its products from various 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:

Major Approvals for FY2018-19

For Baddi Plant		
S. No.	Name of Utility	Product Approved
1	Eastern Power Distribution Corporation of Andhra Pradesh (EPDCL)	HT Cables
		LT Power Cables
		Lt Control Cables
2	Hubli Electricity Supply Company Ltd. (HESCOM)	HT Cable
		LT (XLPE/PVC) Power cables
3	PWD Jaipur	HT Cables
		LT Power Cables
		LT Control Cables
		Flexible Wires
4	Gujarat Energy Transmission Corporation Ltd (GETCO) (VR No 753)	66KV EHV Cables
		HT XLPE Power Cable
		LT XLPE/PVC Power Cable
		PVC Insulated Control Cables



For Baddi Plant		
S. No.	Name of Utility	Product Approved
5	SAIL IISCO (Vendor Coe:S329)	HT Cables
		LT PVC Power Cables
		LT XLPE Control Cables
6	Jawaharlal Nehru Port Trust (JNPT)	HT/LT Cables
7	TATA Power-Delhi Distribution Limited	HT Cables
		Lt Power & Control Cables
		HT & LT AB Cables
8	RDSO	PVC Insulated Underground Armoured
		Unscreened Railway Signalling cables
9	BHEL-TBG	LT XLPE/PVC Power
		Control Cables
10	M.P. Poorv Kshetra Vidyut Vitran Co. Ltd.	HT & LT Control Cables
11	Uttar Gujarat Vij Company Ltd. (UVCL)	HT Calbes & Control Cables
12	Southern Power Distribution Company of AP Limited (SPDCL)	HT Cables
		LT Power & Control Cables
		ACSF Conductors
13	South Bihar Power Distribution Company Limited (SBPDCL)	HT Cables
14	West Bengal State Electricity Transmission Corporation Ltd. (WBSETCL)	HT Cables
15	Maharashtra Housing & Area Development Authority (MHADA)	Conductors
		EHV Cables upto 66 KV
		HT Cables
		LT Power & Control Cables
16	PWD Patiala	HT Cables
		LT Power & Control Cables
		Flexible Wires
17	DVVNL Agra	HT Cables
18	Airport Authority of India (Phase-II)	HT Cables
		LT Power Cables
		LT Control Cables
		Coaxial/Instrumentation Cables
19	PWD Himanchal Pradesh	HT Cables
		PVC Flexibles Wires
20	Odisha Power Transmission Corporation Limited (OPTCL)	LT PVC Power & Control Cables (With Type C Insulation)
21	Power Grid Corporation of India Limited	LT Power & Control Cables
22	Cit and Industrial Development Corporation of Maharashtra Limited (CIDCO)	EHV Cables upto 66 KV
		HT Cables
		LT Power & Control Cables
		Conductors
		ABC Cables
		PVC Wire

For Baddi Plant		
S. No.	Name of Utility	Product Approved
23	Mazagone Dock Shipbuilder Ltd.	EHV Cables upto 66 KV
		HT Cables
		LT Power & Control Cables
24	Public Health Engineering Department Rajasthan	HT Cables
		LT Power & Control Cables
25	Rashtriya Ispat Nigam Ltd. - Visakhapatnam Steel Plant	LT Power Cable (Al)-PVC
		Lt Power Cable (Cu)-PVC
26	Uttar Haryana Bijli Vitran Nigam Ltd.	LT XLPE Calbes
		HT Cables
		LT Power Cables (Arm/Unarm)
		LT Control Cables (Arm/Unarm)
		Instrumentation Cables
For Faridabad Plant		
1	Airport Authority of India	LT Power Cable
		LT Control Cables
		Telephone Cables
		Coaxial/Instrumentation Cables
2	EIL	Contrl Cables-PVC/XLPE
		Fire Alarm & Communication
		Communication Cables Jelly Filled
		Singal Cables





	Key Ratios	FY 2018-19	FY 2017-18	Change in %
(i)	Debtors Turnover (days)	133	125	6.40%
(ii)	Inventory Turnover (days)	93	83	12.05%
(ii)	Interest Coverage Ratio	2.40	2.53	(-5.25%)
(iv)	Current Ratio	1.48	1.30	13.47%
(v)	Debt Equity Ratio	0.90	0.91	(-1.45%)
(vi)	Operating Profit Margin (%)	11.15	11.64	(-4.16%)
(vii)	Net Profit Margin (%)	7.07	4.61	53.39%
(viii)	Return on Net Worth (%)	14.38	10.84	32.65%

Financial Performance

- Revenues up by 13.08% to Rs. 637.29 Crores in FY2018-19 as compared to Rs. 560.06 Crores FY 2017-18.
- PAT up by 73.91% to Rs.44.94 Crores in FY 2018-19 as compared to Rs. 25.84 Crores in FY 2017-18.
- EPS up by 73.86% to Rs.29.91 in FY 2018-19 as compared to Rs. 17.20 in FY 2017-18.

Reason for change in above key ratios:

- Debtor/ Turnover in days have increased on account of more business in power cable segment.
- Inventory / Turnover in days have increased due to material hold at WIP stage pending process inspection.
- Current Ratio , Net Profit Margin & Return on Net worth have improved on account of reversal of tax provision earlier made upon approval of scheme of amalgamation.

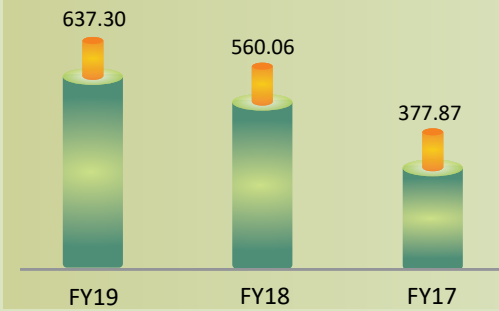
Key Financial Ratios

In accordance with the SEBI (Listing and Disclosure Requirements) (Amendment) Regulations, 2018, the Company is required to provide details of significant change (changes of 25% or more as compared to immediately preceding financial year). The Company has identifies following ratios as key financial ratios.

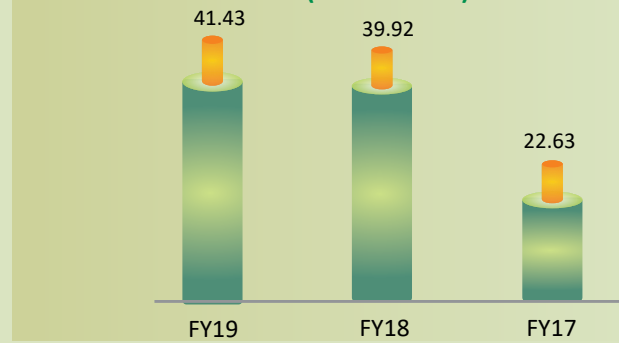


Financial Highlights

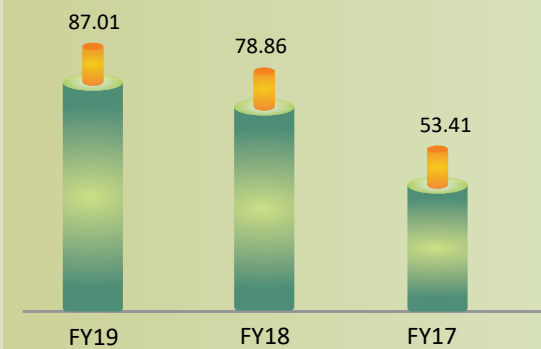
Revenue from operations
(Net of Excise Duty)
(Rs. in Crores)



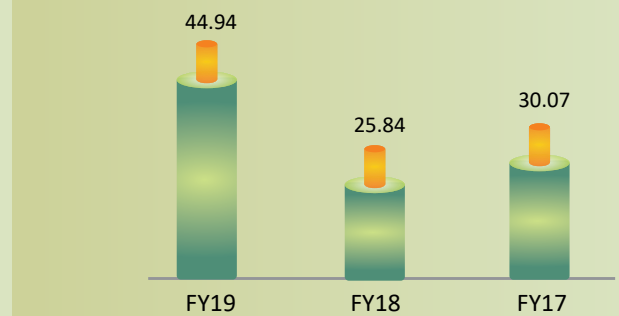
PBT
(Rs. in Crores)



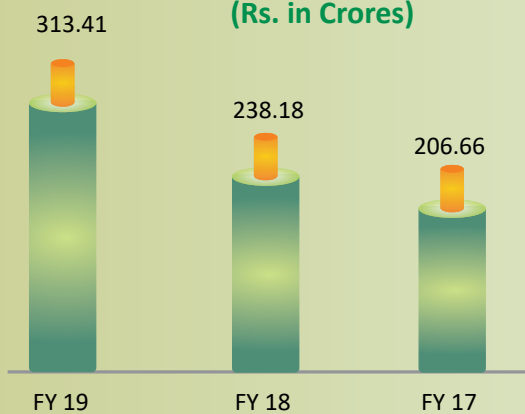
EBIDTA
(Rs. in Crores)



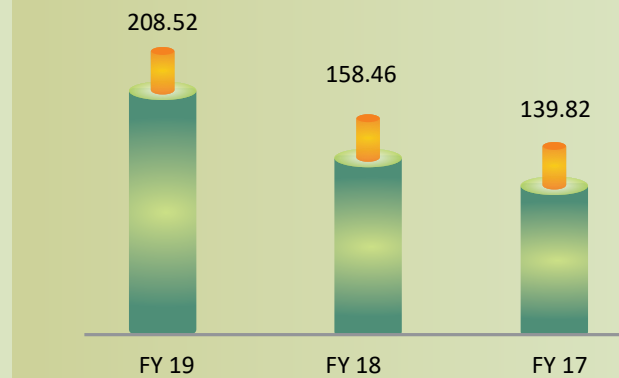
PAT
(Rs. in Crores)



Net worth
(Rs. in Crores)



Book Value
(Rs. in Crores)



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.

Risk 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

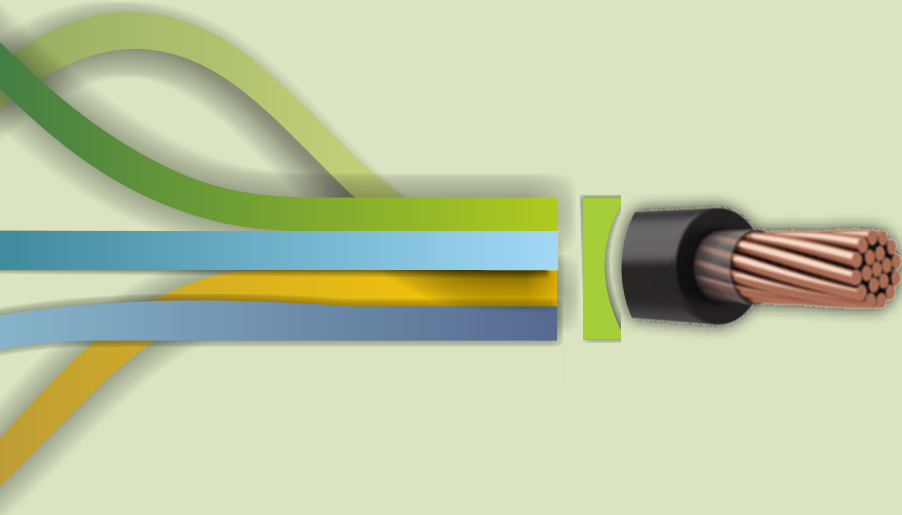
CMI has always been about people. We know the role that each individual employed with the company plays in the growth of this Company. People have always been and will always be the most important asset of our Company - that's our success mantra. To grow the human capital, the Company from time-to-time runs special programmes, both in - house and offsite to train, motivate and reward our people. And needless to say, the employees have responded to these programmes in the most positive manner. This has not only helped the organisation grow consistently but also given us a leadership position in the wire and cable industry. Our HR strategy is extremely robust and transparent and is geared towards creating a culture conducive to nurturing talent. We believe that each individual has special abilities. Our team of experts moulds each individual to achieve excellence resulting in growth and well being of the Company in the long run. Employee productivity is enhanced by giving the employees an environment of

mutual trust, ethical conduct and transparency so that everyone works towards a common goal at all levels. In the last financial year, we made sure industrial relations within the organisation stayed extremely friendly. Hard work, commitment to the cause of the organisation and sincerity were duly rewarded. It is in this context and with an utmost sense of satisfaction that we would like to place on record our appreciation of the commitment and zeal shown by each and every employee of CMI to take the organisation to greater heights of success and create a world class organisation in every possible way.

Cautionary Statement

Statements in the Management Discussion and Analysis describing the Company's estimates and expectations may be 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results / performance could differ materially from those expressed or implied.





Directors' Report

To the Members,

The Board of Directors present the Fifty Second Annual Report of the Company, along with the financial statements for the financial year ended 31 March, 2019.

1. FINANCIAL SUMMARY

The financial summary and performance highlights of the Company, for the year under review are as follows:

(Amount Rs. in Lakhs)

Financial Results Particular	Financial year	
	2018-19	2017-18
Total revenue	65,149.93	58,524.45
Less: Total Expenditure excluding Depreciation	59,821.45	53,533.73
Profit before Depreciation and Tax	5,328.48	4,990.72
Less: Depreciation	1,181.95	1,048.23
Add: Exceptional items	(2.69)	-
Profit Before Tax	4,143.84	3,942.49
Less: Current Tax	(133.27)	(1,150.56)
Deferred Tax	483.56	(180.17)
Earlier year Tax	-	(26.78)
Net Profit after Tax	4,494.13	2,584.98

Previous year's figures have been regrouped/ rearranged wherever considered necessary.

2. FINANCIAL AND OPERATIONAL PERFORMANCE

During the year under review, your Company's revenue from operations was Rs. 63,729.85 Lakhs. Further, in the Financial Year ended 31 March, 2019, the profit before tax (PBT) was Rs. 4,143.84 Lakhs as against Rs. 3,942.49 Lakhs in the previous year and profit after tax (PAT) was Rs. 4,494.13 Lakhs against Rs. 2,584.98 Lakhs in the previous financial year.

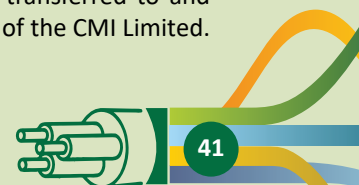
The Company has adopted adequate cost control measures throughout the year, and has been aggressive in its quest for new business. This helped to deliver a decent revenue growth. Your Company continues to focus on production of quality cables to broaden its customer base and to set a benchmark in the 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.

3. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY

TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT AND DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

Board of Directors of the Company are pleased to inform you that the Scheme of Amalgamation between CMI Energy India Private Limited (Transferor Company) and CMI Limited (Transferee Company) has been approved by the Hon'ble National Company Law Tribunal (NCLT), Principal Bench, New Delhi vide its order dated April 03, 2019 with appointed date March 01, 2016, under sections 230 to 232 of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, and other applicable provisions, if any.

After approval of the above Scheme of Amalgamation, all the property, rights, powers, liabilities and duties of CMI Energy India Private Limited be transferred without further act or deed, to CMI Limited and accordingly the same shall, pursuant to section 232 of the Companies Act, 2013, be transferred to and become the Assets and Liabilities of the CMI Limited.



The Registrar of Companies (ROC) has also approved the amalgamation of CMI Energy India Private Limited into CMI Limited on May 13, 2019.

4. SHARE CAPITAL

Authorised Share Capital of the Company as on 31 March, 2019 was Rs. 25,00,00,000/- (Rupees Twenty Five Crore Only) divided into 1,50,27,457 (One Crore Fifty lakhs Twenty Seven Thousand Four Hundred Fifty Seven) equity shares of Rs 10/- (Rupees Ten) each.

Pursuant to the implementation of the Scheme of Amalgamation between CMI Energy India Private Limited (Transferor Company) and CMI Limited (Transferee Company) as approved by the Hon'ble National Company Law Tribunal (NCLT), Principal Bench, New Delhi vide its order dated 3rd April, 2019 effective from 01st March, 2016, the authorised share capital of the Transferor Company has been added to and forms part of the authorised share capital of the Transferee Company. Accordingly, the authorised share capital of the Transferee Company stands increased to the extent of the aggregate authorised share capital of the Transferor Company i.e. Rs. 175,00,00,000 (Rupees One Hundred and Seventy Five Crores) divided into 17,50,00,000 (Seventeen Crore Fifty Lakhs) Equity shares of Rs 10/- (Rupees Ten) each.

Clause V of the Memorandum of Association and relevant article(s) of the Articles of Association of the Transferee Company stands modified to give effect to the aforesaid increase in the authorised capital of the Transferee Company pursuant to the order of Hon'ble National Company Law Tribunal (NCLT), Principal Bench, New Delhi.

"The authorised Share Capital of the Company is Rs. 175,00,00,000 (Rupees One Hundred Seventy Five Crore only) divided into 17,50,00,000 (Seventeen Crore Fifty Lakhs only) Equity Share of Rs. 10/- (Rupees Ten) each with power to increase or reduce the capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special right, privileges or conditions as may determined by or in accordance with the Articles of Association of the Company and vary, modify amalgamate or abrogate any such right, privilege or condition in such manner as may for the time being be provided by the Articles of Association of the Company."

5. CREDIT RATING

During the year under review, the Company has improved its long term credit rating to CRISIL BBB+/
Positive. The BBB+ awarded by CRISIL reflects moderate degree of safety regarding timely servicing of financial obligation. The Company's short term credit rating has also improved to CRISIL A2 by CRISIL, reflecting moderate degree of safety regarding timely payment of financial obligations.

CARE has reaffirmed the rating CARE BBB+ (Triple B Plus) / stable to the Long term bank facilities and CARE A3+ (A Three Plus) to the short term bank facilities.

6. DIVIDEND AND RESERVES

Based on the Company's performance, the Directors are pleased to recommend payment of dividend on equity shares @ Re. 1/- per equity share (10%) for the financial year 2018-19 (previous year Rs 1/- per share). The dividend on equity shares, if approved by members, would involve payout of Rs 181.16 Lakhs including dividend distribution tax.

7. PUBLIC DEPOSITS

The Company has not accepted or renewed any fixed deposits during the period under review. It has not accepted any deposits from the public within the meaning of the provisions of Section 73 of the Companies Act, 2013 and Rules made thereunder. Therefore, it is not required to furnish information in respect of outstanding deposits under non-banking, non-financial Companies (Reserve Bank) Directions, 1966 and Companies (Accounts) Rules, 2014.

8. SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

As on 31 March, 2019, the Company has a wholly owned subsidiary i.e. CMI Energy India Private Limited. However, pursuant to the order passed by Hon'ble NCLT dated 03 April, 2019, CMI Energy India Private Limited amalgamated with the Company and ceases to be the Subsidiary of the Company. Therefore, disclosure in Form AOC-1 in terms of Section 129(3) of the Act is not required.

Further, during the year under review, CMI Agro Limited ceased to be the step down subsidiary of the Company.

9. INTERNAL FINANCIAL CONTROLS

The Board / Management believes that based on the knowledge/ information gained by them about affairs of the Company from records, the Company has effective internal financial control systems and policies and such controls are operating effectively. The internal control systems include documented policies, checks and balances, guidelines and procedures, that are supplemented by robust internal

audit processes and monitored continuously through periodical reviews by management to provide reasonable assurance that all assets are safeguarded; and all transactions entered into by company are authorized, recorded and reported properly. Post-amalgamation, the Board/Management is in the process reviewing the internal controls framework of the Company with an objective to have a robust internal control framework commensurate with the size, scale and nature of business of the Company.

10. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

Change in Directorship:

During the year under review there is no change in the composition of Board of Directors of the Company.

As on March 31, 2019, the Company has 6 Directors with an Executive Chairman, which includes 2 Executive

Directors, 4 Non-executive Independent Directors inclusive of 1 Woman Director. The Board consists of following members:

Sl. 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. Kishor Punamchand Ostwal	00460257	Non-Executive Independent Director
5	Mr. Manoj Bishan Mittal	00282676	Non-Executive Independent Director
6	Ms. Archana Bansal	01129623	Non-Executive Independent Director

However, Ms. Archana Bansal, Non-Executive Independent Director resigned for the directorship of the Company on 28 May, 2019.

Further, the Board of Directors on recommendation of the Nomination and Remuneration Committee appointed Ms. Charu Jain as an additional director in the category of Non-Executive Independent Director in accordance with Section 149(4) of the Act, with effect from 28 May, 2019 to hold office for a term of 5 (five) consecutive years. In terms of Section 161 of the Act, Ms. Charu Jain holds office up to the date of ensuing Annual General Meeting. The Nomination & Remuneration Committee of the Board hereby recommends the resolution in

relation to appointment of Ms. Charu Jain as a Non-executive Independent Director, for the approval by the members of the Company. Brief profile of Ms. Charu Jain has been given in the Notice convening the Annual General Meeting.

In accordance with the provisions of Section 152 of the Act and the Company's Articles of Association, Mr. Vijay Kumar Gupta, Whole Time Director retires by rotation at the forthcoming Annual General Meeting and, being eligible offers himself for re-appointment. The Board and Nomination & Remuneration Committee recommend his re-appointment for the consideration of the Members of the Company at the forthcoming Annual General Meeting.

Mr. Vijay Kumar Gupta, whole time director of the Company will attain the age of 70 (Seventy) years on 15 December, 2019. Pursuant to Section 196 read with relevant rules of Companies Act, 2013, no company shall continue the employment of any person as whole-time director if he/she has attained the age of seventy years. However, the appointment of a person who has attained the age of seventy years may be made by passing a special resolution in which case the explanatory statement annexed to the notice for such motion indicates the justification for continuation of Mr. Vijay Kumar Gupta as Whole Time Director.

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.

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

Key Managerial Personnel

During the year under review, in terms of the provisions of Section 2(51) and 203 of the Companies Act, 2013, the Key Managerial Personnel (KMP) of the Company were as under: -

1. **Mr. Amit Jain** – Chairman Cum Managing Director
2. **Mr. Vijay Kumar Gupta**- Whole Time Director
3. **Mr. Rattan Lal Aggarwal**– Chief Financial Officer
4. **Mr. Subodh Kumar Barnwal** – Company Secretary

Changes in Key Managerial Personnel

There is no change in the Key Managerial Personnel (KMP) of the Company in terms of the provisions of Section 2(51) and 203 of the Companies Act, 2013.



11. DIRECTOR'S 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 here by confirmed that:

- i. In the preparation of the Annual Accounts for the year ended 31 March, 2019 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 31 March, 2018 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 internal financial controls to be followed by the Company had been laid down and that such internal financial controls are adequate and were operating effectively;
- vi. The proper systems had been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

12. BOARD PERFORMANCE EVALUATION

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.

13. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the year under review, 10 (Ten) Board Meetings were duly convened and held. The details of the number of meetings of the Board held during the Financial Year 2018-19 forms part of the Corporate Governance Report.

14. COMMITTEES OF THE BOARD

The Board of Directors has the following Committees:

- 1. Audit Committee
- 2. Nomination and Remuneration Committee
- 3. Stakeholders' Relationship Committee
- 4. Corporate Social Responsibility Committee.

The details of the Committees along with their composition, number of meetings, terms of reference and attendance of members at the meetings are provided in the Corporate Governance Report which forms part of this Annual Report. Further, during the year review, the board has accepted all the recommendations of the Audit Committee.

15. STATEMENT ON DECLARATION BY INDEPENDENT DIRECTORS

Your Company has received the necessary declaration from each Independent Director that he/she meets the criteria of Independence as laid out in Section 149(6) of the Companies Act, 2013 read with the Schedules, rules made thereunder and Regulation 25 of SEBI Listing Regulations, 2015.

16. NOMINATION AND REMUNERATION POLICY

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company.

The Policy broadly lays down the guiding principles, philosophy and the basis for payment of remuneration to Executive and Non-executive Directors (by way of sitting fees and commission), Key Managerial Personnel, Senior Management and other employees. The policy also provides the criteria for determining qualifications, positive attributes and Independence of Director and criteria for appointment of Key

Managerial Personnel / Senior Management and performance evaluation which are considered by the Nomination and Remuneration Committee and the Board of Directors while making selection of the candidates. The above policy has been posted on the website of the Company at <http://www.cmilimited.in/img/pdf/Nomination%20and%20Remuneration%20Policy.pdf>

17. VIGIL MECHANISM Cum WHISTLE BLOWER POLICY

The Company has a vigil mechanism named Vigil Mechanism Cum Whistle Blower Policy, framed by Board of the Company, to deal with instances of fraud and mismanagement, if any. Details of the same are given in the Corporate Governance Report.

The same has also been displayed on the website of the Company viz: - <http://www.cmilimited.in/img/pdf/Vigil%20Mechanism%20Policy-%20Whistle%20Blower%20Policy.pdf>

18. RELATED PARTY TRANSACTIONS

All transactions entered with Related Parties for the year under review were on arm's length basis and thus a disclosure in Form AOC-2 in terms of Section 134 of the Act is not required. Further, there are no material related party transactions during the year under review as defined under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and adopted by the Board of Directors in the Related Party Transactions Policy of the Company. All related party transactions are mentioned in the notes to the accounts. The Company has developed a framework through Standard Operating Procedures for the purpose of identification and monitoring of such Related Party Transactions..

All Related Party Transactions are placed before the Audit Committee for approval. Omnibus approval was obtained on a yearly basis for transactions which are of repetitive nature. Transactions entered into pursuant to omnibus approval are verified and details of all Related Party Transactions are placed before the Audit Committee and the Board for review and approval on a quarterly basis.

The Policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the website of the Company and can be seen at the link http://www.cmilimited.in/img/pdf/Policy_on_Related_Party_Transactions.PDF. None of the Directors has any pecuniary relationship or transactions vis-à-vis the Company except remuneration.

19. CORPORATE SOCIAL RESPONSIBILITY

In compliance with Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, the Board of the Company has formed Corporate Social Responsibility ("CSR") Committee. Details of CSR Committee along with their composition, number of meetings, terms of reference and attendance of members at the meetings are provided in the Corporate Governance Report. The policy on CSR as approved by the Board of Directors is also uploaded on the website of the Company i.e. <http://www.cmilimited.in/img/pdf/Corporate%20Social%20Responsibility%20Policy.pdf>.

Pursuant to Section 135 of the Companies Act, 2013 read with CSR policy of the Company, it is required to spend two percent of the average net profit of the Company for three immediately preceding financial years. Annual Report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, have been annexed as **Annexure -1** and forms integral part of this Report.

20. AUDITORS

a) Statutory Auditor

M/s Krishna Neeraj & Associates, Chartered Accountants, (Firm Registration No.023233N) were appointed as Statutory Auditors of the Company for a period of five consecutive years at the Annual General Meeting (AGM) of the Members held on 28 September, 2016 on a remuneration mutually agreed upon by the Board of Directors and the Statutory Auditors. Their appointment was subject to ratification by the Members at every subsequent AGM held after the AGM held on 28 September, 2016.

Pursuant to the amendments made to Section 139 of the Companies Act, 2013 by the Companies (Amendment) Act, 2017 effective from 7 May, 2018, the requirement of seeking ratification of the Members for the appointment of the Statutory Auditors has been withdrawn from the Statute. Hence the resolution seeking ratification of the Members for continuance of their appointment at this AGM is not being sought.

There is no audit qualification, reservation or adverse remark for the year under review.



b) Secretarial Auditor

Pursuant to provision of Section 204 of the Companies Act, 2013, 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 2018-19.

The Secretarial Audit Report for FY2018-19 as submitted by Secretarial Auditor in Form MR-3 is annexed as **Annexure-2**.

There is no secretarial audit qualification for the year under review.

c) Cost Auditor

In terms of Section 148 of the Act, the Company is required to maintain cost records and have the audit of its cost records conducted by a cost accountant. Cost records are made and maintained by the Company as required under Section 148(1) of the Act. The Board of Directors at its meeting held on 30 May, 2018 appointed M/s Ajay Kumar Singh & Co (Firm Registration Number 000386), Cost Auditors to conduct the Cost Audit for the Financial Year 2018-2019.

For the financial year ending 31 March, 2020, the Board of Directors of the Company has, on the recommendation of the Audit Committee, approved the appointment of M/s Ajay Kumar Singh & Co as the cost auditors of the Company. M/s Ajay Kumar Singh & Co, Cost Accountants have vast experience in the field of cost audit.

In accordance with the provisions of Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the cost auditors as recommended by the Audit Committee and approved by the Board has to be ratified by the members of the Company.

Accordingly, an appropriate resolution for the proposed remuneration of Rs. 45,000 per annum plus applicable taxes and out-of-pocket expenses payable to the cost auditors for the Financial Year ending 31 March, 2020, forms part of the notice of ensuing Annual General Meeting for ratification.

21. OTHER INFORMATION**a) Details in respect of frauds reported by Auditors other than those which are reportable to the Central Government**

The Statutory Auditors, Secretarial Auditors, Cost Auditors or Internal Auditors of the Company have not reported any frauds to the Audit Committee or to the Board of Directors under Section 143(12) of the Companies Act, 2013, including rules made thereunder.

b) Stock Options Scheme

The Company does not have any Scheme of Stock Option for its employees, Directors etc.

c) Disclosure under Section 43(a)(iii) and Section 54(1)(d) of the Companies Act, 2013

During the year under review, the Company has not issued any shares with differential voting rights and sweat equity shares and hence, no information as required under Section 43(a)(iii) & Section 54(1)(d) of the Companies Act, 2013 read with applicable rules is required to be disclosed.

d) Risk Management

The Board/ management is reviewing the Risk management framework of the Company. The Company would put in place a suitable enterprise risk management framework for identifying and evaluating risks and opportunities that may have bearing on the organization. The Company recognises that these risks need to be managed and mitigated to protect the shareholders and other stakeholders interest.

e) Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and outgo

In accordance with Section 134(3)(m) of the Companies Act, 2013, read with the Rule 8(3) of the Companies (Accounts) Rules, 2014, as amended, the information on conservation of energy, technology absorption and foreign exchange earnings and outgo are annexed as **Annexure - 3** hereto and forms an integral part of this Report.

f) Particulars of Employees and Related Disclosures

Disclosures pertaining to remuneration and other details of the employees as required under Section 197(12) of the Companies Act 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, are annexed to this report as **Annexure -4**.

g) Extract of Annual Return

The details forming part of the extract of the Annual Return in Form MGT-9, as required under Section 92 of the Act, which forms an integral part of this Report and is available on the Company's website <http://www.cmilimited.in/img/pdf/Extract%20of%20Annual%20Report.pdf> and annexed to this report as **Annexure 5**

h) Management Discussion & Analysis Report

The Management Discussion and Analysis Report on the operations of the Company, as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") is provided in a separate section and forms an integral part of this Report.

i) Particulars of Loans, Guarantees or Investments under Section 186

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the note no 9 & 10 to the Financial Statements.

j) Corporate Governance Report

The Company has complied with requirements of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A report on the Corporate Governance practices followed by the Company, together with a certificate from the Practicing Company Secretary regarding compliance are given as an **Annexure 7** to this report.

k) Cost Records

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 & Co., Cost Accountants, as Cost Auditor to audit the cost records and accounts relating to cable manufacturing for the financial year ending 31 March, 2020. As per the requirement of the aforesaid section, a resolution ratifying remuneration payable to Cost Auditors forms part of the Notice convening the 52nd Annual General Meeting.

Your Company has maintained cost records and accounts as per Section 148 (1) of the Companies Act, 2013. Further, the Cost Audit Report along with annexure for FY2018-19 was approved by board of Directors on 31 October, 2018.

l) Disclosure under the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013.

The Company has laid down Anti Sexual Harassment policy on Gender Equality, Gender Protection, Prevention of Sexual Harassment and Redressal System in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, Apprenticeship) are covered under this policy. The following is a summary of sexual harassment complaints received and disposed off during the year under review-

- No. of complaints received: Nil
- No. of complaints disposed of: NA

m) Secretarial Standards

The Company has in place proper systems to ensure compliance with the provisions of the applicable secretarial standards issued by the Institute of Company Secretaries of India and such systems are adequate and operating effectively.

22. CAUTIONARY NOTE

Certain Statements in the 'Management Discussion and Analysis' section may be forward-looking and are



stated as required by applicable laws and regulations. Many factors may affect the actual results, which would be different from what the Directors envisage in terms of the future performance and outlook. Investors are cautioned that this discussion contains forward looking Statement that involve risks and uncertainties including, but not limited to, risks inherent in the Company's growth strategy, dependence on certain businesses, dependence on availability of qualified and trained manpower and other factors discussed. The discussion and analysis

should be read in conjunction with the Company's financial statements and notes on accounts.

23. ACKNOWLEDGEMENT

The Directors wish to place on record their gratitude to the Authorities, Banks, Business Associates and Shareholders for their unstinted support, assistance and co-operation. The Directors place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment.

**By order of the Board
For CMI Limited**

**Amit Jain
Chairman Cum Managing Director
DIN: 00041300**

**Place: New Delhi
Date: 13 August, 2019**

Annexure-1

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ("CSR") ACTIVITIES

1. 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-

In pursuance of Section 135 read with 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://www.cmilimited.in/img/pdf/Corporate%20Social%20Responsibility%20Policy.pdf>

2. The Composition of the CSR Committee

The CSR committee is formed in accordance with the provisions of Section 135 read with 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.

As on 31 March, 2019, Composition of CSR committee includes:

Name of Members	Category	Chairman/Member
Mr. Pyare Lal Khanna	Non- Executive Independent Director	Chairman
Mr. Vijay Kumar Gupta	Whole Time Director	Member
Ms. Archana Bansal*	Non- Executive Independent Director	Member

*Ms. Archana Bansal resigned from the directorship of the Company on 28 May, 2019

As on the date of report, Composition of CSR committee includes as under:

Name of Members	Category	Chairman/Member
Mr. Pyare Lal Khanna	Non- Executive Independent Director	Chairman
Mr. Vijay Kumar Gupta	Whole Time Director	Member
Ms. Charu Jain*	Non- Executive Independent Director	Member

*Ms. Charu Jain was appointed as additional director by the board of directors and member of CSR Committee on 28 May, 2019.

3. Average net profit of the company for the last three financial years-

(Rs. In Lakhs)

	F. Y. 2015-16	F. Y. 2016-17	F. Y. 2017-18
Net Profit as per section 198 of the Companies Act, 2013	2,451.85	3,087.72	3,942.49
Average Net Profit	3,171.14		



4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above) Rs. 63.42 Lakhs

5. Details of CSR spent during the financial year

- a. Total amount to be spent for the financial year Rs. 63.42 Lakhs
- b. Amount unspent, if any: NIL
- c. Manner in which the amount spent during the financial year is detailed below.

	CSR project or activity identified	Projects or programs (1) Local area or other (2) Specify the State and district where projects or program was undertaken	Sector in which the project is covered	Amount spent on the projects or programs Sub heads: (1) Direct expenditure on projects or programs (2) Overheads:	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency *
1	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water.					Amount was spent directly by the Company through agencies like Shirdi Sai Baba Temple, Adarsh Shiksha Sansthan, Nayatii Charitable Trust, Rotary 3010 Disaster Relief Fund (Kerala), Crossings Republik Bengali Cultural Association, Shri Digamber Jain Atishey Shetra, CMI Behna etc.
2	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	CI(i), CI(ii) and CI(xii)	Delhi and other parts of the Country	78.20 Lakhs	-	
3	Disaster management, including relief, rehabilitation and reconstruction activities					

6. In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the reasons for not spending the amount in its Board report: N.A.

7. The responsibility statement of the CSR Committee of the Board:

The CSR Committee of the Company hereby confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

**By order of the Board
For CMI Limited**

**Amit Jain
Chairman Cum Managing Director
DIN: 00041300**

**Place: New Delhi
Date: 13 August, 2019**

Annexure-2

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2019

[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, 2019 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 Minute books, forms and returns filed, registers and other records maintained by CMI Limited ("the Company") for the financial year ended on 31 March, 2019 according to the applicable 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;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not applicable to the Company during the Audit Period);
 - d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period);
 - 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); and
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the Audit Period);
- i) The Securities And Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015
- j) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 (Not applicable to the Company during the Audit Period)

(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) Provision of EDLI Scheme 1976 of the Employees Provident Fund and Miscellaneous Provisions Act 1952 and The Employees State Insurance Act, 1948

(ix) 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/Regulations entered into by the Company with BSE Limited and National Stock Exchange of India Limited;

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 31.03.2019. There was no change in the composition of the Board of Directors during the period under review. 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 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 Scheme of Amalgamation of the erstwhile CMI Energy India Private Limited (Transferor Company) and CMI Limited (Transferee Company) has been approved by the Hon'ble National Company Law Tribunal (NCLT), Principal Bench, New Delhi vide its order dated 3rd April, 2019 with appointed date 01st March, 2016, under sections 230 to 232 of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, and other applicable provisions, if any

**For Pooja Anand & Associates
Company Secretaries**

**Mukul Tyagi
Company Secretary
M.No. 33949 CP No.: 16631**

**Place: New Delhi
Date: August 13, 2019**

Annexure - 3

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS REQUIRED UNDER COMPANIES (ACCOUNTS) RULES, 2014

The information under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended 31 March, 2019 is given below and forms part of the Directors' Report.

control, reduced maintenance time and cost, improved hygienic condition and consistency in quality and improved productivity.

A. Conservation of Energy:**a) Energy conservation measures taken:--**

A number of energy conservation techniques were initiated 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

B. Technology Absorption, Adaptation & Innovation**1. Efforts, in brief, made towards technology absorption, adoption and innovation**

Energy Conservation, upgradation 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.

2. 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

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 31.91 Lakhs Recurring Expenditure: Rs 4.58 Lakhs

D. Foreign Exchange Earnings and Outgo:**1. 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 availed export opportunities based on economic considerations. The Company is continuously exploring new international markets and has exported sample orders. During the year, the Company has exports worth Rs. 906.69 Lakhs from export of Cables.

2. Total Foreign Exchange Expenditure:

	Amount in Rs.
a. CIF value of imports	2,437.12 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 units of CMI.

**By order of the Board
For CMI Limited**

**Amit Jain
Chairman Cum Managing Director
DIN: 00041300**

**Place: New Delhi
Date: 13 August, 2019**

Annexure-4

I. DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197 (12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014, AS AMENDED

Required Disclosures are as under:

1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company, the percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year 2018-19 and percentage increase in the median remuneration of employees in the financial year 2018-19:

Sr. No.	Name & Designation of Director/KMP	Remuneration of Director / KMP for financial year 2018-19 (Amount in Lakhs)	Ratio of remuneration of each Director/ KMP to median remuneration of employees	% increase in Remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company secretary	% increase in the median remuneration of employees in the financial year 2018-19:
1	Mr. Amit Jain Chairman cum Managing Director	85.92	29.36	48.95	12.62
2	Mr. Vijay Kumar Gupta, Whole Time director	14.40	4.92	0.00	
3	Mr. Subodh Kumar Barnwal Company Secretary	8.59	2.94	22.37	
4	Mr. Rattan Lal Aggarwal CFO	50.62	17.30	13.45	

2. The median remuneration of employees of the Company was Rs. 2.93 lakhs p.a.

- For this purpose, Sitting Fees if any paid to the Directors have not been considered as remuneration.
- Figures have been rounded off wherever necessary.

The number of permanent employees on rolls of the Company	169
Average Increase/ (decrease) in the salaries of employees other than the managerial personnel in FY2018-19.	12.62 %
Comparison with the percentile increase in the managerial remuneration and justification thereof.	28.94 %
The key parameters for any variable component of remuneration availed by the directors.	Nil
Affirmation that Remuneration paid by the Company is as per the Remuneration policy of the Company	It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

Note:

- No employee of the Company was in receipt of remuneration in excess of Rs. 1.02 crores per annum and there was no employee who were employed part of the year and in receipt of more than Rs. 8.5 lac per month during the financial year 2018-19 .
- Remuneration includes basic salary, allowances, leave travel allowances, company's contribution to provident fund and other allowances, reimbursements & perquisites given to employees.
- The appointment of the above employees is non-contractual and are governed by the Company policy and rules.
- Employee does not hold by himself or along with his/her spouse and dependent children, 2% or more of equity shares of the Company.

**By order of the Board
For CMI Limited**

Place: New Delhi
Date: 13 August, 2019

**Amit Jain
Chairman CUM Managing Director
DIN: 00041300**

Annexure-5

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31 March, 2019

[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	22.06.1967
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	27,320	97.82%

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
01	CMI Energy India Private Limited(formerly known General Cable Energy India Private Limited)*	U31300DL2006FTC152190	Wholly Owned Subsidiary	100%	2(87)

*Amalgamated with CMI Limited vide NCLT order dated 03rd April, 2019.

PARTICULARS OF STEP DOWN SUBSIDIARY

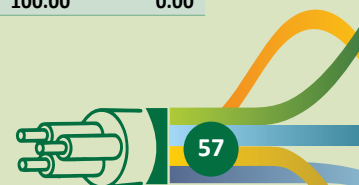
Sr. No.	Name and Address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares Held	Applicable Section
NA	NA	NA	NA	NA	NA

*During the year under review, the Shares of Step Down Subsidiary (CMI Agro Limited) was disposed off by the wholly owned subsidiary i.e. CMI Energy India Pvt Limited

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

i) Category-wise Share Holding

	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/HUF	-	6,543,877	43.55	-	6,543,877	43.55	0.00
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):-	-	6,543,877	43.55	-	6,543,877	43.55	0.00
(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)	-	6,543,877	43.55	-	6,543,877	43.55	0.00
B. Public Shareholding							
1. Institutions							
a) Mutual Funds	-	5,82,871	3.88	-	547,873	3.65	(0.23)
b) Banks / FI	-	8,502	0.06	-	37,189	0.25	0.19
c) Central Govt	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-
e) Venture Capital funds	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-
g) FIs	-	1,759,581	11.71	-	1,780,126	11.85	0.14
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	2,350,954	15.62	-	2,365,188	15.74	0.12
2. Non-Institutions							
a) Bodies Corp.	20,600	1,451,967	9.79	10,600	1,076,667	7.24	(2.55)
b) Individuals							
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	303,146	2,218,482	16.85	289,246	2,592,870	19.23	(2.38)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	20,000	1,075,673	7.85	3,000	1,038,730	6.93	(0.92)
c) Others							
-Directors	8,770	85,075	0.07	8,770	85,075	0.56	0.49
-ESOP/ESOS/ESPS	-	-	-	-	-	-	-
-HUF	-	370,570	2.45	0	365,019	2.43	(0.02)
-NRI	23,500	540,655	3.74	23,500	589,099	4.08	0.34
-Clearing Members	-	12,838	0.08	0	35,466	0.24	(0.16)
-Trust							
Sub-total (B)(2):-	376,016	5,756,610	40.83	335,116	5,783,276	40.71	(0.12)
Total Public Shareholding (B)=(B)(1)+(B)(2)	376,016	8,107,564	56.45	335,116	8,148,464	56.45	0.00
C. Shares held by							
Custodian for GDRs & ADRs	-	-	-	-	-	-	-
Grand Total (A+B+C)	376,016	14,651,441	100	335,116	14,692,341	100.00	0.00



(ii) Shareholding of Promoters

S. 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 / en-cumb-ered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / en-cumb-ered to total shares	
1	Amit Jain	5,093,877*	33.90	10.15	5,093,877*	33.90	20.13	(0.00)
2	Dhruv Jain	500,000	3.33	-	500,000	3.33	-	(0.00)
3	Vishwa Prabha Jain	700,000	4.66	-	700,000	4.66	-	(0.00)
4	Himani Jain	250,000	1.66	-	250,000	1.66	-	(0.00)
	Total	6,543,877	43.55	10.15	6,543,877	43.55	20.13	(0.00)

*Out of 50,93,877 equity shares 30,25,000 equity shares have been pledged.

(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	6,543,877	43.55	6,543,877	43.55
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
At the End of the year	6,543,877	43.55	6,543,877	43.55

Name	Shareholding at the beginning of year		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01/04/2018 to 31/03/2019)	
	No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company
Amit Jain	5,093,877	33.90	-	-	-	5,093,877	33.90
Dhruv Jain	500,000	3.33	27-Jul-18	3000	Purchase	500,000	3.33
			03-Aug-18	-1781	Sell		
			24-Aug-18	3000	Purchase		
			31-Aug-18	-4219	Sell		
Vishwa Prabha Jain	700,000	4.66	-	-	-	700,000	4.66
Himani Jain	250,000	1.66	-	-	-	250,000	1.66

(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 in shareholding	Reason	Cumulative Shareholding during the year 31 March 2019	
	No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the Company
GMO Emerging Domestic Opportunities Fund	1,206,095	8.02	29/06/2018	-1,294 decrease	Transfer	1,171,823	7.80
			20/07/2018	-3,554 decrease			
			25/01/2019	-3,500 decrease			
			01/02/2019	-25,500 decrease			
			29/03/2019	-424 decrease			
HSBC Infrastructure Equity Fund	582871	3.88	15/06/2018	-3,800 decrease	Transfer	5,47,873	3.65
			22/06/2018	-25,198 decrease			
			22/03/2019	-6,000 decrease			
CNI Research Limited	3,00,000	1.99	-	No Change in the shareholding pattern	-	3,00,000	1.99
GMO Emerging Markets Fund	2,93,346	1.95	18/01/2019	-29,957 decrease	Transfer	2,44,841	1.6293
			25/01/2019	-15,677 decrease			
			22/03/2019	-2,684 decrease			
			29/03/2019	-187 decrease			
Prashant Omprakash Kothari	2,27,500	1.51	27/04/2018	-1,500 decrease	Transfer	2,12,500	1.4141
India Opportunities Growth Fund Ltd - Pine-wood Strategy	98,289	0.65	27/04/2018	-8,289 decrease	Transfer	1,88,191	1.2523
			25/05/2018	41,000 increase			
			08/06/2018	29,666 increase			
			03/08/2018	17,525 increase			
			14/09/2018	10,000 increase			
Premier Investment Fund Limited	122,800	0.82	20/07/2018	4,817 increase	Transfer	1,57,771	1.0499
			15/03/2019	10,154 increase			
			22/03/2019	20,000 increase			
Pulkit. N. Sekhsaria	1,55,000	1.03	-	No Change in the shareholding pattern	-	1,55,000	1.03
Rajesh Harichandra Budhrani	98,715	0.66	06/04/2018	13,500 increase	Transfer	1,51,465	1.01
			11/05/2018	953 increase			
			18/05/2018	7047 increase			
			25/05/2018	4,000 increase			
			01/06/2018	4,000 increase			
			20/07/2018	1,250 increase			
			27/07/2018	5,000 increase			
			12/10/2018	4,000 increase			
			19/10/2018	1,000 increase			
			02/11/2018	4,000 increase			
			08/02/2019	5,000 increase			
			29/03/2019	3,000 increase			

Name	Shareholding at the beginning of the year		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year 31 March 2019	
	No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the Company
Edelweiss Custodial Services Ltd	53480	0.36	06/04/2018	33,840 -Increase	Transfer	130,162	0.87
			13/04/2018	1,137-Increase			
			20/04/2018	5-Increase			
			27/04/2018	1,06,465-Increase			
			04/05/2018	14,230-Increase			
			11/05/2018	3,757-Increase			
			18/05/2018	-6,095 - decrease			
			25/05/2018	-46,068-decrease			
			01/06/2018	-23,481-decrease			
			08/06/2018	-5,929-decrease			
			15/06/2018	-62,109-decrease			
			22/06/2018	33,074-Increase			
			29/06/2018	2,633-Increase			
			06/07/2018	320-Increase			
			13/07/2018	514-Increase			
			20/07/2018	-5,740-decrease			
			27/07/2018	-4,120-decrease			
			03/08/2018	1,113-Increase			
			10/08/2018	3,072-Increase			
			17/08/2018	-4,145-decrease			
			24/08/2018	-17,316-decrease			
			31/08/2018	6,383-Increase			
			07/09/2018	-84-decrease			
			14/09/2018	-744-decrease			
			21/09/2018	-5-decrease			
			29/09/2018	-3,420-decrease			
			05/10/2018	3,271-Increase			
			12/10/2018	994-Increase			
			19/10/2018	652-Increase			
			26/10/2018	2,091-Increase			
			02/11/2018	413 - Increase			
			09/11/2018	-190-decrease			
			16/11/2018	1,570-Increase			
			23/11/2018	-13,140-decrease			
			30/11/2018	6,213- Increase			
			07/12/2018	-49,824-decrease			
			14/12/2018	-1,601-decrease			
			21/12/2108	1,342 - Increase			
			28/12/2018	-3124-decrease			
			31/12/2018	-20-decrease			
			04/01/2019	3,745- Increase			
11/01/2019	50,861- Increase						
18/01/2019	1,244- Increase						
25/01/2019	27,163 - Increase						
01/02/2019	3,709- Increase						
08/02/2019	-21,935-decrease						
15/02/2019	-3,312-decrease						
22/02/2019	-1,230-decrease						
01/03/2019	1,691- Increase						
08/03/2019	10,732- Increase						
15/03/2019	27,673- Increase						
22/03/2019	1,169- Increase						
29/03/2019	-762-decrease						

(v) Shareholding of others Directors and Key Managerial Personnel:

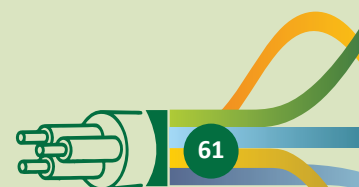
For Each of the Directors and KMP	Shareholder's Name	Date	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	Vijay Kumar Gupta		8,770	0.06	8,770	0.06
	Manoj Bishan Mittal		85,075	0.57	85,075	0.57
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
	Manoj Bishan Mittal		85,075	0.57	85,075	0.57

V. INDEBTEDNESS

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

(Amount in Lakhs)

Indebtedness at the beginning of the financial year	Secured Loans excluding deposits	Unsecured Loans	Total Indebtedness
i) Principal Amount	19,694.88	2,078.33	21,773.21
ii) Interest due but not paid	-	-	-
iii) Interest accrued but not due	8.89	-	8.89
Total (i+ii+iii)	19,703.77	2,078.33	21,782
Change in Indebtedness during the financial year			
• Addition	6,537.69	-	6,460.21
• Reduction	-	77.48	-
Net Change	6,537.69	77.48	6,460.21
Indebtedness at the end of the financial year			
i) Principal Amount	26,234.94	2,000.75	28,235.69
ii) Interest due but not paid	-	-	-
iii) Interest accrued but not due	6.52	-	6.52
Total (i+ii+iii)	26,241.46	2,000.75	28,242.21



VI. Remuneration of Directors and Key Managerial Personnel:

A. Remuneration to Managing Director, Whole Time Director and/or Manager

(Amount in Lakhs)

Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
	Amit Jain MD	Vijay Kumar Gupta WTD	Manager	
Gross salary				
a. Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	85.92	14.40	-	100.32
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	-	-	-	-
-others				
Total	85.92	14.40	-	100.32
Ceiling as per the Act (in compliance with the provision of Schedule XIII Part II Section II(A))	10 % of Net Profit for all Executive Directors-Managing Director and Whole-time Directors 5% of Net Profit to any one Managing or Whole-time Director			

B. Remuneration to other directors: Not paid any Remuneration

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
	Independent Directors	-	-	-	-	-
	• Fee for attending board / committee meetings					
	• Commission					
	• Others, please specify					
	Total (1)	-	-	-	-	-
	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 Lakhs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel				
		CEO	CS Subodh Kumar Barnwal	CFO Rattan Lal Aggarwal	Manager	Total
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		8.59	50.62	-	59.21
	(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	-	8.59	50.62	-	59.21

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	-	-	-	-	-

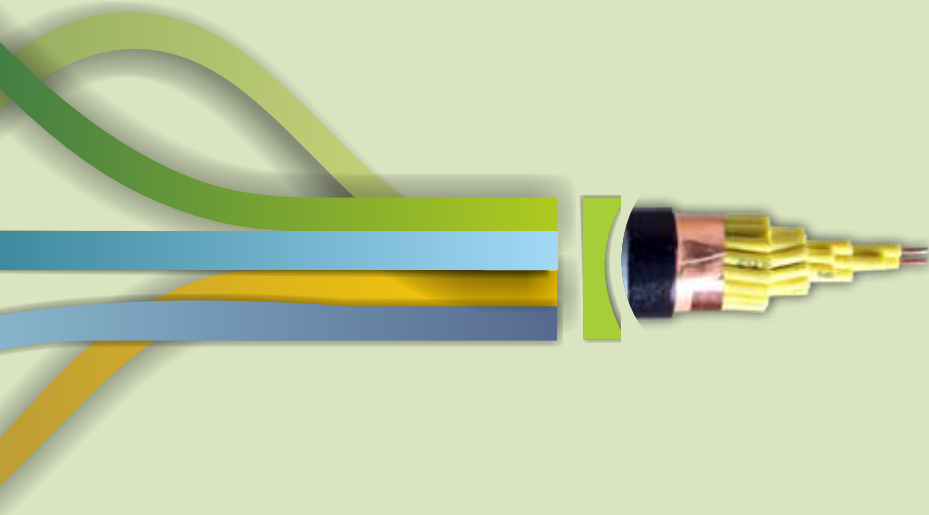
By order of the Board
For CMI Limited

Amit Jain
Chairman Cum Managing Director
DIN: 00041300

Place: New Delhi
Date: 13 August, 2019

Registered Office:
501-503, New Delhi House
27, Barakhamba Road, New Delhi-110001
Email Id: info@cmilimited.in





CORPORATE GOVERNANCE REPORT

ANNEXURE-6 CORPORATE GOVERNANCE REPORT

The Directors present the Company's Report on Corporate Governance for the year ended 31 March, 2019, in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (The "Listing Regulations").

1. THE COMPANY'S PHILOSOPHY ON CODE OF 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.

2. BOARD OF DIRECTORS

The Board is entrusted with an ultimate responsibility of the Management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosures.

A. 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 and a woman Director. The Chairperson of the Board is an Executive Director pursuant to which half of Board constitutes of 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 details of each member of the Board along with the number of Directorship/Committee Membership in other Companies, as at 31 March, 2019 are as follows:



Name of directors	Category	Designation	No. of Directorships in other Indian Public Limited Companies	No. of Committee Memberships and Chairmanship in other Companies		List of Directorship held in Other Listed Companies and Category of Directorship	Number of shares and convertible instruments held by non-executive directors
				Chairman	Member		
Mr. Amit Jain DIN 00041300	Promoter- Non Independent Executive	Chairman cum Managing Director	NIL	NIL	NIL	NIL	5093877
Mr. Vijay Kumar Gupta DIN 00995523	Executive	Whole Time Director	NIL	NIL	NIL	NIL	8770
Mr. Pyare Lal Khanna DIN 02237272	Independent Non-Executive	Director	NIL	NIL	NIL	NIL	NIL
Mr. Kishor Punamchand Ostwal DIN 00460257	Non-Executive Independent	Director	2	NIL	1	CNI RESEARCH LIMITED Category: Executive Director, Chairperson, MD	NIL
Mr. Manoj Bishan Mittal DIN 00282676	Non-Executive Independent	Director	1	NIL	NIL	NIL	85075
Ms. Archana Bansal DIN 01129623	Non-Executive Independent	Director	1	NIL	NIL	NIL	NIL

Notes:

- The Committees considered for the purpose are those prescribed under Regulation 26 of the SEBI LODR Regulations viz. Audit Committee and Stakeholders' Relationship Committee of Indian Public Limited Companies (excluding CMI Limited).
- Directorship in other Companies excludes Private Limited Companies, Foreign Companies and Membership of Companies under Section 8 of the Companies Act, 2013.

Ms. Archana Bansal, Independent woman director resigned from the directorship of the Company w.e.f. 28.05.2019 and Ms. Charu Jain was appointed as additional director in the category of non-executive Independent woman director w.e.f. 28.05.2019.

As on the date of report, the Board of Directors consists of the following Directors:

1. Mr. Amit Jain
2. Mr. Vijay Kumar Gupta
3. Mr. Pyare Lal Khanna
4. Mr. Kishor Punamchand Ostwal
5. Mr. Manoj Bishan Mittal
6. Ms. Charu Jain

B. Attendance of Directors

The details of attendance of Directors at the Board Meetings and Annual General Meeting held during the year ended 31 March, 2019 are given below :—

Name	Number of Meetings during the year 2018-19		Whether attended AGM held on 29 November, 2018
	Held	Attended	
Mr. Amit Jain	10	10	YES
Mr. Vijay Kumar Gupta	10	10	YES
Mr. Pyare Lal Khanna	10	10	NO
Mr. Kishor Punamchand Ostwal	10	4	NO
Mr. Manoj Bishan Mittal	10	4	YES
Ms. Archana Bansal	10	8	NO

- C. During the year, 10 (Ten) meeting of Board of Directors were held on 16.05.2018, 21.05.2018, 30.05.2018, 21.06.2018, 09.07.2018, 14.08.2018, 31.10.2018, 14.11.2018, 14.02.2019 and 30.03.2019.
- D. There is no relationship between directors inter-se.
- E. 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 http://www.cmilimited.in/img/pdf/POLICY_ON_FAMILIARIZATION_PROGRAMS_FOR_INDEPENDENT_DIRECTORS_2016_07_20_09_11_35_102.PDF
- F. Core Skills/Expertise/Competencies of Board of Directors:
- As stipulated under Schedule V of the SEBI Listing Regulations, core skills/expertise/competencies, as required in the context of the business and sector for it to function effectively and those actually available with the Board have been identified by the Board of Directors.
- Below are the key skills/expertise/competence identified by the Board of Directors
- Strategic vision
 - Leadership
 - Industry knowledge
 - Corporate governance
 - Research and innovation
 - Financial analysis and reporting
 - Global landscape
 - Risk management
 - Social and regulatory framework
 - Human capital and integrity
 - Science and technology
- G. All the Independent Directors fulfills the criteria of being independent as mentioned under Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) read with Section 149(6) of the Companies Act, 2013. The maximum tenure of Independent Directors is determined in accordance with the Companies Act, 2013. The Independent Directors have also confirmed that they meet with the criteria of independence laid down under the provisions of Companies Act, 2013 and the SEBI Listing Regulations, 2015.
- H. During the year under review, there is no change in the directorship of the Company. However, as on 28 May, 2019, Ms. Archana Bansal, Independent Director of the Company has resigned from the directorship due to personal commitments & preoccupation. She further confirmed vide resignation letter dated 28 May, 2019 that there is no other material reasons other than specified above.
- The necessary quorum was present for all the meetings.
 - None of the Non- Executive directors have any material pecuniary relationship or transactions with the Company.

- K. 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 31 March, 2019 have been made by the Directors. None of the Directors are related to each other.
- L. During the financial year 2018-19, information as mentioned in Schedule II Part A of the SEBI Listing Regulations, has been placed before the Board for its consideration.

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), Regulations 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 30 March, 2019, to consider and discuss inter alia, 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;
- the 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:

Mr. Vijay Kumar Gupta, retires by rotation at the 52nd Annual General Meeting of the

Company and being eligible offers himself for re-appointment.

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.

3. COMMITTEES OF THE BOARD

The Board of Directors has constituted Board Committees to deal with specific areas and activities which concern the Company and requires a closer review. The Board Committees are formed with the approval of the Board and function under their respective Charters. These Committees play an important role in the overall management of day-to-day affairs and governance of the Company. The Board Committees meet at a regular interval and take necessary steps to perform its duties entrusted by the Board. The Minutes of the Committee meetings are also placed before the Board in the next board meeting for noting.

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:

A. AUDIT COMMITTEE

i. The brief Description of Charter/terms of reference of Audit Committee is broadly as under:

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.

ii. Composition and Attendance of Audit Committee

The Audit Committee comprises two Non-Executive Independent Directors and one Executive Director. Audit Committee of the Board of Directors ("the Audit Committee") is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of the Listing Regulation.

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

The Representative of Chairman of the Audit Committee attended the Annual General Meeting (AGM) held on 29 November, 2018 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 2018-19	
		Held during tenure of Member/Chairman	Attended
Mr. Kishor Punamchand Ostwal (Chairman)*	Independent , Non Executive director	5	5
Mr. Pyare Lal Khanna (Chairman)*	Independent , Non Executive director	7	7
Mr. Vijay Kumar Gupta (Member)	Executive director	7	5
Ms. Archana Bansal (Member)	Independent, Non Executive director	2	2

*As on 01st April, 2018, Chairman of Audit Committee was Mr. Pyare Lal Khanna. However, the Board of Directors in their meeting held on 21 May, 2018 has reconstituted the Audit Committee and appointed Mr. Kishor Punamchand Ostwal as Chairman in place of Mr. Pyare Lal Khanna.

Seven Audit Committee Meetings were held during the year 2018-2019. The dates on which the said meetings were held are as follows:

2 April, 2018, 21 May, 2018, 30 May, 2018, 14 August, 2018, 31 October, 2018, 14 November, 2018 and 14 February, 2019.

As on 31 March, 2019, the Composition of Audit Committee comprises of the following members:

Name	Category
Mr. Kishor Punamchand Ostwal, Independent Director	Chairman
Mr. Pyare Lal Khanna, Independent Director	Member
Mr. Vijay Kumar Gupta, Whole-time Director*	Member

The Board of Directors reconstituted the audit committee vide circular resolution passed on 12th August, 2019 and replaced Mr. Vijay Kumar Gupta as member with Ms. Charu Jain as member.

iii. Internal Controls and Governance Processes

The reconstituted Board / Management believe that the Company has effective internal control systems and policies. Post the acquisition, the reconstituted Board/Management is in the process reviewing the internal controls framework with an objective to have a best in class internal control and of putting/revamping a framework for internal controls commensurate with the size, scale and nature of business.

iv. RISK MANAGEMENT

The Board/ management is reviewing the Risk management framework of the Company. The

Company would put in place a suitable enterprise risk management framework for identifying and evaluating risks and opportunities that may have bearing on the organization. The Company recognises that these risks need to be managed and mitigated to protect the shareholders and other stakeholder interest.

B. 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.

i. 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;

ii. Composition

As on 31 March, 2019, 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 2018-19	
		Held	Attended
Mr. Pyare Lal Khanna (Chairman)	Non- Executive Independent Director	4	4
Mr. Manoj Bishan Mittal (Member)	Non- Executive Independent Director	4	2
Ms. Archana Bansal (Member)*	Non- Executive Independent Director	4	4

*Ms. Archana Bansal resigned from the directorship of the Company w.e.f. 28 May, 2019 and Ms. Charu Jain was appointed as Non- Executive Independent Director and member of Nomination & Remuneration Committee of the Company w.e.f. 28 May, 2019

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

2 April, 2018, 30 May, 2018, 14 August, 2018 and 14 November, 2018

The Necessary Quorum was present at the meetings.

iii. 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 performances of the individuals are measured through the annual appraisal process.

The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed 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 31 March, 2019:

Director	Salary and Allowance
Mr. Amit Jain (Chairman Cum Managing Director)	85.92
Mr. Vijay Kumar Gupta (Whole-time Director)	14.40
Mr. Subodh Kumar Barnwal, (Company Secretary)	8.59
Mr. Rattan Lal Aggarwal (Chief Financial Officer)	50.62

- (Rs. in Lakhs)
- The Company does not have any Stock Option Scheme for its employees and Directors.
 - Non-Executive Directors have not been paid any remuneration. Further, there has been no pecuniary relationship or transactions of the non-executive directors vis-à-vis the Company during the financial year 2018-19.
 - Stock Option Scheme:
The Company does not have any Stock Option Scheme for its employees and Directors.
 - 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.

C. 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.

i. Composition

As on 31st March, 2019, 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 for the year 2018-2019 are as follows:

Name	Category	Number of Meetings during the year 2018-19	
		Held	Attended
Mr. Pyare Lal Khanna (Chairman)	Non- Executive Independent Director	4	4
Ms. Archana Bansal (Member)*	Non- Executive Independent Director	4	4
Mr. Vijay Kumar Gupta (Member)	Whole-time Director	4	4

**Ms. Archana Bansal resigned from the directorship of the Company w.e.f. 28 May, 2019 and Ms. Charu Jain was appointed as Non- Executive Independent Director and member of Stakeholder Relationship Committee of the Company w.e.f. 28 May, 2019*

Four Stakeholders Relationship Committee Meetings were held during the year 2018-2019. The dates on which the said meetings were held were as follows:

2 April, 2018, 30 May, 2018, 14 August, 2018 and 14 November, 2018.

The necessary quorum was present at the meetings.

ii. Terms of Reference

The Stakeholders’ Relationship Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read

with section 178 of the Companies Act, 2013. The Board has clearly defined the terms of reference for this Committee, which generally meets once in a quarter. The Committee looks into the matters of Shareholders / Investors grievances along with other matters listed below:

- transfer/transmission of shares/debentures and such other securities as may be issued by the Company from time to time;
- issue of duplicate share certificates for shares/debentures and other securities reported lost, defaced or destroyed, as per the laid down procedure;
- issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates/certificates relating to other securities;
- issue and allot right shares/bonus shares pursuant to a Rights Issue/ Bonus Issue made by the Company, subject to such approvals as may be required;
- to grant Employee Stock Options pursuant to approved Employees’ Stock Option Scheme(s), if any, and to allot shares pursuant to options exercised
- to issue and allot debentures, bonds and other securities, subject to such approvals as may be required;
- to approve and monitor dematerialization of shares / debentures / other securities and all matters incidental or related thereto;
- to authorize the Company Secretary and Head Compliance / other Officers of the Share Department to attend to matters relating to non-receipt of annual reports, notices, non-receipt of declared dividend / interest, change of address for correspondence etc. and to monitor action taken;
- monitoring expeditious redressal of investors / stakeholders grievances;
- all other matters incidental or related to shares, debenture etc.

iii. Name and Designation of Compliance officer:

Name : Mr. Subodh Kumar Barnwal
 Designation : Company Secretary & Compliance Officer
 Address : 501-503, New Delhi House, 27 Barakhamba Road, New Delhi
 Phone : 011-49570000
 Fax : 011-23739902
 E-mail : info@cmilimited.in and cmics@cmilimited.in

The details of total number of complaints received; resolved/pending during the financial year 2018-19 is as follow: -

Particulars	No. of Complaints
Number of complaints received from the investors (including the opening Balance as on 01st April, 2018) comprising of Non-receipt of Dividend Warrants where reconciliation is completed after end of the quarter, securities sent for transfer and transmission, annual report & complaints received from Regulatory/ Statutory Bodies	2
Number of complaints resolved	1
Complaints Pending as at March 31, 2019	1

The above table includes Complaints received from SEBI SCORES by the Company.

The Complaints are handled by Company's Registrars and Share Transfer Agents, BEETAL Financial & Computer Services Pvt Ltd, New Delhi. The Stakeholder Relationship Committee monitors the complaints and other activities and also helps in resolving grievances wherever needed. A firm of Practicing Company Secretaries conducts the audit on quarterly basis and submits Capital Reconciliation Audit Report.

The above table includes Complaints received from SEBI SCORES by the Company.

The Complaints are handled by Company's Registrars and Share Transfer Agents, BEETAL Financial & Computer Services Pvt Ltd, New Delhi. The Stakeholder Relationship Committee monitors the complaints and other activities and also helps in resolving grievances wherever needed.

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:

- To review the existing CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- To provide guidance on various CSR activities to be undertaken by the Company and to monitor its progress;
- To monitor the corporate social responsibility policy of the company from time to time.

i. Composition

As on 31st March, 2019, the Committee comprises of 3 Directors. Details of the members of the Committee and the meetings duly attended by them during the financial year 2018-19 are as follows:

Name	Category	Number of Meetings during the year 2018-19	
		Held	Attended
Mr. Pyare Lal Khanna (Chairman)	Non- Executive Independent Director	03	03
Ms. Archana Bansal (Member)*	Non- Executive Independent Director	03	03
Mr. Vijay Kumar Gupta (Member)	Whole Time Director	03	03

**Ms. Archana Bansal resigned from the directorship of the Company w.e.f. 28 May, 2019 and Ms. Charu Jain was appointed as Non- Executive Independent Director and member of Stakeholder Relationship Committee of the Company w.e.f. 28 May, 2019*

Three Corporate Social Responsibility Committee Meetings were held during the year 2018-2019. The dates on which the said meetings were held were as follows

2 April, 2018, 30 May, 2018 and 31 October, 2018.



4. GENERAL MEETING

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

AGM	Date & Time	Place of Meeting	Details of Special Resolution Passed
51st	29th November, 2018 at 11:30 a.m	Navkaar Banquets, Caspia Hotel Complex, Outer Ring Road, Shalimar Place, Delhi-88	NIL
50th	29th December, 2017 at 11:30 a.m.	Lajwaab Banquet Hall, Vikas Marg, Delhi-10092	* Increase in remuneration of Mr. Amit Jain, Chairman cum Managing Director of the Company. * Re-appointment of Mr. Vijay Kumar Gupta as Whole-time Director of the Company.
49th	28th September, 2016 at 11:30 a.m.	Lajwaab Banquet Hall, Vikas Marg, Delhi-10092	* 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

Extra Ordinary General Meeting:

Court convened Extra Ordinary General Meeting was held during the year 2018-2019 on 28th July, 2018.

Postal Ballot:

No Postal Ballot was conducted during the year 2018-19. Further, no special resolution is proposed to be conducted through postal ballot.

5. MEANS OF COMMUNICATION

- A. The Unaudited quarterly/ half yearly results are announced within forty-five days of the close of the

quarter. The audited annual results are announced within sixty days from the closure of the financial year as per the requirement of the SEBI Listing Regulation, as amended from time to time.

- B. The Company normally publishes quarterly results/ half yearly in leading Business Newspapers National daily of the country like Business Standard (English Language) and "The Pioneer" (Vernacular Language) in accordance with the SEBI Listing Regulations and circulates the same to stock exchanges & the shareholders.;
- C. The official news releases, including the quarterly, half yearly and annual results and presentations made to institutional investors/analysts, if any, are also posted on the Company's website www.cmilimited.in
- D. The Company also ensures that the details of its business, financial information, shareholding pattern, compliance with corporate governance, contact information of the designated officials of the company who are responsible for assisting and handling investor grievances, details of agreements entered into with media companies and/or their associates and other information as required under Companies Act, 2013 and SEBI listing Regulations are promptly and prominently posted on its [website www.cmilimited.in](http://www.cmilimited.in).

6. GENERAL SHAREHOLDERS INFORMATION

A. Annual General Meeting

Day and Date	: Monday, 30 September, 2019
Time	: 11:30 a.m.
Venue	: Navkaar Banquets, Caspia Hotel Complex, Outer Ring Road, Shalimar Place, Delhi-88
Financial Year	: 2018-19
Book Closure/ Record Date	: Tuesday 24 September, 2019 to Monday, 30 September, 2019 (Both Days Inclusive)

B. Financial Year Calendar (Tentative):

The Company follows the period of 1st April to 31st March, as the Financial Year. The tentative dates for Board Meetings for consideration of quarterly financial results are as below:

First Quarter Results	: on or before 13 August, 2019
Second Quarter & Half Yearly Results	: on or before 14 November, 2019
Third Quarter Results	: on or before 14 February, 2020
Fourth & Audited Annual Results	: on or before 30 May, 2020

C. Dividend Payment:

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 23rd September, 2019 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 23rd September, 2019 .

D. Listing on Stock Exchanges:

The equity shares of your Company are listed on National Stock Exchange of India Ltd. and BSE Ltd.(the stock exchanges).

National Stock Exchange of India Ltd. 'Exchange Plaza', Bandra Kurla Complex, Bandra (E), Mumbai- 400051. website : www.nseindia.com	BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001 website : www.bseindia.com
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The Annual listing fee for the listed equity Shares for the year 2019-20 have been paid to BSE Ltd and National Stock Exchange Limited.

E. Stock Codes/Symbol:

National Stock Exchange of India Ltd	: CMICABLES
BSE Ltd.	: 517330

F. Market Price Data

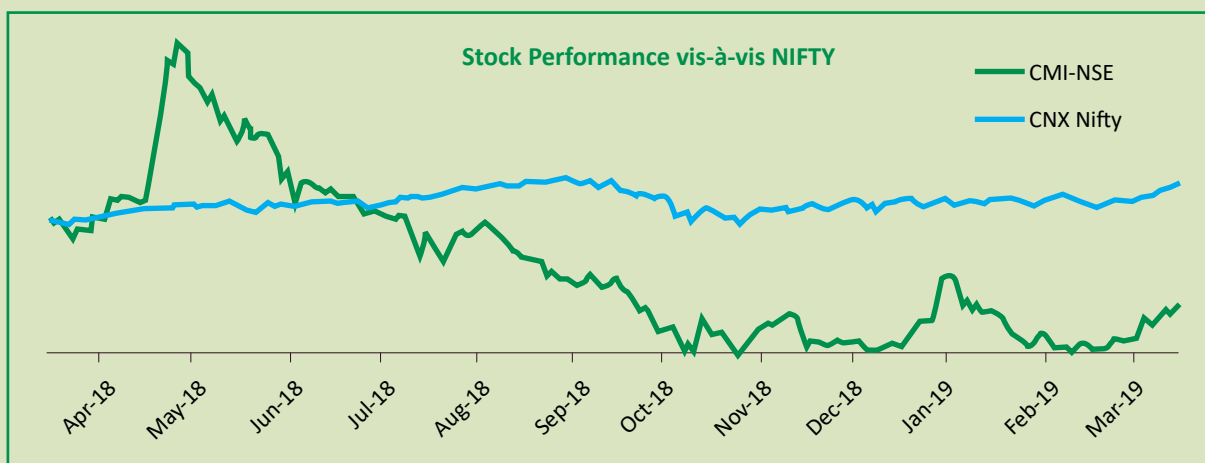
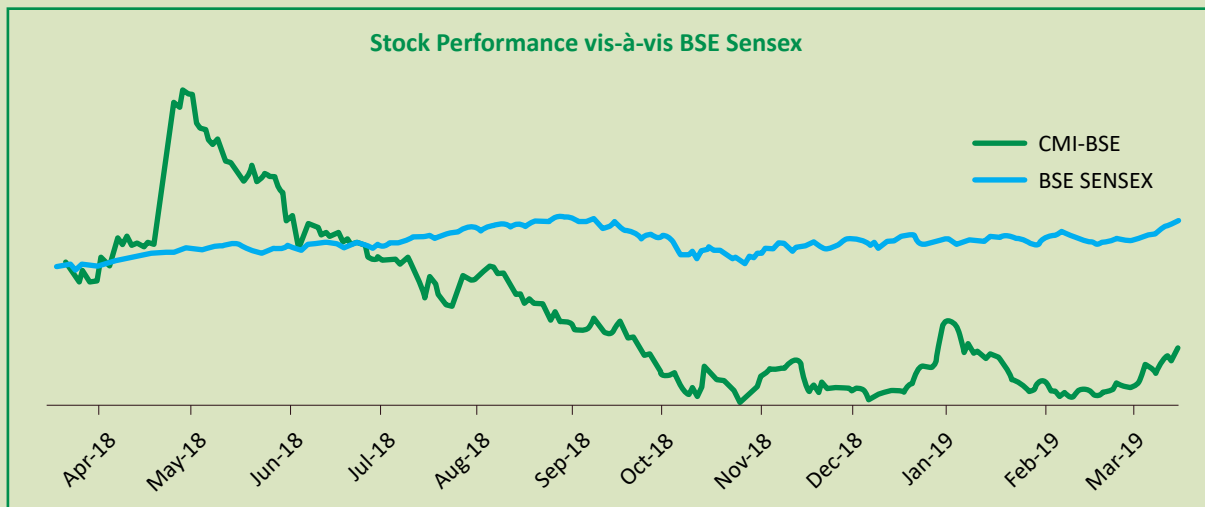
High, Low (based on daily closing prices) and number of equity shares traded during each month in the year 2018-19 on NSE and BSE:

Month	BSE			NSE		
	High Price	Low Price	Volume	High Price	Low Price	Volume
Apr-18	371.6	217.05	5,22,989	372	216	31,03,674
May-18	361	255	1,54,693	358.9	256.35	11,27,984
Jun-18	276	226	1,01,797	270.95	226.2	5,61,137
Jul-18	236.55	188.15	1,09,229	232.75	189.4	5,23,874
Aug-18	233	175.45	85,245	230	176	5,98,864
Sep-18	185.7	140.3	97,888	184.7	140.55	8,87,473
Oct-18	169	115.5	1,45,175	152	114.95	7,15,164
Nov-18	154	120.25	1,01,946	154.5	120	5,98,959
Dec-18	178.7	118	2,68,072	180.5	115.35	16,34,215
Jan-19	185.3	120.1	2,53,010	185.5	120.05	1,466,406
Feb-19	136	118.1	59,106	136.35	118.15	4,10,006
Mar-19	175	128	1,06,887	162	127	9,16,793



G. Stock Performance

The performance of the Company’s share relative to the BSE Sensitive Index and S&P CNX Nifty (on closing rates at the end of each month in respective stock exchange) considering 100 as the base is given in the Chart below:



H. Registrar & Transfer Agent

Share transfer, dividend payment and all other investor related matters are attended to and processed by our Registrar and Transfer Agents. Details of Registrar and Transfer Agents are as under-

Registrar and Transfer Agents	: BEETAL Financial & Computer Services Pvt Ltd.
Address	: BEETAL HOUSE, 3rd Floor, 99, Madangir, behind LSC, New Delhi – 110062
Contact Details	: 011-29961281-283/26051061/26051064
Fax	: 011-29961284
Email Address	: beetalrta@gmail.com

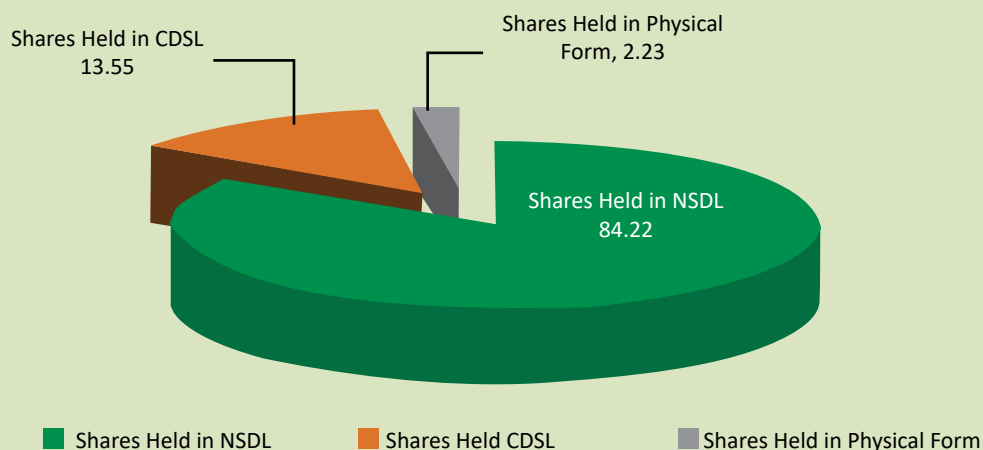
Share transfers system

Physical Shares sent for transfer are duly transferred within 15 days of receipt of documents, if found in order. Shares under objection are in general returned within 15 days. BEETAL Financial & Computer Services Pvt Ltd, Share Transfer Agents of the Company, is authorized to sign the share certificates on behalf of the Company for expeditious disposal of transfer requests. Pursuant to SEBI Circular, on and after 01st April, 2019, all transfers shall be undertaken through Demat only. No transfers in physical form are registered by the Company.

In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants. In compliance with the SEBI Listing Regulation, a Practicing Company Secretary carries out audit of the System of Transfer and a certificate to that effect is issued.

I. Dematerializations of Shares and liquidity

The shares of the Company are permitted for trading in dematerialized form only. As at March 31, 2019, 97.77% of Equity capital was held in Electronic form with NSDL and CDSL. Normally, requests of dematerialization of shares are processed and confirmed within 15 days of receipt to NSDL and CDSL.



- **Shares held in Electronic Form**

Shareholders holding shares in electronic form may please note that instructions regarding change of address, bank details, nomination and power of attorney should be given directly to the DP.

- **Shares held in Physical Form**

Shareholders holding shares in physical form may please note that instructions regarding change of address, bank details, nomination and power of attorney should be given to the Company's RTA viz. BEETAL Financial & Computer Services Pvt Ltd., Delhi.

J. Outstanding GDRs / ADRs / Warrants or any Convertible instruments, conversion date and likely impact on equity:

As on March 31, 2019, the Company has no outstanding GDRs / ADRs / Warrants or any Convertible instruments, conversion date and likely impact on equity.

K. Shareholding as on March 31, 2019

- Distribution of Shareholding as at March 31, 2019

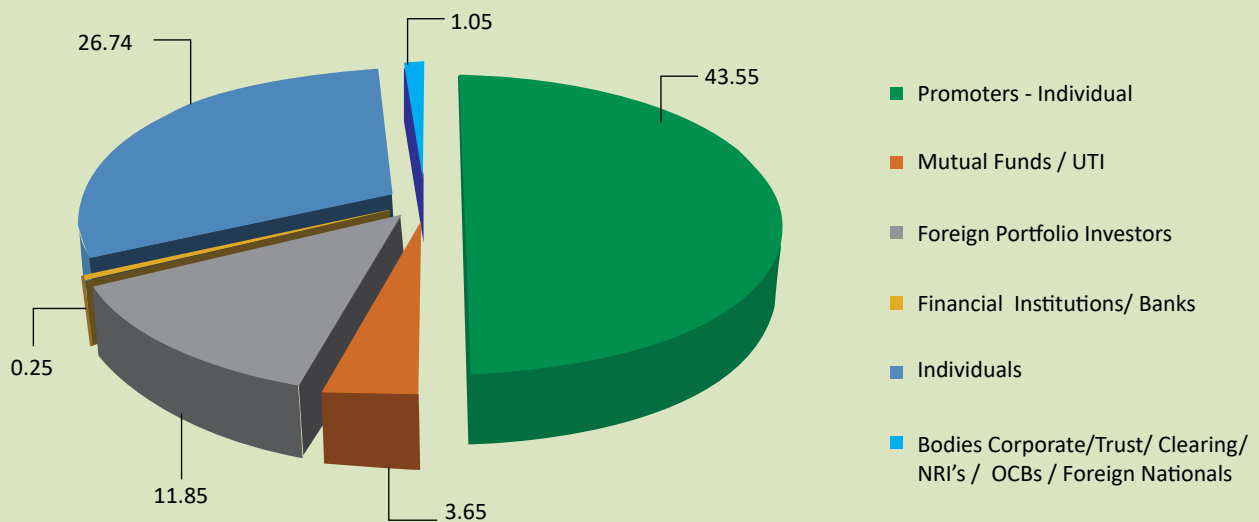
Category	No. of Folios	% of Shareholders	No. of Shares	% of Capital
1 – 5000	10262	89.23	11,75,283	7.82
5001 - 10000	611	5.31	4,88,503	3.25
10001 - 20000	274	2.38	4,14,765	2.76
20001 - 30000	102	0.88	2,60,982	1.74
30001 - 40000	55	0.47	1,94,605	1.30
40001 - 50000	48	0.41	2,24,245	1.49
50001 - 100000	75	0.65	5,57,957	3.71
10001 and above	73	0.63	1,17,11,117	77.93
TOTAL	11500	100	1,50,27,457	100



ii. Categories of equity shareholders as on March 31, 2019:

Shareholding pattern as on March 31, 2019 for the purpose of reporting in the Annual Report of the Company for the year 2018-19 is given as under:

Category	As On March 31, 2019	
	No. of Equity Shares	Percentage (%)
Promoters - Individual	65,43,877	43.55
Mutual Funds / UTI	5,47,873	3.65
Foreign Portfolio Investors	17,80,126	11.85
Financial Institutions/ Banks	37,189	0.25
Individuals	40,17,691	26.74
Bodies Corporate/Trust/ Clearing /NRI's / OCBs / Foreign Nationals	21,00,701	1.05



Top Ten Shareholders as on March 31 , 2019:

List of Top Ten Shareholders As On March 31, 2019	Shares	%Age of Paid-Up Capital
GMO EMERGING DOMESTIC OPPORTUNITIES FUND	11,71,823	7.80
HSBC INFRASTRUCTURE EQUITY FUND	5,47,873	3.65
CNI RESEARCH LIMITED	3,00,000	2.00
GMO EMERGING MARKETS FUND	24,4,841	1.63
PRASHANT OMPRAKASH KOTHARI	2,12,500	1.41
INDIA OPPORTUNITIES GROWTH FUND LTD	1,88,191	1.25
PREMIER INVESTMENT FUND LIMITED	1,57,771	1.05
PULKIT.N.SEKHSARIA	1,55,000	1.03
RAJESH HARICHANDRA BUDHRANI	1,51,465	1.01
EDELWEISS CUSTODIAL SERVICES LTD	1,30,162	0.87

L. Commodity price risk or foreign exchange risk and hedging activities

The company has not carried out any hedging activities related to the Commodity price risk or foreign exchange risk.

M. Plant Location

Faridabad: Plot No. 71 & 82, Sector- 06, Faridabad, Haryana-121006.

Baddi: Plant Village Bhatauli Khurd, Baddi, Solan-173205, Himachal Pradesh.

N. Address for Correspondence

Corporate Office : CMI Limited
501-503, New Delhi house,
27 Barakhamba Road,
New Delhi-110001
E-mail: info@cmilimited.in

O. CREDIT RATING

During the year under review, the Company has improved its long term credit rating to CRISIL BBB+/Positive. The BBB+ awarded by CRISIL reflects moderate degree of safety regarding timely servicing of financial obligation. The Company's short term credit rating has also improved to CRISIL A2 by CRISIL, reflecting moderate degree of safety regarding timely payment of financial obligations.

CARE has reaffirmed the rating CARE BBB+ (Triple B Plus)/stable to the Long term bank facilities and CARE A3+(A Three Plus) to the short term bank facilities.

DISCLOSURES:

A. Related party transactions

Related Parties and transactions with them as required under Accounting Standard 18 (AS-18) are furnished under Note No. 41 of the Notes to the Accounts attached with the financial statements for the year ended March 31, 2019. There were no material related party transactions between the Company and related parties during the year under review and hence disclosure in Form AOC-2 in terms of Section 134 of the Companies Act, 2013 is not required to be attached and hence do not forms part of this report..

The secretarial auditor has not made any observations relating to Related Party Transactions in their Secretarial Audit report. The Board of Directors

have approved and adopted a policy on Related Party Transactions and the same can be accessed at http://www.cmilimited.in/img/pdf/Policy_on_Related_Party_Transactions.PDF

B. Matters related to capital market

There were no non-compliance by the Company, nor have any penalties or strictures been imposed on the company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years except fine of Rs. 1000/- was imposed for delay in submission of Corporate Governance Report to National Stock Exchange due to technical error with the portal while uploading the same.

C. Details of Vigil mechanism, Whistle blower Policy and affirmation that no personnel have been denied access to the Audit Committee

The Company has adopted a Whistle Blower Policy through which vigil mechanism of the Company has been laid down. The Company affirms that no personnel have been denied access to Audit Committee on any issue.

D. Compliance with mandatory requirements and adoption of Non-mandatory requirements

The Company has complied with all the mandatory requirements of SEBI Listing Regulations The extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted.

E. Subsidiary Companies

CMI Energy India Pvt Limited amalgamated with CMi Limited pursuant to scheme of amalgamation approved by Hon'ble NCLT vide order dated 3 April, 2019. CMI Agro ceases to be step down subsidiary of CMI Limited on 30 March, 2019.

All subsidiary companies of the Company are managed by their respective Boards having the rights and obligations to manage companies in the best interest of their stakeholders. The Policy for material subsidiary can be accessed at <http://www.cmilimited.in/img/pdf/Policy%20on%20Materiality%20of%20subsidiaries.pdf>

The Company monitors performance of subsidiary companies in the following ways:

- a) **All minutes of Board Meetings of the unlisted subsidiary companies are placed before the Company's Board;**



- b) **Financial statements, in particular the investments made by the unlisted subsidiary companies, are reviewed quarterly by the Audit Committee of the Company;**
- c) **A statement containing all significant transactions and arrangements entered into by the unlisted subsidiary companies is placed before the Company's Board.**

F. Code of Conduct

The Company has adopted "Code of Conduct for Directors and Senior Management Personnel" ('Code') pursuant to the provisions of regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015., which is available on the website of the Company [http://www.cmilimited.in/img/pdf/Code%20of%20Conduct_Director%20&%20Senior%20Management%20\(1\).pdf](http://www.cmilimited.in/img/pdf/Code%20of%20Conduct_Director%20&%20Senior%20Management%20(1).pdf)

The Company has received declarations under Regulation 26(3) of the Listing Regulations from other Directors and members of the Senior Management of the Company to whom the Code of Conduct is applicable.

G. Code of Conduct for Prevention of Insider Trading

The Company has adopted a "Code of Internal Procedures and Conduct for Regulation, Monitoring and Reporting of Trading by Designated Persons and their Immediate Relatives" pursuant to Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, with a view to regulate, monitor and report trading in securities of the Company by its Directors and Designated persons

H. Certificate from a Company Secretary

Pursuant to Regulation 34(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, a

certificate from a Company Secretary in practice that none of the Directors on the Board of the Company have been debarred or disqualified from being the appointed or continuing as Directors of Companies by the Board/ Ministry of Corporate Affairs or any such statutory authority, is annexed to this report.

I. Certificate on Corporate Governance

As required by Regulation 34(3) Schedule V (E) of the SEBI listing regulations, the certificate from Practicing Company Secretary regarding compliances of conditions of Corporate Governance is annexed to this report.

J. CEO/CFO Certification

The Board has received a compliance certificate from, the Managing Director of the Company pursuant to Regulation 17 (8) read with Schedule II Part B of SEBI Listing Regulations.

K Disclosure of Accounting Treatment

The Financial statement of the Company is prepared as per the prescribed Indian Accounting Standards and reflects true and fair view of the business transactions in the Corporate Governance.

L. Management Discussion and Analysis

Management Discussion and Analysis Report forms part of the Annual Report.

M. Disclosures with respect to Demat suspense account/unclaimed suspense account

As per Regulation 34(3) read with Schedule V of SEBI Listing Regulation, the details of the shares in the Suspense Account are as follows:

Aggregate Number of Shareholders and the Outstanding Shares in the suspense account lying at the beginning of the year	Number of Shareholders who approached the Company for transfer of shares from suspense account during the year	Number of Shareholders to whom shares were transferred from suspense account during the year	Aggregate Number of Shareholders and the Outstanding Shares in the suspense account lying at the end of the year	Aggregate Number of Shareholders and the Outstanding Shares in the suspense account lying at the end of the year
(1)	(2)	(3)	(4)	(5)
NA	NA	NA	NA	NA

N. Disclosure under the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013

The Company has laid down Anti Sexual Harassment policy on Gender Equality, Gender Protection, Prevention of Sexual Harassment and Redressal System in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, Apprenticeship) are covered under this policy. Details of the complaints filed, disposed or pending as on the end of the financial year are;

- i. Number of complaints filed during the financial year - NIL

- ii. Number of complaints disposed of during the financial year - NIL
- iii. Number of complaints pending as on the end of the financial year - NIL

Disclaimer:

The information furnished above is certified by CMI Limited to be true, fair and accurate (except in respect of errors in or omissions from documents filed electronically that result solely from electronic transmission errors beyond our control and in respect of which we take corrective action as soon as it is reasonably practicable after becoming aware of the error or the omission). SEBI, the Stock Exchanges or the NIC do not take any responsibility for the accuracy, validity, consistency and integrity of the data entered and updated by it.

**By order of the Board
For CMI Limited**

**Amit Jain
Chairman Cum Managing Director
DIN: 00041300**

**Place: New Delhi
Date: 13 August, 2019**



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, 2019, 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, 2019, 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.

**By order of the Board
For CMI Limited**

**Amit Jain
Chairman Cum Managing Director
DIN: 00041300**

**Place: New Delhi
Date: 13 August, 2019**

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 2019 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 on 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**

**Place: New Delhi
Date: 13 August, 2019**

**CS Mukul Tyagi
Partner
M. No. F9973 CP No.: 16631**



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 our 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

Amit Jain
(Chairman cum Managing Director)

Date: 28 May 2019
Place: New Delhi

Certificate of Non-Disqualification of Directors

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
CMI Limited
Flat No. 501- 503, 5th Floor,
New Delhi House,
27 Barakhamba Road,
New Delhi-110001

We have examined the relevant registers, records, forms, returns and disclosures received from CMI Limited having CIN L74899DL1967PLC018031 and having registered office at Flat No. 501- 503, 5th Floor, New Delhi House, 27 Barakhamba Road, New Delhi-110001 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers. We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

S. No.	Name of the Director	DIN	Date of Appointment in Company
1.	Amit Jain	00041300	01/10/2002
2.	Manoj Bishan Mittal	00282676	29/07/2016
3.	Kishor Punamchand Ostwal	00460257	29/07/2016
4.	Vijay Kumar Gupta	00995523	15/01/2009
5.	Pyare Lal Khanna	02237272	30/09/2004
6.	Archana Bansal	01129623	01/05/2015

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Pooja Anand & Associates
 Company Secretaries

Date: 13 August, 2019
 Place: New Delhi

CS Mukul Tyagi
 Partner
 M. No. F9973
 CP No.: 16631



INDEPENDENT AUDITOR'S REPORT

To the Members of CMI LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the financial statements of CMI LIMITED ("the Company"), which comprise the balance sheet as at 31st March 2019, and the statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, 2019, its profit/loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Key Audit Matter

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

The key audit matter	How the matter was addressed in our audit
<p>Revenue recognition under new accounting standard Ind AS 115: Revenue from Contracts with Customers</p> <p>The Company has adopted Ind AS 115 - Revenue from Contracts with Customers (Ind AS 115) which is the new revenue accounting standard.</p>	<p>Our audit procedures on adoption of Ind AS 115, Revenue from contracts with Customers ('Ind AS 115'), which is the new revenue accounting standard, include</p> <ul style="list-style-type: none"> Evaluated the design and implementation of the processes and internal controls relating to implementation of the new revenue accounting standard;

The key audit matter	How the matter was addressed in our audit
<p>Ind AS 115 is effective for the year beginning April 1, 2018 and establishes a comprehensive framework for determining and identifying whether a contract with the customer exists, how much and when revenue is recognized. This involves certain key judgments relating to identification of contracts with customers, identification of distinct performance obligations, determination of transaction price, appropriateness of the basis used to measure revenue recognized over a period or at a point in time. Revenue is recognized when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer.</p> <p>In view of the above, the application and transition to this accounting standard is an area of focus in the audit.</p> <p>See notes 3(c) to financial statements.</p>	<ul style="list-style-type: none"> • Verifying management's assessment of contractual arrangements including those relating to income from supplier rebates, terms of contract and commercial substance thereof in order to assess the adherence to revised accounting policies in light of the requirements of Ind AS 115. • Selecting samples of contractual arrangements, testing management's assessment of the applicability of the standard to such arrangements, identification of distinct performance obligations and determination of transaction prices. • Additionally, we also evaluated the adequacy of disclosures made in the financial statements.
<p>Taxation related matters Determination of tax provisions and assessment of contingent liabilities involves judgment with respect to various tax positions on deductibility of transactions, tax incentives/ exemptions, interpretation of laws and regulations etc. Judgement is also required in assessing the range of possible outcomes for some of these matters.</p> <p>Management makes an assessment to determine the outcome of these matters and decides to make an accrual or consider it to be a possible contingent liability in accordance with applicable accounting standards.</p> <p>Accordingly, taxation and contingent liability related matters are areas of focus in the audit.</p> <p>See notes 3(l) and 12 to the financial statements.</p>	<p>In view of the significance of the matter, we applied the following key audit procedures:</p> <ul style="list-style-type: none"> • Testing the design and operating effectiveness of controls relating to taxation and contingencies. • We evaluated management's judgements in respect of estimates of provisions, exposures and contingencies. • In understanding and evaluating management's judgements, we even considered third party advice received by the Company, wherever applicable, the status of recent and current tax assessments and enquiries, the outcome of previous claims, judgmental positions taken in tax returns and developments in the tax environment. • Additionally, we also evaluated the adequacy of disclosures on provisions and contingencies made in the financial statements.

Emphasis of Matter

We draw attention to Note 1 of the financial statements, which describes that CMI Energy India Private Limited ("CMIE"), an erstwhile wholly owned subsidiary, was merged with CMI Limited with an appointed date of March 1, 2016 vide order of National Company Law Tribunal, Principal Bench, New Delhi dated April 3, 2019.

The financial statements of CMI Limited ("Merged Entity") for the financial year 2018-19 has been prepared giving effect of order of the Hon'ble NCLT and the comparative financial information of the Company for the year ended March 31, 2018 has been restated to give effect to the merger of an erstwhile wholly owned subsidiary CMIE.

Moreover, all the accumulated losses and depreciations of CMIE as standing on March 1, 2016 become losses and depreciation of the merged entity. Considering this fact, tax expenses has been recognized in the books of accounts for the financial year 2018-19.

Our opinion is not modified in respect of this matter.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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. 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.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

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.

- A) As required by Section 143 (3) of the Act, we report that:
- 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.
 - 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.
 - 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.
 - 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.

- On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.

B) 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:

- The Company has disclosed the impact of pending litigations on its financial position - refer note 45 to the Standalone Financial Statements.
- The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

C) With respect to the matter to be included in the Auditor's Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.

For Krishna Neeraj & Associates
Chartered Accountants
FRN: 023233N

Place : New Delhi
Date : 28th May 2019

CA. Krishna K Neeraj
Partner
Membership No. 506669

Annexure 'A'

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

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 According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties included in fixed assets 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. The discrepancies noticed on physical verification of stocks by the management as compared to book records.
- iii. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii (a), (b) and (c) of the order are not applicable to the Company.
- 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. As per information & explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
- 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, 2019 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.
- 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. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company
- ix. The company has not raised any money by way of initial public offer or further public offer (including debt instruments) or by way of term loans during the year.
- 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. According to the information and explanations given to us, in our opinion, the Company is not a Nidhi Company as prescribed under Section 406 of the Act.
- 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 not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
- xv. Provisions of section 192 of Companies Act, 2013 have been complied with in case of non-cash transactions entered by the company with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- xvi. According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

For Krishna Neeraj & Associates
Chartered Accountants
FRN: 023233N

Place : New Delhi
Date : 28th May 2019

CA. Krishna K Neeraj
Partner
Membership No. 506669



Annexure B to the Independent Auditors' Report
(Referred to in paragraph 1(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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, 2019 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, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing 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, 2019, 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 Krishna Neeraj & Associates
Chartered Accountants
FRN: 023233N**

**Place : New Delhi
Date : 28th May 2019**

**CA. Krishna K Neeraj
Partner
Membership No. 506669**



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1. Corporate information

CMI Limited ("the Company") is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its equity shares are listed on two stock exchanges in India: the BSE Limited and the National Stock Exchange of India Limited. The registered office of the Company is located at Flat No.501-503, 5th Floor, New Delhi House, 27, Barakhamba Road, New Delhi-110001.

The Company is primarily engaged in the business of manufacture of wires and cables such as Railway Signaling Cables, Control & Instrumentation Cables, Jelly Filled Telephone Cables, Power Cables and many other specialty cables.

Pursuant to the Order of National Company Law Tribunal, Principal Bench, New Delhi, dated April 3, 2019, CMI Energy India Private Limited, an erstwhile wholly-owned Subsidiary, was merged with the Company with an Appointed Date of March 1, 2016. The Order has been made effective on May 13, 2019, upon complying with all the relevant requirements under the Companies Act, 2013.

2. Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Companies Act, 2013.

The financial statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and financial liabilities which are measured at fair value/ amortized cost (Refer accounting policy regarding financial instruments).

The financial statements are presented in Indian Rupees Lakhs and all values have been rounded to the nearest Lakhs with two decimal places, unless stated otherwise.

3. Significant accounting policies

The Company has applied the following accounting policies to all periods presented in the financial statements.

a) Functional and presentation currency

The financial statements are prepared in Indian Rupees, which is the Company's presentation currency and the functional currency for all its operations.

b) Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:

- expected to be realised or intended to sold or consumed in the normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realised within twelve months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when:

- it is expected to be settled in the normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within twelve months after the reporting date; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting date.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current only.

Operating cycle of the Company is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. As the Company's normal operating cycle is not clearly identifiable, it is assumed to be twelve months.

c) Revenue recognition

Sale of goods

Revenue is recognised upon transfer of control of promised goods to customers in an amount that reflects the consideration which the company expects to receive in exchange for those goods. Revenue from the sale of goods is recognised at

the point in time when control is transferred to the customer which is usually on dispatch of goods, based on contracts with the customers.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions, incentives, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Due to the short nature of credit period given to customers, there is no financing component in the contract.

The Company has adopted Ind AS 115 'Revenue from contracts with customers', with effect from April 1, 2018. Ind AS 115 establishes principles for reporting information about the nature, amount, timing and uncertainty of revenues and cash flows arising from the contracts with its customers and replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts.

The Company has adopted Ind AS 115 using the cumulative catch-up transition method, applied to contracts that were not completed as on the transition date i.e. April 1, 2018. Accordingly, the comparative information in the statement of profit and loss is not restated. The impact of the adoption of the standard on the financial statements of the Company is insignificant.

Rendering of services

Income recognition for services takes place as and when the services are performed in accordance with Ind AS 115.

d) Other Income

i. Interest Income

Interest income is accrued on time basis, by reference to the principal outstanding and at the effective interest rate applicable. Interest income is included in finance income in the statement of profit and loss.

ii. Dividends

Dividend income is recognised in the statement of profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

iii. Rental Income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and is included in other income in the statement of profit and loss.

e) Property, plant and equipment

All property, plant and equipment are stated at historical cost, net of accumulated depreciation (other than freehold land) and accumulated impairment losses, if any.

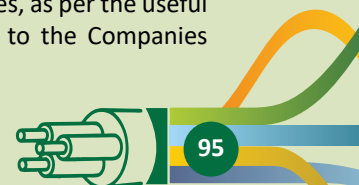
The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. Items such as spares are capitalized when they meet the definition of property, plant and equipment.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Likewise, expenditure towards major inspections and overhauls are identified as a separate component and depreciated over the expected period till the next overhaul expenditure.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future economic benefits from the existing asset beyond its previously assessed standard of performance/life. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Depreciation on property, plant and equipment is calculated using the straight-line method (SLM) to allocate their cost, net of their residual values, over their estimated useful lives, as per the useful life prescribed in Schedule II to the Companies



Act, 2013 except in case of property, plant and equipment relating to PVC Cable Division, where depreciation is provided using the written down value method (WDV).

The assets' residual values and useful lives are reviewed and adjusted if appropriate, at the end of each reporting period.

Freehold land is not depreciated.

Leasehold buildings are amortised over the duration of the shorter of the useful life or lease term.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on the disposal or retirement or de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the statement of profit and loss.

Capital work-in-progress represents cost of property, plant and equipment that are not yet ready for their intended use and are carried at cost determined as aforesaid.

f) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets are not capitalised and the expenditure is recognised in the statement of profit and loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite useful lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are

treated as changes in accounting estimates to be adjusted prospectively. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

The Company does not have any intangible assets with indefinite useful lives.

Softwares are amortized on a straight line basis over a period of 4-5 years.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

g) Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and wherever applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Depreciation on investment properties is calculated using the straight-line method (SLM) to allocate their cost, net of their residual values, over their estimated useful lives, as per the useful life prescribed in Schedule II to the Companies Act, 2013.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the assets recognised in the statement of profit and loss in the period of de-recognition.

h) Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

- Raw materials, components, stores and spares, packing materials and others: cost includes cost of purchase another costs incurred in bringing the inventories to their present location and condition. Cost is determined on first-in, first-out (FIFO) basis.
- Work in progress: cost includes cost of direct materials and labour and estimated overheads upto the stage of completion. Cost is determined on first-in, first-out (FIFO) basis.
- Finished goods: cost includes cost of direct materials, labour, cost of manufacturing, cost of conversion and other costs incurred in finishing the goods. Cost is determined on first-in, first-out (FIFO) basis.
- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first-in, first-out (FIFO) basis.

Scrap is valued at estimated net realizable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

i) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

j) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

All other borrowing costs are expensed in the period in which they occur and are recognised in the statement of profit and loss using the effective interest rate method.

k) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Leases in which a significant portion of the risk and rewards of ownership are not transferred to the Company are classified as operating lease. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term unless the payments are structured to increase inline with the expected general inflation to compensate for the lessor's expected inflationary cost increases.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of



ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease unless the receipts are structured to increase in line with the expected general inflation to compensate for the expected inflationary cost increases. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

Leases are classified as finance leases when substantially all the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

I) Income taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognized outside of profit or loss is recognized outside of profit or loss [either in other comprehensive income (OCI) or in equity]. Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an

asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

- in respect of taxable temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled by the Company and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of deductible temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is

settled, based on tax rates (and tax laws) that have been enacted or substantively enacted as at the reporting date.

Current tax and deferred tax relating to items recognised outside profit or loss are recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and tax liabilities on a net basis.

Deferred tax assets include a credit for the Minimum Alternate Tax ('MAT') paid in accordance with the tax laws, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT asset is recognised as deferred tax assets in the Balance Sheet when the asset can be measured reliably, and it is probable that the future economic benefit associated with the asset will be realised.

m) Employee benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Other long-term employee benefits obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Post-employment obligations

The Company operates the following post-employment schemes:

- a. Defined benefit plans in the nature of gratuity, and
- b. Defined contribution plans such as provident fund.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in Indian Rupees is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

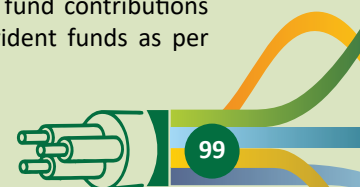
The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefits expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans

The Company pays provident fund contributions to publicly administered provident funds as per



local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefits expense when they are due.

n) Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

o) Provisions, contingent liabilities and contingent assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss, net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. The unwinding of discount is recognized in the statement of profit and loss as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable

that an outflow of resources would be required to settle the obligation, the provision is reversed.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits is probable.

p) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified into four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

i. Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost, if both the following conditions are met:

- a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

- b. Contractual terms of the asset that give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is most relevant to the Company. After initial measurement; such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.

ii. Debt instruments at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b. The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

iii. Debt instruments at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

iv. Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

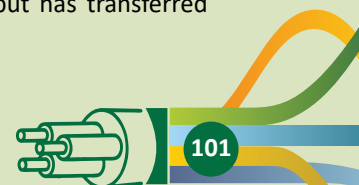
Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investment in subsidiaries and joint ventures are carried at historical cost as per the accounting policy choice given by Ind AS 27.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's combined balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.



Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for **measurement and recognition of impairment loss on the following financial assets:**

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities and deposits;
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in the subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on a twelve month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables and borrowings, etc.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

i. Financial liabilities at FVTPL

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

ii. Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

q) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are measured at their fair values and recognised as income in the statement of profit and loss.

r) Accounting for foreign currency transactions

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian Rupees (INR), which is the Company's presentation currency and functional currency.

Transactions in currencies other than the functional currency are translated into the functional currency at the exchange rates that approximates the rate as at the date of the transaction. Monetary assets and liabilities denominated in other currencies are translated into the functional currency at exchange rates prevailing on the reporting date. Non-monetary assets and liabilities denominated in other currencies and measured at historical cost or fair value are translated at the exchange rates prevailing on the dates on which such values were determined.

All exchange differences are included in statement of profit and loss.

s) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

t) Dividends

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

u) Earnings per share

Basic earnings per share

Basic earnings per share are calculated by dividing the profit attributable to the shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per share

Diluted earnings per share is calculated by dividing the profit attributable to the shareholders of the Company (after adjusting the corresponding income/ charge for dilutive potential equity shares, if any) by the weighted average number of equity shares outstanding during the financial year plus the weighted average number of additional equity shares that would have been issued on conversion of all the dilutive potential equity shares.

4. Significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Income taxes

The Company is subject to income tax laws as applicable in India. Significant judgment is required



in determining provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

In assessing the realisability of deferred tax assets, management considers whether it is probable, that some portion, or all, of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable incomes over the periods in which the deferred tax assets are deductible, management believes that it is probable that the Company will be able to realize the benefits of those deductible differences in future.

Useful lives of property, plant and equipment ('PPE') and intangible assets

Management reviews the estimated useful lives and residual value of PPE and Intangibles at the end of each reporting period. Factors such as changes in the expected level of usage, technological developments and product life-cycle, could significantly impact the economic useful lives and the residual values of these assets. Consequently, the future depreciation charge could be revised and may have an impact on the profit of the future years.

Employee benefit obligations

The costs of the defined benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due

to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given in Note No. 39.

Contingencies

Management judgment of contingencies is based on the internal assessments and opinion from the consultants for the possible outflow of resources, if any.

5. Recent accounting pronouncements

Ind AS 116 – Leases:

The Company is required to adopt Ind AS 116, Leases from April 1, 2019. Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases. It replaces existing leases guidance, Ind AS 17, Leases.

The Company is in the process of completing its detailed assessment and the quantitative impact of adoption of Ind AS 116 on the Financial Statements in the period of initial application is not reasonably estimable as at present.

**For Krishna Neeraj & Associates
Chartered Accountants
FRN: 023233N**

**Place : New Delhi
Date : 28th May 2019**

**CA. Krishna K Neeraj
Partner
Membership No. 506669**

Balance Sheet

as at 31st March 2019

(All amounts in Indian Rupees Lakhs unless otherwise stated)

Particulars	Notes	As at 31st March 2019	As at 31st March 2018
ASSETS			
I Non-current assets			
(a) Property, plant and equipment	6	15,497.77	14,995.82
(b) Capital work in progress		410.47	422.20
(c) Investment Property	7	942.51	945.75
(d) Other Intangible assets	8	24.91	94.05
(e) Financial assets			
(i) Investments	9	0.04	25.06
(ii) Loans	10	116.23	97.04
(iii) Other financial assets	11	147.74	-
(f) Deferred tax assets (net)	12	2,078.18	1,601.12
(g) Other non-current assets	13	912.39	786.96
		20,130.24	18,968.00
II Current assets			
(a) Inventories	14	16,172.99	12,756.49
(b) Financial assets			
(i) Trade receivables	15	27,372.12	22,672.61
(ii) Cash and cash equivalents	16	1,515.95	142.58
(iii) Other bank balances	17	801.84	1,077.65
(iv) Loans	10	296.25	88.87
(v) Others financial assets	18	633.85	491.11
(c) Current tax assets (net)	19	78.34	22.83
(d) Other current assets	20	4,650.50	3,098.48
		51,521.84	40,350.62
TOTAL ASSETS		71,652.08	59,318.62
EQUITY AND LIABILITIES			
III EQUITY			
(a) Equity share capital	21	1,503.07	1,503.07
(b) Other equity	22	29,838.46	22,315.15
Total equity		31,341.53	23,818.22
LIABILITIES			
IV Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	23	5,383.31	4,469.18
(b) Provisions	24	82.97	66.84
		5,466.28	4,536.02
V Current liabilities			
(a) Financial liabilities			
(i) Borrowings	25	22,170.11	16,566.65
(ii) Trade payables:-	26	152.71	-
- total outstanding dues to micro enterprises & small enterprises		10,177.72	9,091.71
- total outstanding dues of creditors other than above		1,862.14	1,443.70
(iii) Other financial liabilities	27	314.36	660.08
(b) Other current liabilities	28	26.09	43.26
(c) Provisions	24	141.14	3,158.98
(d) Current tax liabilities (net)	29	34,844.27	30,964.38
TOTAL LIABILITIES		40,310.55	35,500.40
TOTAL EQUITY AND LIABILITIES		71,652.08	59,318.62

Summary of significant accounting policies
The accompanying notes (1-54) are an integral part of the financial statements

3

As per our report of even date attached
For Krishna Neeraj & Associates
Chartered Accountants
FRN: 023233N

For and on behalf of the Board of Directors

Krishna K. Neeraj
Partner
Membership No.:506669

Amit Jain
Managing Director
DIN: 00041300

Subodh Kumar Barnwal
Company Secretary
M. No.-21928

Vijay Kumar Gupta
Whole Time Director
DIN: 00995523

Rattan Lal Aggarwal
C.F.O.

Place : New Delhi
Date :28-05-2019



Statement of Profit & Loss

For the year ended 31st March 2019

(All amounts in Indian Rupees Lakhs unless otherwise stated)

Particulars		Notes	For the year ended 31st March 2019	For the year ended 31st March 2018
I	Revenue from operations	30	63,729.85	57,390.56
II	Other income	31	1,420.08	1,133.89
III	Total income (I+II)		65,149.93	58,524.45
IV	Expenses			
	(a) Cost of raw material consumed	32	46,895.81	43,838.40
	(b) Purchase of stock in trade		6,000.41	431.87
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	33	(2,817.98)	(849.92)
	(d) Excise duty on sale of goods		-	1,384.57
	(e) Employee benefits expense	34	2,040.66	1,579.54
	(f) Finance costs	35	3,374.36	2,895.81
	(g) Depreciation and amortization expense	36	1,181.95	1,048.23
	(h) Other expenses	37	4,328.19	4,253.46
	Total expenses		61,003.40	54,581.96
V	Profit before exceptional items and tax (III-IV)		4,146.53	3,942.49
VI	Exceptional items	38	(2.69)	-
VII	Profit before tax (V+VI)		4,143.84	3,942.49
VIII	Income tax expense			
	(a) Current tax		(133.27)	(1,150.56)
	(b) Deferred tax		483.56	(180.17)
	(c) Earlier Year Tax		-	(26.78)
	Total tax expense		350.29	(1,357.51)
IX	Profit for the year (VII+VIII)		4,494.13	2,584.98
X	Other comprehensive income			
	Items that will not be reclassified to profit or loss in subsequent periods:			
	(i) Remeasurements of post-employment defined benefit obligations		20.85	(2.80)
	(ii) Change in fair value of FVOCI equity instruments		(0.02)	(0.06)
	(iii) Income tax effect		(6.50)	0.89
	Other comprehensive income for the year, net of tax		14.33	(1.97)
XI	Total comprehensive income for the year (IX+X)		4,508.46	2,583.01
XII	Earnings per share in Rs.	42		
	Basic earnings per equity share		29.91	17.22
	Diluted earnings per equity share		29.91	17.22

Summary of significant accounting policies

3

The accompanying notes (1-54) are an integral part of the financial statements

As per our report of even date attached

For Krishna Neeraj & Associates

Chartered Accountants

FRN: 023233N

Krishna K. Neeraj

Partner

Membership No.:506669

Place : New Delhi

Date :28-05-2019

For and on behalf of the Board of Directors

Amit Jain

Managing Director

DIN: 00041300

Subodh Kumar Barnwal

Company Secretary

M. No.-21928

Vijay Kumar Gupta

Whole Time Director

DIN: 00995523

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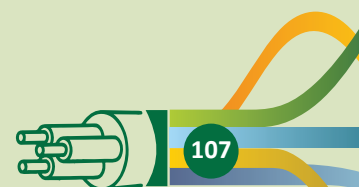
C.F.O.

Cash Flow Statement

For the year ended 31st March 2019

(All amounts in Indian Rupees Lakhs unless otherwise stated)

Particulars	31st March 2019	31st March 2018
Cash flow from operating activities		
Profit after tax	4,494.13	2,584.99
Adjustment to reconcile profit before tax to net cash flows :		
Depreciation/amortization	1,181.95	1,048.22
(Profit)/Loss on sale of property, plant and equipment	2.69	-
Other comprehensive income	14.33	(1.97)
Deferred tax	(477.06)	179.29
Previous year adjustments	-	-
Interest expense	3,374.36	2,895.81
Interest income	(194.32)	(191.64)
Operating profit before working capital changes	8,396.08	6,514.70
Movements in working capital:		
(Decrease)/increase in trade payables and other liabilities	1,311.44	(569.30)
(Decrease)/increase in short-term provisions	3,178.86	5.96
(Decrease)/increase liability for current tax	(3,017.84)	1,167.47
Decrease/(increase) in trade receivable	(4,699.51)	(6,614.07)
Decrease/(increase) in inventories	(3,416.51)	(2,712.22)
Decrease/(increase) in other bank balances	275.81	(231.06)
Decrease/(increase) in short term loans	(207.38)	(0.94)
Decrease/(increase) in other current assets	(1,750.28)	14.15
Cash generated from operations	70.69	(2,425.31)
Direct taxes paid	-	-
Net cash flow from/(used in) operating activities (A)	70.69	(2,425.31)
Cash flows from investing activities		
Purchase of property, plant and equipment, including intangible assets, capital work in progress	(1,626.44)	(644.19)
Proceeds from sale of property, plant and equipment	23.95	-
Decrease/(increase) in non-current investments	25.02	(24.94)
(Decrease)/increase in long-term provisions	16.13	(14.23)
Decrease/(increase) in other non-current assets	(125.43)	(590.55)
Decrease/(increase) in long term loans	(166.93)	(15.23)
Interest received	194.32	191.64
Net cash flow from investing activities (B)	(1,659.38)	(1,097.51)
Cash flow from financing activities		
Proceeds from issuance of equity share capital	-	750.00
Proceeds/(Repayment) of long-term borrowings	914.12	(682.68)
Proceeds/(Repayment) of short-term borrowings	5,603.45	6,619.68
Equity Dividend including taxes thereon	(181.16)	(180.87)
Interest paid	(3,374.36)	(2,895.81)
Net cash flow from / (used in) financing activities (C)	2,962.06	3,610.33



Cash Flow Statement

For the year ended 31st March 2019

(All amounts in Indian Rupees Lakhs unless otherwise stated)

Particulars	31st March 2019	31st March 2018
Net increase/(decrease) in cash and cash equivalents (A + B +C)	1,373.37	87.51
Cash and cash equivalents at the beginning of the year	142.58	55.07
Cash and cash equivalents at the end of the year	1,515.95	142.58
Components of cash and cash equivalents		
Cash in hand	1,214.92	35.18
With banks in current account	9.92	6.12
Unpaid dividend accounts	256.88	76.47
in deposit accounts	34.23	24.81
Cash in hand		
Total cash and cash equivalents [Refer Note No. 16]	1,515.95	142.58

Note : The above Cash flow statement has been prepared under the Indirect method setout in Ind AS-7 'Statement of Cash Flow'.

Summary of significant accounting policies

3

The accompanying notes (1-54) are an integral part of the financial statements

As per our report of even date attached

For Krishna Neeraj & Associates

Chartered Accountants

FRN: 023233N

Krishna K. Neeraj

Partner

Membership No.:506669

Place : New Delhi

Date :28-05-2019

For and on behalf of the Board of Directors

Amit Jain

Managing Director

DIN: 00041300

Subodh Kumar Barnwal

Company Secretary

M. No.-21928

Vijay Kumar Gupta

Whole Time Director

DIN: 00995523

Rattan Lal Aggarwal

C.F.O.

Statement of Changes in Equity

For the year ended 31 March 2019

(All amounts in Indian Rupees Lakhs unless otherwise stated)

(A) Equity share capital	Note	Nos.	Rs. in Lakhs
As at 1st April 2017		1,47,77,457	1,477.75
Changes in equity share capital	21	2,50,000	25.00
As at 31st March 2018		1,50,27,457	1,502.75
Changes in equity share capital	21	-	-
As at 31st March 2019		1,50,27,457	1,502.75

(B) Other equity

Particulars	Capital Redemption Reserve	Capital Reserve	Securities Premium	Retained Earnings	FVOCI-Equity Instruments	Total other equity
Balance as at 1st April 2017	80.00	33,414.00	3,871.05	(18,176.74)	0.06	19,188.36
Profit for the year	-	-	-	2,584.98	-	2,584.98
Other comprehensive income	-	-	-	(1.93)	(0.04)	(1.97)
Total comprehensive income for the year	-	-	-	2,583.05	(0.04)	2,583.01
Equity dividend including taxes thereon	-	-	-	(180.87)	-	(180.87)
Issue of equity shares	-	-	725.00	-	-	725.00
Others	-	-	-	(0.35)	-	(0.35)
Balance as at 31st March 2018	80.00	33,414.00	4,596.05	(15,774.91)	0.02	22,315.15
Balance as at 1st April 2018	80.00	33,414.00	4,596.05	(15,774.91)	0.02	22,315.15
Profit for the year	-	-	-	4,494.13	-	4,494.13
Other comprehensive income	-	-	-	14.34	(0.01)	14.33
Total comprehensive income for the year	-	-	-	4,508.47	(0.01)	4,508.45
Equity Dividend including taxes thereon	-	-	-	(181.16)	-	(181.16)
Others Adjustments	-	-	-	3,196.02	-	3,196.02
Balance as at 31st March 2019	80.00	33,414.00	4,596.05	(8,251.59)	0.01	29,838.46

The accompanying notes form an integral part of these financial statements

Summary of significant accounting policies

3

The accompanying notes (1-54) are an integral part of the financial statements

As per our report of even date attached
For Krishna Neeraj & Associates
 Chartered Accountants
 FRN: 023233N

Krishna K. Neeraj
 Partner
 Membership No.:506669

Place : New Delhi
 Date :28-05-2019

For and on behalf of the Board of Directors

Amit Jain
 Managing Director
 DIN: 00041300

Subodh Kumar Barnwal
 Company Secretary
 M. No.-21928

Vijay Kumar Gupta
 Whole Time Director
 DIN: 00995523

Rattan Lal Aggarwal
 C.F.O.



Notes to the financial statements

For the year ended 31st March 2019

(All amounts in Indian Rupees Lakhs unless otherwise stated)

6 Property, plant and equipment

Particulars	Freehold Land	Factory Buildings	Leasehold Improvement	Plant and Equipment	Furniture and Fixtures	Office Equipment	Vehicles	Total
Gross Block								
Balance as at 1st April 2017	2,253.48	5,994.08	3.48	10,057.33	131.51	554.00	407.74	19,401.62
Additions	-	-	-	544.04	5.08	52.80	110.81	712.73
Disposals / adjustments	-	-	-	-	-	-	-	-
Balance as at 31st March 2018	2,253.48	5,994.08	3.48	10,601.37	136.58	606.80	518.55	20,114.35
Additions	-	-	-	1,573.33	3.29	6.52	52.34	1,635.48
Disposals / adjustments	-	-	-	(30.61)	-	-	-	(30.61)
Balance as at 31st March 2019	2,253.48	5,994.08	3.48	12,144.10	139.87	613.31	570.89	21,719.22
Accumulated Depreciation								
Balance as at 1st April 2017	-	746.50	3.48	2,818.94	65.47	371.88	165.93	4,172.20
Charge for the year	-	190.73	-	610.98	11.00	80.41	53.20	946.32
Disposals / adjustments	-	-	-	-	-	-	-	-
Balance as at 31st March 2018	-	937.23	3.48	3,429.93	76.47	452.28	219.13	5,118.52
Charge for the year	-	204.47	-	737.10	14.37	88.41	65.23	1,109.58
Disposals / adjustments	-	-	-	(6.65)	-	-	-	(6.65)
Balance as at 31st March 2019	-	1,141.70	3.48	4,160.37	90.84	540.69	284.36	6,221.45
Net Block								
As at 31st March 2018	2,253.48	5,056.85	-	7,171.44	60.11	154.51	299.42	14,995.82
As at 31st March 2019	2,253.48	4,852.38	-	7,983.72	49.03	72.63	286.53	15,497.77

Note: Property, plant and equipment have been mortgaged as security with banks against working capital credit facilities of the Company.

Notes to the financial statements

For the year ended 31st March 2019

(All amounts in Indian Rupees Lakhs unless otherwise stated)

7 Investment Property

Particulars	Rs. in lakhs
Gross Block	
Balance as at 1st April 2017	959.26
Additions	-
Disposals / adjustments	-
Balance as at 31st March 2018	959.26
Additions	-
Disposals / adjustments	-
Balance as at 31st March 2019	959.26
Accumulated Depreciation	
Balance as at 1st April 2017	8.52
Charge for the year	4.99
Disposals / adjustments	-
Balance as at 31st March 2018	13.51
Charge for the year	3.24
Disposals / adjustments	-
Balance as at 31st March 2019	16.75
Net Block	
As at 31st March 2018	945.75
As at 31st March 2019	942.51

Notes:

(i) Disclosures relating to fair valuation of Investment Property

Particulars	Rs. in lakhs
As at 31st March 2018	1,089.43
As at 31st March 2019	1,100.32

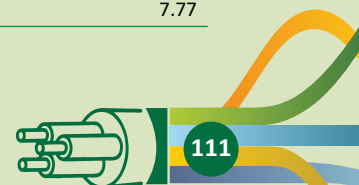
As at 31 March 2019, the Fair Value of Investment Property is Rs. 1,100.32 Lakhs, which is based on valuation performed by the management on the basis of available market quotes/ prevalent property prices in the same and nearby localities.

Resulting fair value estimates for Investment Properties are included in Level 3. (Refer Note No. 49)

As at 31 March 2018, the Fair Value of Investment Property was Rs. 1,089.43 Lakhs, which was determined by external independent property valuers, having appropriate recognised professional qualification and recent experience in the location and category of the property being valued. Resulting fair value estimates for Investment Properties were included in Level 2. (Refer Note No. 49)

(ii) Amount recognised in Statement of Profit & Loss for investment property.**Fair Value of Investment Property**

Particulars	31st March 2019	31st March 2018
Rental Income derived from Investment Property	24.10	21.90
Direct operating expense (including repairs & maintenance) for property that generate rental income	(6.27)	(9.14)
Direct operating expenses (including repairs and maintenance) for property that did not generate rental income	-	-
Profit arising from investment properties before depreciation	17.83	12.76
Less: Depreciation	(3.24)	(4.99)
Profit arising from investment properties	14.59	7.77



Notes to the financial statements

For the year ended 31st March 2019

(All amounts in Indian Rupees Lakhs unless otherwise stated)

- (iii) Investment Property have been mortgaged as security with banks against specific term loans of the Company.
- (iv) The Company has no restrictions on the realisability of its investment property and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance and enhancements.

8 Intangible assets

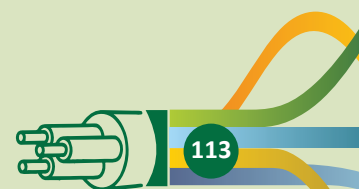
Particulars	Computer Software
Gross Block	
Balance as at 1st April 2017	535.42
Additions	-
Disposals / adjustments	-
Balance as at 31st March 2018	535.42
Additions	-
Disposals / adjustments	-
Balance as at 31st March 2019	535.42
Accumulated Amortisation	
Balance as at 1st April 2017	344.46
Charge for the year	96.91
Disposals / adjustments	-
Balance as at 31st March 2018	441.37
Charge for the year	69.14
Disposals / adjustments	-
Balance as at 31st March 2019	510.51
Net Block	
As at 31st March 2018	94.05
As at 31st March 2019	24.91

Notes to the financial statements

For the year ended 31st March 2019

(All amounts in Indian Rupees Lakhs unless otherwise stated)

9	Financial assets - Investments	As at 31st March 2019	As at 31st March 2018
(A)	Investment in Subsidiary		
	Equity Instruments (unquoted)		
	31 March 2019: Nil (31 March 2018: 25,000) Equity Shares of CMI Agro Limited of Rs. 100 each fully paid up*	-	25.00
(B)	Investments - Others		
	Investments at fair value through OCI (fully paid)		
	Equity Instruments (Quoted)		
	31 March 2019: 300 (31 March 2018: 300) Equity Shares of Rs. 10 each fully paid up of Dena Bank	0.04	0.06
	Total	0.04	25.06
	Aggregate amount of quoted investments	0.05	0.05
	Aggregate market value of quoted investments	0.04	0.06
	Aggregate amount of unquoted investments	-	25.00
	Aggregate amount of impairment in value of investments	-	-
10	Financial assets - Loans	As at 31st March 2019	As at 31st March 2018
	(a) Non Current Loans		
	Security Deposits	100.39	69.47
	Loans and Advances to Employees*	15.84	27.57
	Total Non-Current Loans	116.23	97.04
	(b) Current Loans		
	Advances Recoverable	251.09	37.43
	Security Deposits	45.16	51.44
	Total Current Loans	296.25	88.87
	Break-up		
	Considered good - Secured	-	-
	Considered good - Unsecured	412.48	185.91
	Unsecured, which have significant increase in credit risk	-	-
	Unsecured, credit impaired	-	-
	Total	412.48	185.91



Notes to the financial statements

For the year ended 31st March 2019

(All amounts in Indian Rupees Lakhs unless otherwise stated)

11 Financial assets - Other Financial Assets	As at 31st March 2019	As at 31st March 2018
Deposits with original maturity for more than 12 months (including interest accrued thereon)*	147.74	-
Total	147.74	-

* Deposits are under bank lien for margin against non fund based working capital credit facilities.

12 (a) Deferred Tax (Net)	As at 31st March 2019	As at 31st March 2018
Deferred tax assets relate to the following:		
Carried forward losses and unabsorbed depreciation	3,638.93	3,306.71
Expenditure allowed for tax purposes on payment basis	46.04	41.64
MAT credit entitlement	114.41	-
Others	19.76	1.20
Total (A)	3,819.14	3,349.55
Deferred tax liabilities relate to the following:		
Property, Plant & Equipment: Impact of difference between tax depreciation and depreciation/ amortisation for financial reporting	1,704.26	1,731.03
Others	36.70	17.40
Total (B)	1,740.96	1,748.43
Deferred Tax Assets/(Liabilities) (Net) [C=A+B]	2,078.18	1,601.12

(b) Reconciliation of deferred tax

	As at 31 March 2019	As at 31 March 2018
Opening Deferred Tax Assets/(Liabilities)	1,601.13	1,780.41
Deferred tax credit/ (charge) recorded in statement of profit & loss	483.56	(180.17)
Deferred tax credit/ (charge) recorded in OCI	(6.50)	0.89
Closing Deferred Tax Assets/(Liabilities)	2,078.19	1,601.13

(c) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

	As at 31 March 2019	As at 31 March 2018
Accounting profit before income tax	4,143.84	3,942.49
At India's statutory income tax rate of 34.944%.% (31 March 2018: 34.608%)	1,448.02	1,364.42
Adjustments in respect of current income tax of previous years	-	26.78
Impact of change in tax rate (on deferred tax)	-	(15.40)
Impact of permanent disallowances under Income Tax Act	34.20	(22.99)
Impact of taxation due to set off of carried forwarded losses and unabsorbed depreciation of the amalgamating company	(1,491.91)	-
Others	(340.61)	4.70
At the effective income tax rate of (8.45)% (31 March 2018: 34.43%)	(350.29)	1,357.51

13 Other Non-Current Assets	As at 31st March 2019	As at 31st March 2018
Capital advances (Unsecured, Considered Good)	908.72	784.10
Prepaid expenses	3.67	2.86
Total	912.39	786.96

Notes to the financial statements

For the year ended 31st March 2019

(All amounts in Indian Rupees Lakhs unless otherwise stated)

14 Inventories	As at 31st March 2019	As at 31st March 2018
(valued at lower of cost and net realizable value)		
Raw Materials*	5,335.09	4,778.49
Work-in-Progress	7,903.34	6,311.06
Finished Goods	2,823.83	1,598.13
Stores and Spares	110.74	68.81
Total	16,172.99	12,756.49

*Raw materials includes Goods-in-Transit Rs. Nil Lakhs (31st March 2018: Rs. 97.94 lakhs)

Note: Inventories have been hypothecated as security with banks against working capital credit facilities of the Company.

15 Financial assets - Trade receivables	As at 31st March 2019	As at 31st March 2018
Secured, considered good	445.18	-
Unsecured, considered good	26,926.93	22,672.61
Unsecured, which have significant increase in credit risk	-	-
Unsecured, credit impaired	1,525.32	1,585.32
	28,897.43	24,257.93
Less: Impairment Loss Allowance	(1,525.32)	(1,585.32)
Total	27,372.12	22,672.61

Note: Trade receivables have been hypothecated with banks against working capital credit facilities of the Company.

16 Financial assets - Cash and cash equivalents	As at 31st March 2019	As at 31st March 2018
Balances with banks:		
-In current accounts	1,214.92	35.18
-in unpaid dividend accounts	9.92	6.12
-Deposits with original maturity of 3 months or less (including interest accrued thereon)#	256.88	76.47
Cash in hand	34.23	24.81
Total	1,515.95	142.58

Deposits are under bank lien for margin against non fund based working capital credit facilities.

17 Financial assets - Other Bank Balances	As at 31st March 2019	As at 31st March 2018
Deposits with original maturity for more than 3 months but not more than 12 months (including interest accrued thereon)#	801.84	1,077.65
Total	801.84	1,077.65

Deposits are under bank lien for margin against non fund based working capital credit facilities.

18 Financial assets - Others	As at 31st March 2019	As at 31st March 2018
Advances Recoverable	633.85	491.11
Total	633.85	491.11



Notes to the financial statements

For the year ended 31st March 2019

(All amounts in Indian Rupees Lakhs unless otherwise stated)

19	Current Tax Assets (Net)	As at 31st March 2019	As at 31st March 2018
	Advance Payment of Tax	78.34	22.83
	Total	78.34	22.83

20	Other current assets	As at 31st March 2019	As at 31st March 2018
	Balances with government authorities	421.37	430.13
	Prepaid expenses	122.80	69.58
	<u>Advances to supplier and vendors</u>		
	-Unsecured considered good	4,106.33	2,598.76
	-Unsecured considered Doubtful	10.24	10.24
	Less : Provision for doubtful advances	(10.24)	(10.24)
	Total	4,650.50	3,098.48

21	Share capital	As at 31st March 2019	As at 31st March 2018
	Authorised share capital*		
	25,000,000 (31 March 2018 : 25,000,000) Equity Shares of Rs. 10/- each	2,500.00	2,500.00
	Total	2,500.00	2,500.00
	Issued, Subscribed and fully paid up shares		
	15,027,457 (31 March 2018 : 15,027,457) Equity Shares of Rs. 10 each, fully paid up	1,502.75	1,502.75
	Add: Forfeited Shares - Amount Originally Paid up	0.33	0.33
	Total	1,503.07	1,503.07

* Consequent to the scheme of amalgamation, the authorized share capital of the transferor company stands increased to the extent of the aggregate authorised share capital of CMI Energy as on the effective date i.e. May 13, 2019.

A Reconciliation of shares outstanding at the beginning and at the end of reporting period

Particulars	As at 31st March 2019		As at 31st March 2018	
	No.	Rs. in Lakhs	No.	Rs. in Lakhs
Equity Shares at the beginning of the year	1,50,27,457	1,502.75	1,47,77,457	1,477.75
Add : Shares issued on exercise of preferential allotment during the year			2,50,000	25.00
Equity Shares at the end of the year	1,50,27,457	1,502.75	1,50,27,457	1,502.75

B Terms/ rights attached to equity shares

The company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends only in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes to the financial statements

For the year ended 31st March 2019

(All amounts in Indian Rupees Lakhs unless otherwise stated)

c Details of shareholders holding more than 5% shares in the company

Particulars	As at 31st March 2019		As at 31st March 2018	
	No.	% Holding	No.	% Holding
Amit Jain	50,93,877	33.90%	50,93,877	33.90%
GMO Emerging Domestic Opportunities Fund	11,71,823	7.80%	12,06,095	8.03%
Total	62,65,700	41.70%	62,99,972	41.92%

22 Other Equity	As at 31st March 2019	As at 31st March 2018
Capital Redemption Reserve	80.00	80.00
Capital Reserve	33,414.00	33,414.00
Securities Premium	4,596.05	4,596.05
Retained earnings	(8,251.59)	(15,774.91)
Other Reserve	0.01	0.02
Total	29,838.46	22,315.15
(i) Capital Redemption Reserve	80.00	80.00
Note: Capital redemption reserve was created for redemption of capital.		
(ii) Capital Reserve	33,414.00	33,414.00
Note: Capital reserve is created on account of amalgamation.		
(iii) Securities Premium		
Opening balance	4,596.05	3,871.05
Addition on issue of equity shares	-	725.00
Closing balance	4,596.05	4,596.05
Note: Securities premium is used to record the premium on issue of shares.		
(iv) Retained Earnings		
Opening balance*	(15,774.91)	(18,176.74)
Profit for the year	4,494.13	2,584.98
Remeasurement of post employment benefit obligation, net of tax	14.34	(1.93)
Reversal of income tax liabilities upon merger with CMI Energy India Private Limited	3,196.02	-
Equity dividend including taxes thereon	(181.16)	(180.87)
Others	-	(0.35)
Closing balance	(8,251.59)	(15,774.56)
Note: 1. *Opening balances of retained earnings have been regrouped and the same include deficit of Rs (32,669.72) lakhs towards accumulated losses of amalgamating Company as on appointed date i.e. 1st March 2016.		
2. Net reserves of Rs 744.28 Lakhs are created on account amalgamation i.e. capital reserve of Rs 33,414.00 Lakhs minus retained earnings of Rs 32,669.72 Lakhs as mentioned in point no.1 above.		
3. Retained Earnings represents profits generated and retained by the company post distribution of dividends to the equity shareholders in the respective years. Retained earnings can be utilized for distribution of dividends by the Company considering the requirements of the Companies Act, 2013.		
(v) Other Reserves		
Opening Balance	0.02	0.06
Change in fair value of Equity Instruments measured at FVOCI	(0.01)	(0.04)
Closing Balance	0.01	0.02

Note: The company has elected to recognise changes in the fair value of investments in equity instruments in other comprehensive income. These changes are accumulated within the FVTOCI equity investments within equity.

Notes to the financial statements

For the year ended 31st March 2019

(All amounts in Indian Rupees Lakhs unless otherwise stated)

23	Financial liabilities - Non-Current Borrowings	As at 31st March 2019	As at 31st March 2018
	Secured Loans		
	Term Loan from Banks	5,671.62	4,716.84
	Term Loan from Others	393.97	452.28
	Total (A)	6,065.59	5,169.12
	Unsecured Loans		
	Term Loan from Others	-	37.34
	Total (B)	-	37.34
	Total Borrowings [C=A+B]	6,065.59	5,206.46
	Current Maturities (Included in Note No. : 27)	682.28	737.28
	Non-Current	5,383.31	4,469.18

Note:

The Company has not defaulted in the repayment of borrowings and interest as at Balance Sheet date.

Term loans from banks are repayable in monthly/quarterly installments. The loans are secured by way of first charge on fixed assets of the Company and further secured by personal guarantee of Mr. Amit Jain.

Term loans from Others include loans from NBFCs are repayable in monthly installments. The loans are secured by way of first charge on specific fixed assets of the Company and further secured by personal guarantee of Mr. Amit Jain.

24	Provisions	As at 31st March 2019	As at 31st March 2018
	Provision for Gratuity	81.70	87.73
	Provision for Leave Encashment	27.36	22.37
	Total	109.06	110.11
	Current	26.09	43.26
	Non-Current	82.97	66.84

25	Financial Liabilities - Current Borrowings	As at 31st March 2019	As at 31st March 2018
	Secured Loans		
	Working capital facilities from Banks	16,769.36	12,765.15
	Working capital facilities from Others	1,400.00	1,760.61
	Unsecured Loans		
	Bills discounted from Banks	4,000.00	1,996.64
	Loan from Directors	0.75	44.25
	Total	22,170.11	16,566.65

Note:

i) Working Capital facilities from Banks and Others are secured by way of first pari-passu charge on current assets of the company, both present and future, first pari-passu charge on land & building and movable fixed assets of the company located at Faridabad (Haryana), second parri passu charge on land & buildinf and movable fixed assets of the company located at Baddi (Himachal Pradesh) and these facilities are further secured by collaterals given by directors and their friends and relatives with their personal guarantees.

ii) The Company has not defaulted in the repayment of borrowings and interest as at Balance Sheet date.

Notes to the financial statements

For the year ended 31st March 2019

(All amounts in Indian Rupees Lakhs unless otherwise stated)

26	Financial liabilities - Trade Payables	As at 31st March 2019	As at 31st March 2018
	Current		
	Total outstanding dues of micro enterprises & small enterprises*	152.71	-
	Total outstanding dues of creditors other than micro & small enterprises	10,177.72	9,091.71
	Total	10,330.43	9,091.71

Details of dues to Micro and Small Enterprises as defined under MSMED Act, 2006

Particulars	As at 31st March 2019	As at 31st March 2018
(a) Principal amount remaining unpaid to any supplier at the end of the accounting year	152.71	-
(b) Interest due thereon remaining unpaid to any supplier at the end of the accounting year	5.93	-
(c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(d) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
(e) The amount of interest accrued and remaining unpaid at the end of each accounting year	5.93	-
(f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	5.93	-

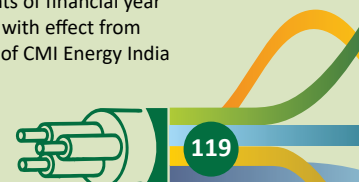
Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of intimation received from the "suppliers"/ informations available with the company regarding their status under the Micro, Small and Medium Enterprises Development Act 2006.

27	Other Financial Liabilities	As at 31st March 2019	As at 31st March 2018
	Current maturities of non- current borrowings (refer to Note No.: 23)	682.28	737.28
	Interest accrued but not due on borrowings	6.52	8.89
	Dividend payable	9.92	6.12
	Other payables	1,163.43	691.40
	Total	1,862.14	1,443.70

28	Other Current Liabilities	As at 31st March 2019	As at 31st March 2018
	Statutory Dues	143.59	361.37
	Advance from customers	170.77	298.71
	Total	314.36	660.08

29	Current Tax Liabilities (Net)	As at 31st March 2019	As at 31st March 2018
	Income Tax Payable (Net)	141.14	3,158.98

Current tax liabilities for the financial years 2017-18, 2016-17 & 2015-16 have been reversed in the books of accounts of financial year 2018-19 upon sanction of the scheme of amalgamation between CMI Limited and CMI Energy India Private Limited with effect from March 01, 2016, being the appointed date. The benefit of brought forward tax losses and unabsorbed depreciation of CMI Energy India Private Limited would be available to the Company under the provisions of the Income Tax Act, 1961.



Notes to the financial statements

For the year ended 31st March 2019

(All amounts in Indian Rupees Lakhs unless otherwise stated)

30	Revenue from operations	31st March 2019	31st March 2018
(i)	Sales of Products	63,729.85	57,390.57
	Total	63,729.85	57,390.57

Notes: Sales for the financial year ended 31-3-2018 include excise duty Rs.1384.57 lacs upto 30-6-2017 and hence figures are not comparable.

31	Other Income	31st March 2019	31st March 2018
	Freight & cartage outward recovered	984.50	885.56
	Interest received	191.80	188.05
	Interest income from financial assets at amortized cost	2.52	3.59
	Duty drawback	-	0.06
	Rent received	57.80	22.80
	Miscellaneous receipts	183.46	33.83
	Total	1,420.08	1,133.89

32	Cost of Raw Material Consumed	31st March 2019	31st March 2018
	Raw material		
	Opening stock	4,778.49	2,924.40
	Add: Purchases	46,349.27	44,925.77
	Less: Closing stock	(5,335.09)	(4,778.49)
	Total (A)	45,792.67	43,071.68
	Stores, Spares and Packing Materials		
	Opening Stock	68.81	60.60
	Add: Purchases	1145.07	774.93
	Less: Closing Stock	(110.74)	(68.81)
	Total (B)	1,103.14	766.72
	Total Cost of Raw Material Consumed [A+B]	46,895.81	43,838.40

33	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	31st March 2019	31st March 2018
	Opening Stock of Finished Goods	1,598.13	1,205.62
	Less: Closing Stock of Finished Goods	(2,823.83)	(1,598.13)
	Total (A)	(1,225.70)	(392.51)
	Opening Stock of Work-in-Progress	6,311.06	5,853.65
	Less: Closing Stock of Work-in-Progress	(7,903.34)	(6,311.06)
	Total (B)	(1,592.28)	(457.41)
	Total Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade [C=A+B]	(2,817.98)	(849.92)

34	Employee Benefits Expense	31st March 2019	31st March 2018
	Director's Remuneration	100.32	72.08
	Salaries, Wages, Bonus and Other Benefits	1,870.22	1,433.21
	Contribution to Provident and Other Funds	14.82	30.75
	Workmen and Staff Welfare Expenses	55.30	43.50
	Total	2,040.66	1,579.54

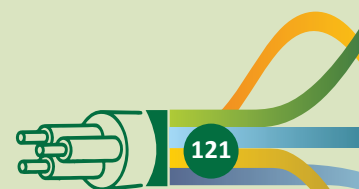
Notes to the financial statements

For the year ended 31st March 2019

(All amounts in Indian Rupees Lakhs unless otherwise stated)

35	Finance Costs	31st March 2019	31st March 2018
	Interest Expenses	2,958.37	2,517.45
	Interest on Direct Tax	5.30	57.50
	Other Financial Charges	410.69	320.86
	Total	3,374.36	2,895.81

36	Depreciation and amortization expense	31st March 2019	31st March 2018
	Depreciation on property plant & equipment (Read with Note No.6)	1,109.58	946.32
	Depreciation on investment property (Read with Note No.7)	3.24	4.99
	Amortisation of intangible assets (Read with Note No.8)	69.14	96.91
	Total	1,181.95	1,048.23



Notes to the financial statements

For the year ended 31st March 2019

(All amounts in Indian Rupees Lakhs unless otherwise stated)

37	Other Expenses	31st March 2019	31st March 2018
	Manufacturing Expenses		
	Power & Fuel Charges	786.60	731.54
	Job Work Charges	18.89	217.26
	Other Manufacturing Expenses	475.83	326.26
	Repairs to Building	50.87	85.98
	Repairs to Plant and Machinery	142.74	193.86
	Repair and Maintenance Other Assets	66.60	11.66
	Total (A)	1,541.53	1,566.57
	Administrative and Selling Expenses		
	Auditors' Remuneration & refreshments*	5.23	5.56
	Advertisement and Publicity	2.09	0.15
	Computer Expenses	2.29	5.07
	Conveyance Expenses	51.86	41.00
	Donation	3.74	2.95
	Fees, Rates and Taxes	15.19	21.96
	Festival Expenses	8.00	6.20
	Freight & Cartage Outward	1,256.71	1,189.57
	Insurance Charges	27.59	26.32
	Legal & Professional Fees	257.94	366.27
	Listing Compliance & Fees	8.94	7.14
	Meeting Expenses	9.47	10.77
	Misc. Expenses	15.52	38.34
	Contract Services	6.75	33.00
	Postage & Courier Charges	3.36	2.81
	Printing & Stationery	18.39	14.41
	Penalty and Fines	4.00	5.98
	Cenvat & Service Tax Credit Cess / Set off Charges	27.74	-
	Rent	116.87	85.07
	Rent of Office Equipments	1.20	1.04
	Lease Rent Car	3.00	3.00
	Security Service Charges	43.13	38.67
	Service Tax on Freight	-	7.11
	Telephone and Telecommunication Charges	16.68	16.83
	Tour and Travelling Expenses	137.57	111.61
	Amounts written off	32.11	86.77
	Corporate Social Responsibility Expenses	78.20	35.49
	Selling Expenses	633.08	523.81
	Total (B)	2,786.66	2,686.90
	Total Other Expenses [C=A+B]	4,328.19	4,253.46

Notes to the financial statements

For the year ended 31st March 2019

(All amounts in Indian Rupees Lakhs unless otherwise stated)

*Payment to auditor (including tax)	31st March 2019	31st March 2018
As auditor:		
i) Audit fees	5.00	5.10
ii) Fees for income tax matters	-	1.40
iii) Certification charges & others	2.05	1.03
Total	7.05	7.53

*Corporate Social Responsibility Expenses	31st March 2019	31st March 2018
Gross Amount required to be spent by the Company (as per Section 135 of Companies Act, 2013)	63.21	43.02
Amount spent during the year		
i) Construction/acquisition of any assets	-	-
ii) On purposes other than (i) above	78.20	35.49

38 Exceptional Items	31st March 2019	31st March 2018
Loss on Sale of Property, plant and equipment (Net)	2.69	-
Total	2.69	-

39 Employee benefit obligations

(A) Defined benefit plans

"Gratuity:

Provision for gratuity is determined based on actuarial valuation using projected unit credit method."

The company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

The scheme is funded with Life Insurance Corporation of India in the form of a qualifying insurance policy.

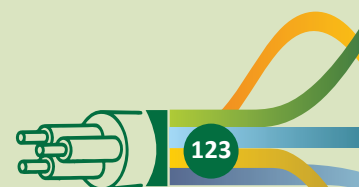
"Leave encashment:

The company provides for leave encashment subject to certain rules. The employees are entitled to accumulate leaves subject to certain limits, for future encashment. The liability is provided based on the number of days of unutilized leaves at each balance sheet date on the basis of an independent actuarial valuation."

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

(i) Changes in the present value of the defined benefit obligation are as follows:

Particulars	Gratuity Funded	Leave Encashment
Defined benefit obligation as at 1st April 2017	103.80	14.20
Interest expense	8.04	1.10
Current service cost	12.40	7.62
Benefits paid	(16.55)	(4.33)
Actuarial (gain)/ loss	(0.99)	3.79
Defined benefit obligation as at 31 March 2018	106.70	22.37
Interest expense	8.27	1.73
Current service cost	14.17	8.54
Benefits paid	(13.82)	(10.42)
Actuarial (gain)/ loss	(20.72)	5.13
Defined benefit obligation as at 31 March 2019	94.60	27.36



Notes to the financial statements

For the year ended 31st March 2019

(All amounts in Indian Rupees Lakhs unless otherwise stated)

(ii) The amount to be recognized in the Balance Sheet:

Particulars	Gratuity Funded	Leave Encashment
Present value of obligation	106.70	22.37
Fair value of plan assets	18.97	-
Net (assets) / liability recognized in balance sheet as provision as at 31 March 2018	87.73	22.37
Present value of obligation	94.60	27.36
Fair value of plan assets	12.90	-
Net (assets) / liability recognized in balance sheet as provision as at 31 March 2019	81.70	27.36

(iii) Amount recognised in Statement of Profit and Loss:

Particulars	Gratuity Funded	Leave Encashment
Interest Cost	8.04	1.10
Current service cost	12.40	7.62
Amount recognised in Statement of Profit and Loss for year ended 31 March 2018	20.44	8.72
Interest Cost	8.27	1.73
Current service cost	14.17	8.54
Actuarial (gain)/loss - obligation	-	5.13
Expected return on plan asset	(1.62)	-
Amount recognised in Statement of Profit and Loss for year ended 31 March 2019	20.82	15.40

(iv) Amount recognised in Other Comprehensive Income:

Particulars	Gratuity Funded	Leave Encashment
Actuarial (gain)/ loss on obligations	(0.99)	3.79
Actuarial (gain)/ loss on plan assets	-	-
Amount recognised in Other Comprehensive Income for year ended 31 March 2018	(0.99)	3.79
Actuarial (gain)/ loss on obligations	(20.72)	-
Actuarial (gain)/ loss on plan assets	0.86	-
Amount recognised in Other Comprehensive Income for year ended 31 March 2019	(19.86)	-

(v) Changes in the fair value of plan assets are as follows:

Particulars	Gratuity Funded	Leave Encashment
Fair value of plan assets as at 1st April 2017	20.96	Nil
Expected return on plan assets	-	Nil
Actuarial gain/(loss)	-	Nil
Fair value of plan assets as at 31 March 2018	20.96	Nil
Expected return on plan assets	1.62	Nil
Contributions	5.00	Nil
Benefits Paid	(13.82)	Nil
Actuarial gain/(loss)	(0.86)	Nil
Fair value of plan assets as at 31 March 2019	12.90	Nil

Notes to the financial statements

For the year ended 31st March 2019

(All amounts in Indian Rupees Lakhs unless otherwise stated)

(vi) The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	31st March, 2019	31st March, 2018
Investment Details	Gratuity	Gratuity
Investment with Insurer	100%	100%

(vii) The principal assumptions used in determining gratuity & leave encashment obligations for the Company's plans are shown below:

Gratuity & Leave Encashment

Particulars	31st March, 2019	31st March, 2018
Discount rate	7.75% p.a.	7.75% p.a.
Employee turnover rate	5.00% p.a.	5.00% p.a.
Salary growth rate	5.00% p.a.	5.00% p.a.

(viii) Sensitivity analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible.

Please note that the sensitivity analysis presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated. The results of sensitivity analysis are given below:

Particulars	31st March, 2019		31st March, 2018	
	Gratuity Funded	Leave Encashment	Gratuity Funded	Leave Encashment
Liability with 1% increase in Discount Rate	90.15	25.65	103.03	21.04
Liability with 1% decrease in Discount Rate	99.60	29.73	110.77	23.90
Liability with 1% increase in Salary Growth Rate	99.69	29.77	110.85	23.93
Liability with 1% decrease in Salary Growth Rate	90.00	25.59	102.90	21.00

(ix) Risk exposure:

Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below :

Investment risk :

If future investment returns on assets are lower than assumed in valuation, the scheme's assets will be lower, and the funding level higher than expected.

Changes in bond yields :

A decrease in yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.

Longevity risk :

If improvements in life expectancy are greater than assumed, the cost of benefits will increase. This will mean the funding level will be higher than expected.

Inflation risk :

Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at managements discretion may lead to uncertainties in estimating this risk.



Notes to the financial statements

For the year ended 31st March 2019

(All amounts in Indian Rupees Lakhs unless otherwise stated)

(x) Maturity Analysis of defined benefit obligation

Particulars	31 March 2019	31 March 2018
0-1 Year	23.06	39.24
1-2 Year	17.63	19.60
2-3 Year	5.17	14.48
3-4 Year	19.84	5.22
4-5 Year	7.09	17.77
5 Year Onwards	41.61	25.79

(B) Defined contribution plans

The Company has certain defined contribution plans for the benefit of the employees.

The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

The expense recognised during the year towards defined contribution plans is:

Particulars	31 March 2019	31 March 2018
Employer's Contribution to Provident Fund	3.29	7.52
Employer's Contribution to ESI	3.06	4.15
Employer's Contribution to NPS	7.40	16.59
Total	13.75	28.25

40 Segment information

The Company's operations predominately relate to cables and accordingly this is the only reportable segment as per Ind AS 108 "Operating Segments".

Geographical information

Particulars	31 March 2019	31 March 2018
1. Revenue from external customers		
- Within India	62,823.16	57,390.57
- Outside India	906.69	173.15
Total revenue per statement of profit and loss	63,729.85	57,563.72

The revenue information above is based on the locations of the customers

2. Non-current operating assets		
- Within India	16,875.66	16,457.82
- Outside India	-	-
Total	16,875.66	16,457.82

Non-current operating assets for this purpose consist of property, plant and equipment, CWIP, investment properties and intangible assets.

Notes to the financial statements

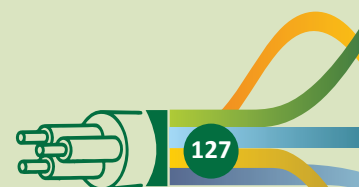
For the year ended 31st March 2019

(All amounts in Indian Rupees Lakhs unless otherwise stated)

41 A. Related Party Disclosures:

In accordance with the requirements of Indian Accounting Standard (Ind AS) - 24 'Related Party Disclosures' the names of the related parties where control exists/ able to exercise significant influence along with the aggregate transactions and year end balance with them as identified by the management in the ordinary course of business and on arms' length basis are given below:

- (a) Subsidiary Companies :
- CMI Agro Limited (Till 30th March, 2019)
- (b) Key Management Personnel (KMP):
- | | |
|------------------------------|---|
| Mr. Amit Jain | Chairman cum Managing Director |
| Mr. V. K. Gupta | Whole Time Director |
| Mr. Pyare Lal Khanna | Non-Executive Independent Director |
| Mr. Ramesh Chand | Non-Executive Independent Director
(resigned w.e.f 29.03.2018) |
| Mr. Manoj Bishan Mittal | Non-Executive Independent Director |
| Mr. Kishor Punamchand Ostwal | Non-Executive Independent Director |
| Mrs. Archana Bansal | Non-Executive Independent Director |
| Mr. Rattan Lal Aggarwal | Chief Financial Officer |
| Mr. Subodh Kumar Barnwal | Company Secretary |
| Ms. Ankita Sharan | Company Secretary
(resigned w.e.f 28th January, 2019) |
| Ms. Tanya Kukreja | Company Secretary
(joined w.e.f 20th February, 2019) |
- (c) Enterprises over which Key Management personnel/Relatives of KMP exercise significant influence :-
- | | |
|------------------------------|---|
| Wire House | A proprietorship concern of a relative of director of the company. |
| Dhruv Cables & Conductors | A partnership concern in which a director of the company is a partner.
(Till 29th March, 2018) |
| Parshwanath Cables Pvt. Ltd. | A company in which a relative of a director is director |
| Robotech Pvt. Ltd. | A company in which a director of the company is a director. |
| Himani Metals LLP | A LLP in which a director of the company is a partner. |
| Orkus Pvt. Ltd. | A company in which a director of the company is a director
(from 27th September, 2018) |



Notes to the financial statements

For the year ended 31st March 2019

(All amounts in Indian Rupees Lakhs unless otherwise stated)

41	B	Related Party Transactions							
		Subsidiary		Key Management Personnel (KMP)		Other Related Parties		Total	
(a)	Particular	2019	2018	2019	2018	2019	2018	2019	2018
	Short-term employee benefits			165.72	130.00		-	165.72	130.00
	Interest paid/payable			-	-	-	-	-	-
	Lease rent paid/payable			3.00	3.00		-	3.00	3.00
	Rent received/receivable			-	-	12.39	25.59	12.39	25.59
	JobWork charges paid/payable			-	-	-	20.92	-	20.92
	Purchases			-	-	423.57	6,274.64	423.57	6,274.64
	Sales			-	-	1,582.60	11,526.72	1,582.60	11,526.72
	Finance								
	Unsecured loans received	1.00	20.00	118.50	447.50	-	-	118.50	447.50
	Unsecured loans paid back	0.01		162.00	526.25	-	-	162.00	526.25
	Advances paid		4.35	-	-	23.00	14.90	23.00	14.90
	Advances received back		4.35	-	-	23.00	14.90	23.00	14.90
	Year end Balances								
	Closing debit balances			-	-	854.64	1,656.18	854.64	1,656.18
	Closing credit balances	20.99	20.00	6.42	44.25	13.12	95.92	19.54	140.17

All transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured. For the year ended 31 March 2019, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2018: Nil)

42 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity shareholders of the company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit for the year attributable to the equity shareholders of the company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the profit and share data used in the basic and diluted EPS computation :

Particulars	31st March, 2019	31st March, 2018
Profit/(loss) for the year	4,494.13	2,584.98
Weighted average number of equity shares in calculating basic EPS (absolute value in number)	1,50,27,457	1,50,15,813
Effect of dilution	-	-
Weighted average number of equity shares in calculating diluted EPS (absolute value in number)	1,50,27,457	1,50,15,813
Earning per share		
- Basic EPS (on nominal value of Rs. 10 per share) Rs./share	29.91	17.22
- Diluted EPS (on nominal value of Rs. 10 per share) Rs./share	29.91	17.22

Notes to the financial statements

For the year ended 31st March 2019

(All amounts in Indian Rupees Lakhs unless otherwise stated)

43 Leases

Operating Lease

Company as a lessee:

The company has taken certain vehicles and immovable properties on operating lease. All operating leases entered into by the company are cancelable on giving notice of one to three months.
Total operating lease expenses debited to the Statement of Profit and Loss are Rs. 116.87 lakhs (31st March, 2018 Rs. 85.07 lakhs)

Company as a lessor:

The company has given certain vehicles and immovable properties on operating lease. All operating leases entered into by the company are cancelable on giving notice of one to three months.

Finance lease

The company does not have any finance lease as at March 31, 2019.

44 Capital commitments

Particulars	31st March, 2019	31st March, 2018
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	701.51	Nil

45 Contingent liabilities

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

Nature of Liability	31st March, 2019	31st March, 2018
i) Counter Guarantee given to Company's Bankers for the Guarantee given by them on behalf of the Company (Net of Advances)	5,052.19	3,214.57
ii) Pending suit in court filed by parties for alleged demand for recovery.	925.53	64.36

46 Research and development expenditure

The company has incurred the following expenses on research and development activity:

Particulars	31st March, 2019	31st March, 2018
Capital expenditure		
- Plants and machinery - capitalized during the year	31.51	3.13
Revenue expenditure	4.58	6.33
Total	36.09	9.46

47 Dividend

Distribution Made and Proposed	31st March, 2019	31st March, 2018
Cash dividends on equity shares declared and paid:		
Final dividend for the year ended on 31 March 2018: Rs. 1.00 per share (31 March 2017: Rs. 1 per share)	150.27	150.27
Dividend Distribution Tax on final dividend	30.89	30.59
	181.16	180.87
Proposed dividends on Equity shares:		
Final cash dividend for the year ended on 31 March 2019: Rs. 1.00 per share (31 March 2018: Rs. 1.00 per share)	150.27	150.27
Dividend Distribution Tax on proposed dividend	30.89	30.59
	181.16	180.87

Proposed dividend on equity shares is subject to approval at the ensuing annual general meeting and is not recognised as a liability (including DDT thereon) as at year end.

Notes to the financial statements

For the year ended 31st March 2019

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48 Derivatives Instruments

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

(a) Foreign currency receivables as at the reporting date:

Particulars	Currency	31st March 2019	31st March 2018
Export of goods	USD	6.36	0.04
	Rs.	445.18	3.52
Capital advances	USD	0.69	-
	Rs.	48.54	-

(b) Foreign currency payable as at the reporting date:

Particulars	Currency	31st March 2019	31st March 2018
Import of goods	USD	3.96	4.29
	Rs.	279.54	279.05
Advance from Customers	AUD	0.08	-
	Rs.	3.71	-

49 Financial Values**(a) Financial instruments by category :**

Particulars	31st March 2019			31st March 2018		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial assets						
Non-current assets						
Investment	-	0.04	-	-	0.06	-
Loans	-	-	116.23	-	-	97.04
Other Financial Assets	-	-	147.74	-	-	-
Current assets						
Trade receivables	-	-	27,372.12	-	-	22,672.61
Cash and cash equivalents	-	-	1,515.95	-	-	142.58
Other bank balances	-	-	801.84	-	-	1,077.65
Loans	-	-	296.25	-	-	88.87
Others financial assets	-	-	633.85	-	-	491.11
Total	-	0.04	30,883.99	-	0.06	24,569.86
Financial liabilities						
Non-current						
Borrowings	-	-	5,383.31	-	-	4,469.18
Current						
Borrowings	-	-	22,170.11	-	-	16,566.65
Trade payables	-	-	10,330.43	-	-	9,091.71
Other financial liabilities	-	-	1,862.14	-	-	1,443.70
Total	-	-	39,745.98	-	-	31,571.24

(b) Fair value of financial assets and liabilities measured at amortised cost :

The carrying amounts of financial assets and liabilities carried at amortised cost are reasonable approximation of their fair value.

(c) Fair value hierarchy :

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows based on the lowest level input that is significant to the fair value measurement as whole.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices, for example listed equity instruments, traded bonds and mutual funds that have quoted prices.

Notes to the financial statements

For the year ended 31st March 2019

(All amounts in Indian Rupees Lakhs unless otherwise stated)

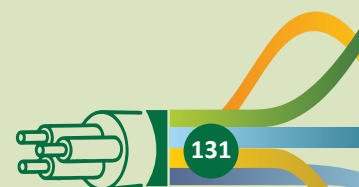
Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques that maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The following table presents assets and liabilities measured at fair value at 31 March 2019 and 31 March 2018:

Particulars	31st March 2019			31st March 2018		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets for which fair values are disclosed						
Investment properties*	-	-	1,100.32	-	1,089.43	-
Financial assets:						
Measured at fair value						
Financial investments at FVTOCI						
Listed Equity investments	0.04	-	-	0.06	-	-
Financial assets at amortised cost						
Loans to employees	-	-	15.84	-	-	27.57
Security Deposits	-	-	100.39	-	-	69.47
	0.04	-	116.23	0.06	-	97.04
Financial liabilities:						
Measured at fair value						
Financial liabilities at amortised cost						
Borrowings	-	28,235.69	-	-	21,773.12	-
	-	28,235.69	-	-	21,773.12	-

*During the financial year ended 31 March 2019, Investment properties have been transferred from Level 2 to Level 3 as the fair value of Investment Properties has been determined by the management on the basis of available market quotes/ prevalent property prices in the same and nearby localities.



Notes to the financial statements

For the year ended 31st March 2019

(All amounts in Indian Rupees Lakhs unless otherwise stated)

50 Financial risk management objectives and policies:

The Company's principal financial liabilities comprise loans and trade payables. The main purpose of these financial liabilities is to raise finance for the Company's operations. The Company has various financial assets such as trade receivables, bank balances and short-term deposits, which arise directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management looks after the management of these risks. The Company's senior management is responsible to ensure that Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk. Financial instruments affected by market risk include loans & borrowings, deposits & Investments.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rate primarily relates to the Company's long-term debt obligations with floating interest rates. The Company's policy is to manage its interest cost using a mix of fixed & floating rate borrowings.

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on borrowings at variable/ floating interest rates. With all the other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Interest rate sensitivity	Increase / Decrease in Basis points	Effect on profit before tax
31-Mar-19		
MCLR	+50	(92.59)
MCLR	-50	92.59
31-Mar-18		
MCLR	+50	(74.49)
MCLR	-50	74.49

Sensitivity is calculated based on the assumption that amount outstanding as at reporting date were utilised for the whole financial year.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

The Company has sales and purchases from outside India. The Company has transactional currency exposures arising from sales and purchases by an operating unit in currencies other than the unit's functional currency.

Exposures in foreign currency are managed through a natural hedging policy, which is reviewed periodically to ensure that the results from fluctuating currency exchange rates are appropriately managed. The Company strives to achieve asset liability offset of foreign currency exposures.

The following table demonstrates the sensitivity to a reasonably possible change in USD & AUD exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. With all the other variables held constant, the Company's profit before tax is affected through the impact on change of foreign currency rate as follows-

Unhedged foreign currency sensitivity	Changes in US\$	Effect on profit before tax	Changes in AUD\$	Effect on profit before tax
31-Mar-19	+5%	10.71	+5%	(3.71)
	-5%	(10.71)	-5%	3.71
31-Mar-18	+5%	(13.78)	+5%	-
	-5%	13.78	-5%	-

Notes to the financial statements

For the year ended 31st March 2019

(All amounts in Indian Rupees Lakhs unless otherwise stated)

(iii) Price risk

Commodity price risk

The Company is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchase of copper, Aluminium, PVC/PE etc. These inputs are procured based on monthly average prices and the same are further protected with price escalation clause for cables being supplied to various customers.

The Company's Board of Directors has developed and enacted a risk management strategy regarding commodity price risk and its mitigation.

Equity price risk

The Company's non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The Company's Board of Directors reviews and approves all equity investment decisions.

At the reporting date, the Company's exposure to unlisted equity securities at fair value was Rs. Nil.

(b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk for trade receivables, cash and cash equivalents, investments, other bank balances, loans, other financial assets and financial guarantees.

Customer credit risk is managed by the Company subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on credit rating and individual credit limits are defined in accordance with credit assessment. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit assurance.

The Company has a detailed review mechanism of overdue customer receivables at various levels within organisation to ensure proper attention and focus for realisation and based on the assessment performed, the management does not expect any material loss on its receivables and hence no provision is deemed necessary on account of expected credit loss.

The Company assesses the recoverability of other financial assets, potentially subject to credit risk, on regular basis. Factors such as business and financial performance of counterparty, their ability to repay, regulatory changes and overall economic conditions are considered to assess future recoverability.

(c) Liquidity risk

Liquidity risk is the risk that the Company may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset.

Company monitors their risk of shortage of funds using cash flow forecasting models. These models consider the maturity of their financial investments, committed funding and projected cash flows from operations.

The Company's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner. A balance between continuity of funding and flexibility is maintained through the use of bank borrowings. The Company also monitors compliance with its debt covenants.

The tables below summarise the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

As at 31-March-2019

Particulars	Carrying amount	Payable on demand	0-1 year	1-5 years	More than 5 years
Borrowings	28,235.69	18,170.11	4,682.28	5,220.38	162.92
Trade payables	10,330.43	-	10,330.43	-	-
Other Financial liabilities	1,179.86	-	1,179.86	-	-
Total	39,745.98	18,170.11	16,192.57	5,220.38	162.92

As at 31-March-2018

Particulars	Carrying amount	Payable on demand	0-1 year	1-5 years	More than 5 years
Borrowings	21,773.12	14,570.01	2,733.92	4,469.18	-
Trade payables	9,091.71	-	9,091.71	-	-
Other Financial liabilities	706.42	-	706.42	-	-
Total	31,571.24	14,570.01	12,532.05	4,469.18	-



Notes to the financial statements

For the year ended 31st March 2019

(All amounts in Indian Rupees Lakhs unless otherwise stated)

51 Capital management

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth.

The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments.

The funding requirements are met through a mixture of equity, internal fund generation and Current and Non- Current borrowings.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio optimum. Net debt are non-current and current borrowings as reduced by cash and cash equivalents and other bank balances. Equity comprises all components including other comprehensive income.

The following table summarizes the capital of the Company:

Particulars	31 March, 2019	31 March, 2018
Cash and cash equivalents	1,515.95	142.58
Other bank balances	801.84	1,077.65
Total cash (a)	2,317.79	1,220.23
Non-current borrowings	5,383.31	4,469.18
Current borrowings	22,170.11	16,566.65
Current maturities of non-current borrowings	682.28	737.28
Interest accrued but not due on borrowings	6.52	8.89
Total (b)	28,242.21	21,782.01
Net debt [c=b-a]	25,924.42	20,561.78
Total Capital (d)	31,341.53	23,818.22
Capital and net debt [e=c+d]	57,265.95	44,380.00
Gearing ratio [c/e]	45.27%	46.33%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately recall loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2019 and 31 March 2018.

52 Merger of CMI Energy India Private Limited

- (i) CMI Energy India Private Limited ("CMI Energy") was engaged in manufacturing, trading, marketing and selling of low-tension, high-tension and extra high voltage power cables and other specialty Cables; high capacity bare aerial conductors and other related activities. CMI Energy was a wholly owned subsidiary of the Company.
- (ii) Pursuant to the Order of National Company Law Tribunal, Principal Bench, New Delhi, dated April 3, 2019, CMI Energy India Private Limited, transferor company, was merged with the Company with an Appointed Date of March 1, 2016. The Order has been made effective on May 13, 2019, upon complying with all the relevant requirements under the Companies Act, 2013.
- (iii) The amalgamation has been accounted for under the 'pooling of interests' method as prescribed by Ind AS 103 "Business Combination" as a common control transaction. Accordingly, the assets, liabilities and reserves of the transferor company as at March 01, 2016 have been taken over and recorded at their respective book values and in the same form.
- (iv) Consequent to the scheme of amalgamation, the authorized share capital of the transferor company stands increased to the extent of the aggregate authorised share capital of CMI Energy as on the effective date. Also since the merger is of the wholly owned subsidiary with its parent company, no shares were exchanged to effect the amalgamation.
- (v) The impact of the above merger on the previously reported Standalone Balance Sheet as at March 31, 2018 is as follows:

Notes to the financial statements

For the year ended 31st March 2019

(All amounts in Indian Rupees Lakhs unless otherwise stated)

Particulars	31.03.2018 Audited Merged	31.03.2018 Audited earlier reported
Income from Operations	58,524.45	40,205.09
Expenses	54,581.96	36,648.81
Profit / (Loss) before Exceptional items and Tax (1-2)	3,942.49	3,556.28
Exceptional items	-	-
Profit / (Loss) before Tax (3+4)	3,942.49	3,556.28
Tax Expenses	1,357.51	1,265.58
Net Profit / (Loss) the period (5-6)	2,584.98	2,290.70
Other Comprehensive Income / (Loss) (Net of Tax Expense)	(1.97)	(3.51)
Total Comprehensive Income (7+8)	2,583.01	2,287.19

Statement of Assets and Liabilities:

Statement of Assets and Liabilities	As at 31.03.2018 Audited Merged	As at 31.03.2018 Audited earlier reported
ASSETS		
Non-Current Assets	18,968.00	8,078.30
Current Assets	40,350.62	30,228.34
Total Assets	59,318.62	38,306.64
EQUITY AND LIABILITIES		
Equity	23,818.22	13,425.88
Liabilities		
Non-Current Liabilities	4,536.02	2,290.70
Current Liabilities	30,964.38	1,176.65
Total Equity and Liabilities	59,318.62	38,306.64

53 Figures are rounded off to nearest rupees in Lakhs.

54 The financial statements were approved for issue by the Board of Directors on May 28, 2019.

As per our report of even date attached
For Krishna Neeraj & Associates
Chartered Accountants
FRN: 023233N

Krishna K. Neeraj
Partner
Membership No.:506669

Place : New Delhi
Date :28-05-2019

For and on behalf of the Board of Directors

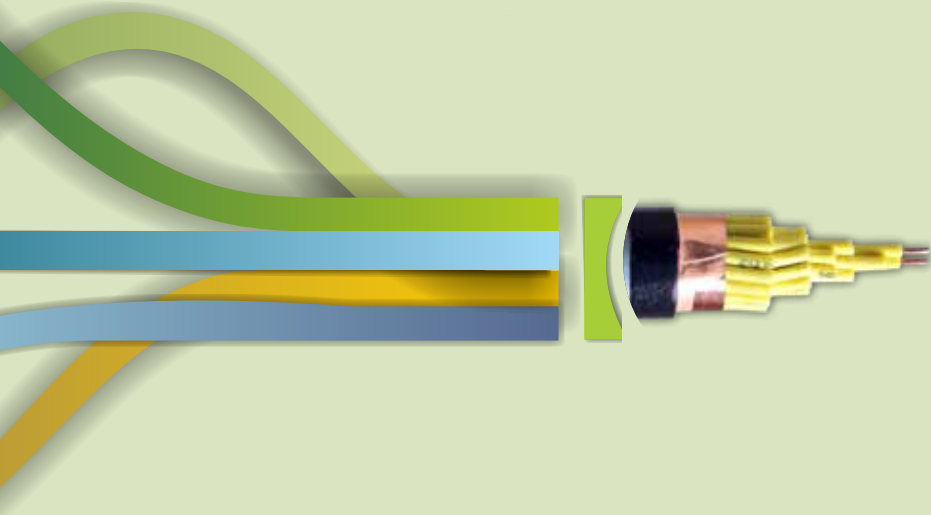
Amit Jain
Managing Director
DIN: 00041300

Subodh Kumar Barnwal
Company Secretary

Vijay Kumar Gupta
Whole Time Director
DIN: 00995523

Rattan Lal Aggarwal
C.F.O.
M. No.-21928





Notice of AGM

CMI LIMITED

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

Email: info@cmilimited.in; Website www.cmilimited.in

Phone: 011-49570000-12; Fax : 011-23739902; CIN: L74899DL1967PLC018031

NOTICE is hereby given that the 52nd Annual General Meeting of the members of CMI LIMITED ("the Company") will be held at the Navkaar Banquets, Caspia Hotel Complex, Outer Ring Road, Shalimar Place, Delhi-110088 on Monday, 30 September, 2019 at 11:30 a.m. to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31 March, 2019 together with the Reports of the Board of Directors' and Auditor's thereon.
2. To declare a dividend on Equity shares for the Financial Year ended on 31 March, 2019.
3. To appoint a Director in place of Mr. Vijay Kumar Gupta (DIN: 00995523), who retires by rotation and being eligible offers himself for re-appointment

SPECIAL BUSINESS

4. Ratification Of Cost Auditors' Remuneration

To consider and if though fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the remuneration of Rs. 45,000/- p.a. (Rupees Forty Five Thousand Only) plus applicable taxes and reimbursement of actual travel and out of pocket expenses, payable to M/s Ajay Kumar Singh & Co, Cost Accountants as Cost Auditors of the Company, for the Financial Year ending 31 March, 2020, as approved by the Board of Directors of the Company on recommendation of the Audit Committee, be and is hereby ratified."

5. To appoint Ms. Charu Jain (holding DIN 03457247), as an Independent Director

To consider and if though fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

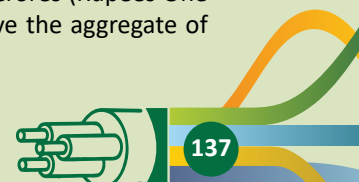
"RESOLVED THAT pursuant to the provisions of Section 149, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 (the "Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to Regulation 16(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015, Ms. Charu Jain (DIN:03457247), who was appointed as an Additional Director of the Company in the category of Independent Director, by the Board of the Company with effect from 28 May, 2019, and who holds office till the date of ensuing Annual General Meeting in terms of Section 161 of the Act, be and is hereby appointed as a Director of the Company in the category of Independent Women Director for a term up to 27 May, 2024, not liable to retire by rotation."

"RESOLVED FURTHER THAT the Board of Directors and Company Secretary of the Company be and are hereby severally authorised to do all acts or things necessary to give effect to the above resolution."

6. Increase in the borrowing powers of the company under section 180(1)(c) of Companies Act, 2013:

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

"RESOLVED THAT the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee which the Board may constitute for this purpose), be and is hereby authorized, in accordance with Section 180 (1)(c) of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and the Articles of Association of the Company, to borrow any sum or sums of money (including non-fund based facilities) from time to time at their discretion, for the purpose of the business of the Company, from any one or more Banks, Financial Institutions and other persons, firms, bodies corporate, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) may, at any time, exceed upto a sum of Rs. 1000 Crores (Rupees One Thousand Crores Only) over and above the aggregate of



the paid up capital of the Company, its free reserves (that is to say reserves not set apart for any specific purpose) and securities premium and that the Board of Directors be and is hereby empowered and authorized to arrange or fix the terms and conditions of all such monies to be borrowed from time to time as to interest, repayment, security or otherwise as they may, in their absolute discretion, think fit.”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper, or desirable and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) aforesaid and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution.”

7. Creation of the security for the loan/ credit facility by mortgage/ creation of charge under section 180(1)(a) of Companies Act, 2013

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

“**RESOLVED THAT** the consent of the Company be and is hereby granted in terms of Section 180 (1) (a) and all other applicable provisions of the Companies Act, 2013, (including any statutory modification or re-enactment thereof, for the time being in force), to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee which the Board may constitute or may have constituted for this purpose and has granted or may grant to exercise all or any of its powers that the Board is authorized to exercise) to mortgage and/or charge, in addition to the mortgages/ charges created/to be created by the Company, in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any of the moveable and/or immovable properties of the Company, both present and future and/or the whole or any part of the undertaking(s) of the Company, in favour of the Lender(s), Agent(s) and Trustee(s)/Trustee(s), for securing the borrowings availed/to be availed by the Company and/or any of the Company’s holding / subsidiary / affiliate /associate company, by way of loan(s) (in foreign currency and/or rupee currency) and Securities (comprising fully/partly Convertible Debentures and/or Non-Convertible Debentures with or without detachable or non-detachable warrants and/or secured premium notes and/or floating rates notes/bonds or other debt instruments), issued/to be issued by the Company, from time to time, upto the same limits that is being / may be approved by the shareholders from time to time under Section 180 (1)(c) of the Companies Act, 2013,

together with interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premia on prepayment, remuneration of the Agent(s)/Trustees, premium (if any) on redemption, all other costs, charges and expenses, including any increase as a result of devaluation / revaluation / fluctuation in the rates of exchange and all other monies payable by the Company in terms of the Loan Agreement(s)/Heads of Agreement(s), Debenture Trust Deed(s) or any other document, entered into/to be entered into between the Company and the Lender(s)/Agent(s) and Trustee(s) / Trustee(s), in respect of the said loans / borrowings / debentures and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board of Directors or Committee thereof and the Lender(s)/ Agent(s)and Trustee(s)/Trustee(s).”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board and/or its duly constituted Committee be and are hereby authorized to finalize, settle and execute such documents/deeds/writings/papers/ agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creating mortgages/charges as aforesaid.”

8. Increase in remuneration of Mr. Amit Jain, Chairman and Managing Director for the period from 01 October, 2019 to 30 September, 2020

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

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the “Act”) and the Rules framed thereunder, (including any statutory modifications or re-enactment thereof, for the time being in force) and the Articles of Association of the Company and subject to such other approvals as may be necessary, the approval of the Members be and hereby accorded for the payment of the remuneration to Mr. Amit Jain (DIN: 00041300), Chairman and Managing Director, for the remaining period of one year viz., from 01 October, 2019 to 30 September, 2020, which shall in no case exceed ten percent of the Net Profits of the Company to all Executive Directors, if applicable”

“**RESOLVED FURTHER THAT** the terms of remuneration as set out in the Explanatory Statement of this Resolution shall be deemed to form part hereof and in the event of any inadequacy or absence of profits in any financial year or years, the aforementioned remuneration comprising salary, perquisites and benefits approved here in be

continued to be paid as minimum remuneration to the Chairman and Managing Director, subject to such other approvals as may be necessary.”

“RESOLVED FURTHER THAT save and except as aforesaid, the Special Resolution approved and passed by the Members in the Annual General Meeting dated 28 September, 2016 with respect to the re-appointment of Mr. Amit Jain, as Chairman and Managing Director shall continue to remain in full force and effect.”

“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 of Directors of the Company (including any Committee of Directors) be and is hereby authorised to vary and/or revise the remuneration of Mr. Amit Jain as Chairman and Managing Director within the overall limits under the Act subject to such other approval that may be necessary and to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors to give effect to the aforesaid Resolution.”

9. Continuation of Mr. Vijay Kumar Gupta (DIN:00995523) as Whole Time Director upon attaining age of Seventy years

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

“RESOLVED THAT pursuant to section 196(3) read with Schedule V and 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) or re-enactment(s) thereof, for the time being in force), consent of the Members of the Company be and is hereby accorded for continuation of holding of office of Whole Time Director by Mr. Vijay Kumar Gupta (DIN: 00995523) upon attaining the age of 70 (Seventy) years on 15 December, 2019, on the existing terms and conditions duly approved in the Annual General Meeting through a Special Resolution passed on 29 December, 2017.”

“RESOLVED FURTHER THAT save and except as aforesaid, the Special Resolution approved and passed by the Members in the Annual General Meeting dated 29 December, 2017 with respect to the appointment of Mr. Vijay Kumar Gupta, as Whole Time Director shall continue to remain in full force and effect”

“RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee of Directors) be and is hereby authorised to vary and/or revise the remuneration of Mr. Vijay Kumar Gupta as Whole time Director within the overall limits under the Act subject to such other approval that may be necessary and to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors to give effect to the aforesaid Resolution.”

“RESOLVED FURTHER THAT the Board of Directors and Company Secretary of the Company be and are hereby severally authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution”.

By order of the Board of Directors
For CMI LIMITED

Subodh Kumar Barnwal
Company Secretary
Membership Number: A21928

Date: 13 August, 2019
Place: New Delhi

Registered Office:
501-503, New Delhi House,
27 Barakhamba Road,
New delhi-110001



NOTES:

1. The Explanatory Statement, pursuant to Section 102 (1) of the Companies Act, 2013, setting out material facts in respect of the special business items set out under item no 4 to item no 9 of the accompanying notice, is annexed hereto. The relevant details for directors seeking appointment/re-appointment at the Annual General Meeting pursuant to Regulation 36 (3) of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 is inclosed as Annexure to notice.

2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE ON POLL, INSTEAD OF HIMSELF / HERSELF AND A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY, IN ORDER TO BE EFFECTIVE SHOULD BE DULY COMPLETED, STAMPED, SIGNED AND MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY AT 501-503, NEW DELHI HOUSE, 27 BARAKHAMBHA ROAD, NEW DELHI-110001, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING AND IN DEFAULT SHALL BE TREATED AS INVALID. PROXIES SUBMITTED ON BEHALF OF LIMITED COMPANIES, SOCIETIES ETC. MUST BE SUPPORTED BY APPROPRIATE RESOLUTION/AUTHORITY, AS APPLICABLE. PROXIES SHALL NOT HAVE ANY RIGHT TO SPEAK AT THE MEETING. A BLANK PROXY FORM IS ENCLOSED WITH THIS NOTICE.

A person can act as a proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than 10 (ten) per cent of the total share capital of the Company carrying voting rights. A member holding more than 10 (ten) per cent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

3. Corporate members intending to send their authorized representative(s) pursuant to section 113 of the Companies Act, 2013 to attend the Meeting are requested to send to Mr. Subodh Kumar Barnwal (cmics@cmilimited.in and info@cmilimited.in) a duly certified copy of the resolution authorizing their representatives to attend and vote on their behalf at the Annual General Meeting of the Company.

4. In case of joint holders attending the Annual General Meeting, only such joint holder whose name appears

as first holder in the order of names as per Register of Members will be entitled to vote.

5. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 24 September, 2019 to Monday, 30 September, 2019 (both days inclusive) for the purpose of Annual General Meeting.

6. Pursuant to Section 72 of the Companies Act, 2013, the facility for making nomination is available for the Members in respect of the shares held by them. Members holding shares in physical form may file their nomination in the prescribed Form SH-13 with the Company's RTA. In respect of shares held in demat /electronic form, the nomination form may be filed with the respective Depository Participant. Form SH-13 can be obtained from the Company/Company's RTA by sending a request. Members who have not yet registered their nomination are requested to register the same.

7. For proper conduct of the Annual General Meeting, Members/Proxies should fill the attendance slip for attending the Meeting. Members are requested to sign at the place provided on the attendance slip and hand it over at the entrance of the venue. Member who hold share(s) in electronic form are requested to write their DP ID and Client ID number and those who hold share(s) in physical form are requested to write their folio number in attendance slip for attending the Meeting to facilitate identification of membership at the Meeting.

8. Members are requested to quote their Registered Folio Number/Client ID No. & Depository Participant (D.P) ID number on all correspondence with the Company.

9. 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 23 September, 2019 and to all members in respect of shares held in physical form on or before the close of the business hours on 23 September, 2019.

10. 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

11. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company on any working day between 11:00 A.M to 1:00 P.M, up to the date of this Annual General Meeting of the Company.
12. The Members desirous of any information on the Accounts are requested to write to the Company at least seven days before the meeting so as to enable the management keep the desired information ready at the Annual General Meeting.
13. Section 20 of the Companies Act, 2013 and the Listing Regulations permits service of documents on Members by a company through electronic mode. Accordingly, as a part of Green Initiative, Annual Report for the FY2018-19 is being sent in electronic mode to all the Members who have registered their e-mail IDs with the Company/Depository Participants for communication purposes unless any member has requested for the physical copy of the same. **Members who have not registered their e-mail address or if there is any change in their e-mail address are requested to register/update their e-mail address for receiving all communications including Notices, Circulars, etc. from the Company electronically.** Members who have not registered their e-mail address are being sent physical copy of the Annual Report for FY2018-19 through permitted mode. Members may also note that the Annual Report for FY2018-19 will also be available on the Company's website www.cmilimited.in for download.
14. Pursuant to Regulation 44 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and in terms of Section 108 of the Act read with the Companies (Management and Administration) Rules, 2014, as amended, the Company is providing the facility to all its members as on cut-off date, being Monday, 23 September, 2019 to exercise their right to vote on the businesses specified in the accompanying notice by e-voting process through remote e-voting services provided

by CDSL. Resolution(s) passed by Members through e-voting is/are deemed to have been passed as if they have been passed at the AGM.

15. The Members may cast their votes using an electronic voting system from a place other than the venue of the Annual General Meeting ("remote e-voting"). Instructions for remote e-voting are given herein below. The Resolutions passed by remote e-voting are deemed to have been passed as if they have been passed at the Annual General Meeting

The facility for voting through electronic voting system or ballot paper shall be made available at the Annual General Meeting and the Members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the Annual General Meeting.

The Members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the meeting but shall not be entitled to cast their vote again.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Friday, 27 September, 2019 (09:00 a.m.) and ends on Sunday, 29 September, 2019 (5:00 p.m.) During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Monday, 23 September, 2019 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. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>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.</p> <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 resolutions contained in the 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 a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a 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 linked in the login 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.

- A. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- B. Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. Friday, 23rd August, 2019 may obtain the User ID and password by either sending an e-mail request to beetalrta@gmail.com or calling on Phone No.: 011-29961281-283 , 26051061, 26051064 or Fax: 011- 29961284.
- C. Members may contact Mr. Subodh Kumar Barnwal, Company Secretary, for any grievances connected with electronic means at the **e-mail id info@cmilimited.in / cmics@cmilimited.in or write at 501-503, New delhi House, 27 Barakhamba Road, New Delhi-110001 or Phone: 011-49570000; Fax : 011-23739902**
16. The Board of Directors has appointed CS Pooja Anand/ CS Mukul Tyagi Partners of M/s Pooja Anand & Associates, Practicing Company Secretaries, as a Scrutinizer to scrutinize the remote e-voting process and poll process in a fair and transparent manner

and they have communicated their willingness to be appointed and will be available at the AGM for the same.

17. The scrutinizer shall, immediately after the conclusion of the voting through Ballot paper at the Annual General Meeting, first count the votes cast at the meeting vide ballot paper, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than 48 hours from conclusion of the meeting, a Consolidated Scrutinizer’s Report of the total votes cast in favour or against, to Chairman or Director authorized by the Board of the Company, who shall countersign the same.
18. The voting rights of shareholders shall be in proportion to their shares in the paid up equity capital of Company as on the cut-off date fixed for the purpose i.e. Monday, 23 September, 2019.
19. The results of voting will be declared within 48 hours from the conclusion of the Annual General Meeting. The results declared along with the Consolidated Scrutinizer’s Report shall be placed on the Company’s website www.cmilimited.in and on www.evotingindia.com. Further, the results shall be displayed on the Notice Board of the Company at its Registered Office and will also be posted on the website of Company. It shall also be communicated to relevant Stock Exchanges.

20. MEMBERS ARE REQUESTED TO:

- A. Note that SEBI has mandated registration of Permanent Account Number (PAN) and bank accounts details such as bank account number, name of the bank and branch details, MICR code, IFSC code etc. of all security holders. Members holding shares in physical form are therefore, requested to submit their PAN and Bank account details to RTA /Company by sending a duly signed letter along with self-attested copy of PAN Card and original cancelled cheque. Members holding shares in demat form are requested to submit the aforesaid information to their respective depository participant (DP).
- B. Immediately notify change, if any, of address, e-mail address, change of name, contact numbers, bank details, bank mandates, nominations, power of attorney, residential status, etc. and their PAN to their DP with

whom they maintain their demat account and to the RTA, beetalrta@gmail.com or write at BEETAL Financial & Computer Services Pvt Ltd, BEETAL HOUSE, 3rd Floor, 99, Madangir, behind LSC, New Delhi – 110062 or call at Ph. 011-29961281-283 , 26051061, 26051064 Fax 011-29961284

- C. Note that SEBI vide its circular has decided that request for effecting transfer of securities of listed companies shall not be processed unless

the shares are held in dematerialised form with a Depository with effect from 31st March, 2019. In view of the above and to avail various benefits of dematerialization, members are advised to dematerialize their shares held by them in physical form.

For the convenience of members, the route map of the venue of the meeting along with prominent land mark is depicted at the end of the Notice



EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

The following Statement set out all material facts relating to Item Nos. 4 to 9 mentioned in the accompanying Notice.

ITEM NO 4:

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board of Directors of the Company shall appoint an individual who is a cost accountant in practice or a firm of cost accountants in practice, as cost auditor, on the recommendations of the Audit Committee, which shall also recommend remuneration for such cost auditor. The remuneration recommended by the Audit Committee shall be considered and approved by the Board and ratified subsequently by the shareholders.

In view of the above, the Board of Directors of the Company, on the recommendation of the Audit Committee of Board, at its meeting held on 28 May, 2019 has considered and approved the appointment of M/s Ajay Kumar Singh & Co, Cost Accountants as Cost Auditors of the Company subject to ratification of remuneration by the shareholders for the financial year 2019-20 to conduct audit of cost accounting records for the Company at a remuneration of Rs. 45,000/- p.a. (Rupees Forty Five Thousand Only) plus applicable taxes and reimbursement of actual travel and out of pocket expenses of the Company.

None of the Directors and/or Key Managerial Personnel of the Company and any of their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

The Board recommends the ordinary resolution set out at Item No. 4 of the Notice for your approval.

ITEM NO 5:

To appoint Ms. Charu Jain (holding DIN 03457247), as an Independent Director

Ms. Charu Jain (DIN: 03457247) who was appointed as Additional Director in the category of Non-Executive Independent Woman Director of the Company, by the Board of Directors pursuant to recommendation of Nomination and Remuneration Committee, with effect from 28 May, 2019, subject to approval of shareholders and holds office up to the ensuing Annual General Meeting of the Company. The Company has received a Notice in writing under the provisions of Section 160 of the Companies Act, from a Member proposing the

candidature of Ms. Charu Jain for the office of Director, to be appointed under the provisions of Section 149 of the Companies Act, 2013.

Ms. Charu Jain has given a declaration to the Board that she meets the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, Ms. Charu Jain fulfills the conditions specified in the Act and the rules framed thereunder for appointment as Independent Director and she is independent of the management.

The Details required under Regulations 26(4) and 36(3) of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard -2 is annexed as Annexure to the Notice.

Save and except, Ms. Charu Jain, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution respectively.

The Board recommends the resolutions set forth at item no. 5 of the Notice for the approval of the members as an ordinary resolution.

ITEM NO 6:

Increase in the borrowing powers of the company under section 180(1)(c) of Companies Act, 2013

The Members of the Company through postal ballot on 20 January, 2015 had passed a resolution authorizing the Board of Directors of the Company to borrow monies, from time to time, upto Rs. 500 crores (Rupees Five Hundred Crores). The Company is expediting its plan to scale up its capacity and coverage. For this purpose, the Company may, from time to time, raise finance from various Banks and/or Financial Institutions and/ or any other lending institutions and/or Bodies Corporate and/ or such other persons/ individuals as may be considered fit, which, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in ordinary course of business) may exceed the aggregate of the paid-up capital and free reserves and securities premium of the Company. Hence it is proposed to increase the maximum borrowing limits from Rs. 500 crores to Rs. 1000 Crores for the Company.

Pursuant to Section 180(1)(c) of the Companies Act, 2013, the Board of Directors cannot borrow more than the aggregate amount of the paid-up capital of the Company



and its free reserves and securities premium at any time except with the consent of the members of the Company in a general meeting. In order to facilitate securing the borrowing made by the Company, it would be necessary to create charge on the assets or whole or part of the undertaking of the Company. Hence, members of the Company are requested to give their approval to borrow the money along with the money already borrowed by the Company in excess of its paid –up capital, free reserve and securities premium i.e. Upto Rs. 1000 Crores.

None of the Directors, Key Managerial Personnel or their respective relatives are concerned or interested in the Resolution except to the extent of their shareholding, if any, in the Company.

The Board recommends the resolutions set forth at item no. 6 of the Notice for the approval of the members as a Special resolution.

ITEM NO 7:

Creation of the security for the loan/ credit facility by mortgage/ creation of charge under section 180(1)(a) of Companies Act, 2013:

A Company requires the authorization under Section 180 (1) (a) of the Companies Act, 2013 from the Shareholders by way of Special Resolution for creating security by way of mortgage and / or charge on the immovable and movable assets of the Company for securing the Term Loans, credit facilities from Banks/Institutions. For the reasons already mentioned in detail in the Explanatory Statement for Item No. 6 above, it is desirable that the Company has in place the requisite approval of the shareholders under the aforesaid section to create mortgage and/or charge on Company's entire immovable and movable assets on first/second charge basis upto the same limit as may be approved by the shareholders under Item No. 6 above under Section 180 (1)(c) or any increase/ change therein from time to time.

Further, Section 180(1)(a) of the Companies Act, 2013 provides for the power to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company subject to the approval of members in the General Meeting for the which authorisation is also proposed to be increased from Rs. 500 crores to Rs. 1000 Crores for the Company.

The Directors recommend the Special Resolution as set out at Item No. 7 of the accompanying Notice, for members' approval.

None of the Directors, Key Managerial Personnel and relatives thereof are in any way concerned or interested in the resolution.

ITEM NO 8:

Increase in remuneration of Mr. Amit Jain, Chairman and Managing Director for the period from 01 October, 2019 to 30 September, 2020:

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 29 September, 2015, re-appointed him as Chairman cum Managing Director of the Company w.e.f. 1 October, 2015 till 30 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 13 August, 2019, unanimously recommended the increase in the remuneration of Mr. Amit Jain, Chairman cum Managing Director of the Company from Rs. 7,16,000/- per month to Rs. 12,50,000/- per month, for the remaining tenure of his appointment i.e. w.e.f. 1 October, 2019 to 30 September 2020.

For the Period 1 October, 2019 to 30 September 2020.

Particulars	Amount per Month (in Rs)
Basic Salary	6,56,000
HRA	3,28,000
Conveyance	1,64,000
Medical	1,02,000
Total	12,50,000

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;

This explanatory statement and the resolution at Item no. 8 may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

The Details required under Regulations 36(3) of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard -2 is enclosed as an Annexure to the notice.

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. 8 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. 8.

ITEM NO 9:

Continuation of Mr. Vijay Kumar Gupta (DIN:00995523) as Whole Time Director upon attaining age of Seventy years

The Shareholders of the Company at the 50th Annual General Meeting held on 29 December, 2017 approved re-appointment of Mr. Vijay Kumar Gupta (DIN: 00995523) as a Whole Time Director of the Company for a period

of five years effective from 01 April, 2017 to 31 March, 2022 through a Special Resolution under the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification or re-enactment thereof) read with Schedule-V of the Companies Act, 2013 and Articles of Association of the Company. Mr. Vijay Kumar Gupta, Whole Time Director will attain the age of 70 years on 15 December, 2019. The Company seeks consent of the members by way of special resolution for continuation of their holding of existing office after the age of 70 years during the currency of his term of appointment under the provisions of Section 196 (3) (a) of the Companies Act, 2013. The Board therefore recommends the Special Resolutions for your approval.

Mr. Vijay Kumar Gupta, aged 69, is Mechanical Engineer (BE) from Delhi college of Engineering, Delhi. He is a prominent and successful Industrialist with a wide and varied experience in the management of business and industry. Accordingly, looking at his expertise and long experience of business and corporate management, the Board of Directors recommends the Special resolution set out at Item No.9 of the accompanying Notice for the approval of the Members. The Board is of the view that the continued association of Mr. Vijay Kumar Gupta would benefit the Company, given the knowledge, experience and performance of Mr. Vijay Kumar Gupta, and contribution to Board processes by him. In the opinion of the Board, Mr. Vijay Kumar Gupta fulfills the conditions specified in the Act, the Rules thereunder and the Listing Regulations 2015 for appointment as an Whole Time Director .

The Details required under Regulations 36(3) of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard -2 enclosed as an Annexure to the notice.

This explanatory statement and the resolution at Item no. 9 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, none of the other Directors or key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise in Resolution No. 9.

By order of the Board of Directors
For CMI LIMITED

Subodh Kumar Barnwal
Company Secretary
Membership Number: A21928

Date: 13 August, 2019
Place: New Delhi



Annexure to the Notice

DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT IN 52nd ANNUAL GENERAL MEETING

(Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India)

Name of Director	Charu Jain	Amit Jain	Vijay Kumar Gupta
Date of Birth	05/07/1980	15/10/1973	15/12/1949
Date of first appointment on Board	28/05/2019	01/10/2002	15/01/2009
Brief Profile/Experience/Expertise in specific functional area	Ms. Charu Jain is M.A. (English) having vast experience in new business development.	Mr. Amit Jain is a prominent and Successful Industrialist with a wide and varied experience in the management of business and cable industry. Mr. Amit Jain is a well qualified person and is a prominent and successful Industrialist with a wide and varied experience in the management of business and cable industry.	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 has reached to a new height. 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.
Qualifications	Masters in English	Graduation	Mechanical Engineer (B.E.) from Delhi College of Engineering Delhi .
Terms and conditions of appointment/ re-appointment	Terms and Conditions of appointment or re-appointment are as per the Remuneration and Nomination Policy of the Company as displayed on the Company's website i.e. www.cmilimited.in and As per the resolution proposed at Item No. 5 of the Notice of the 52nd Annual General Meeting read together with the explanatory statement	Terms and Conditions of appointment or re-appointment are as per the Remuneration and Nomination Policy of the Company as displayed on the Company's website i.e. www.cmilimited.in .	Terms and Conditions of appointment or re-appointment are as per the Remuneration and Nomination Policy of the Company as displayed on the Company's website i.e. www.cmilimited.in .
Details of remuneration sought to be paid	NIL	The details of remuneration sought to be paid is given in resolution proposed at Item No. 8 of the Notice of the 52nd Annual General Meeting read together with the explanatory statement	14.40 Lakhs p.a.
Remuneration last drawn by such person, if applicable	N.A.	85.92 Lakhs p.a.	14.40 Lakhs p.a.
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Not inter se related to any other director or Key Managerial Personnel.	Not inter se related to any other director or Key Managerial Personnel.	Not inter se related to any other director or Key Managerial Personnel.
Number of Meetings of the Board attended during the year	N.A.	10	10
Directorship held in other companies	NIL	1. Robotech Private Limited 2. Orkus Private Limited	NIL
Membership/ Chairmanship of committees of other companies*	NIL	NIL	NIL
Shareholding in the Company	11530	5093877 Equity Shares (33.90%)	8770 Equity Shares (0.06%)

- The Companies in which the Director holds position of Director as on the date of meeting and is a member of that Company's Audit Committee/Stakeholders committee is taken into consideration. Companies include listed as well as unlisted entities.

CMI LIMITED

Registered Office: Flat No.501-503, 5th Floor, New Delhi House,
27, Barakhamba Road, New Delhi-110001
Email: info@cmilimited.in; Website www.cmilimited.in
Phone: 011-49570000-12; Fax : 011-23739902; CIN: L74899DL1967PLC018031

ATTENDANCE SLIP

Members or their proxies are requested to present this form for admission, duly signed in accordance with their specimen signatures registered with the Company.

DP Id & Client Id / Regd. Folio No.*	No. of Shares
--------------------------------------	---------------

Name(s) and address of the member in full

I / we hereby record my / our presence at the 52nd Annual General Meeting of the Company being held on Monday, 30 September, 2019 at 11:30 A.M. at Navkaar Banquets Caspia Hotel Complex, Outer Ring Road, Shalimar Place, Delhi-110088

Please (✓) in the box

MEMBER PROXY

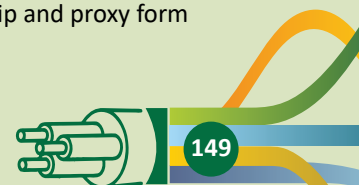
Signature of Member / Proxy

*Applicable for member holding shares in physical form.

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 Report 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 2018-19 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.



CMI LIMITED

Registered Office: Flat No.501-503, 5th Floor, New Delhi House,
27, Barakhamba Road, New Delhi-110001
Email: info@cmilimited.in; Website www.cmilimited.in
Phone: 011-49570000-12; Fax : 011-23739902; CIN: L74899DL1967PLC018031

**Form No. MGT-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]

Name of Member(s):	
Registered Address:	
Email Id:	
Folio No. /Client ID :	
DP ID :	

I/We, being the member (s) holding shares of CMI Limited, hereby appoint

1. Name:.....
Address:.....
E-mail Id:..... Signature:.....or failing him.
2. Name:.....
Address:.....
E-mail Id:..... Signature:.....or failing him.
3. Name:.....
Address:.....
E-mail Id:..... Signature:.....or failing him.

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 52nd Annual General Meeting of the Company scheduled to be held on Monday, 30th September, 2019 at 11:30 A.M. at Navkaar Banquets Caspia Hotel Complex, Outer Ring Road, Shalimar Place, Delhi-88 or / and at any adjournment thereof in respect of such resolutions as are indicated below:

S. No.	Resolutions	Optional**	
		For	Against
1.	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31 March, 2019 together with the Reports of the Board of Directors' and Auditor's thereon.		
2.	To declare a dividend on Equity shares for the Financial Year ended on 31 March, 2019.		
3.	To appoint a Director in place of Mr. Vijay Kumar Gupta (DIN: 00995523), who retires by rotation and being eligible offers himself for re-appointment		
4.	Ratification Of Cost Auditors' Remuneration		
5.	To appoint Ms. Charu Jain (holding DIN 03457247), as an Independent Director		
6.	Increase in the borrowing powers of the company under section 180(1) (c) of Companies Act, 2013:		
7.	Creation of the security for the loan/ credit facility by mortgage/ creation of charge under section 180(1)(a) of Companies Act, 2013:		
8.	Increase in remuneration of Mr. Amit Jain, Chairman and Managing Director for the period from 01 October, 2019 to 30 September, 2020		
9.	Continuation of Mr. Vijay Kumar Gupta (DIN:00995523) as Whole Time Director upon attaining age of 70 years.		

Affix the
revenue
stamp

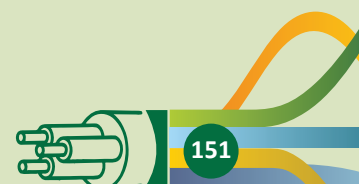
Signed thisday of2019

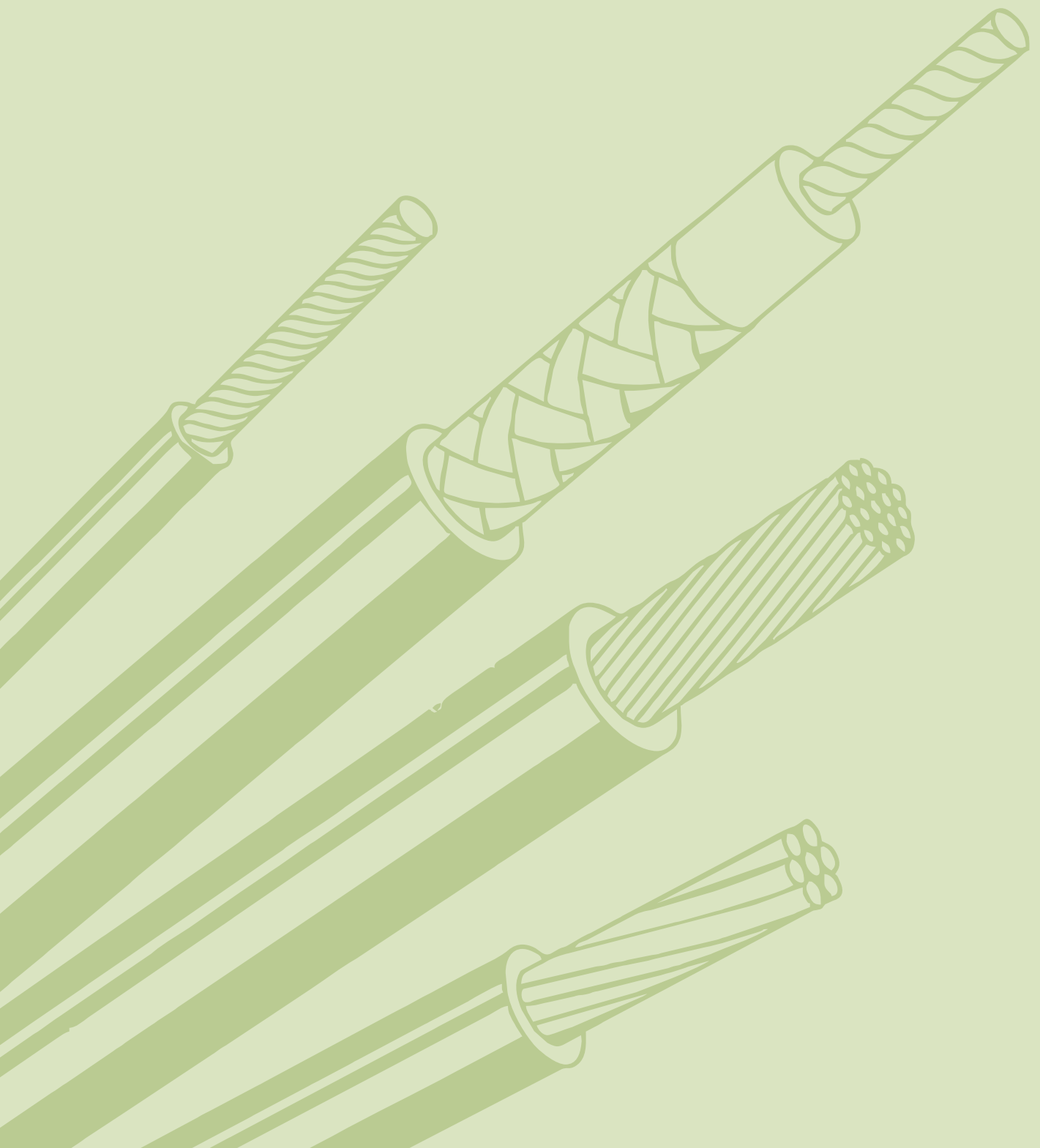
Signature of Shareholder(s)

Signature of Proxy holder(s)

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company situated at 501-503, New Delhi House, Barakhamba Road, New Delhi-110001, not later than 48 hours before the commencement of the Meeting.
2. The proxy need not be a member of the company.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. **This is only optional please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
5. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
6. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.





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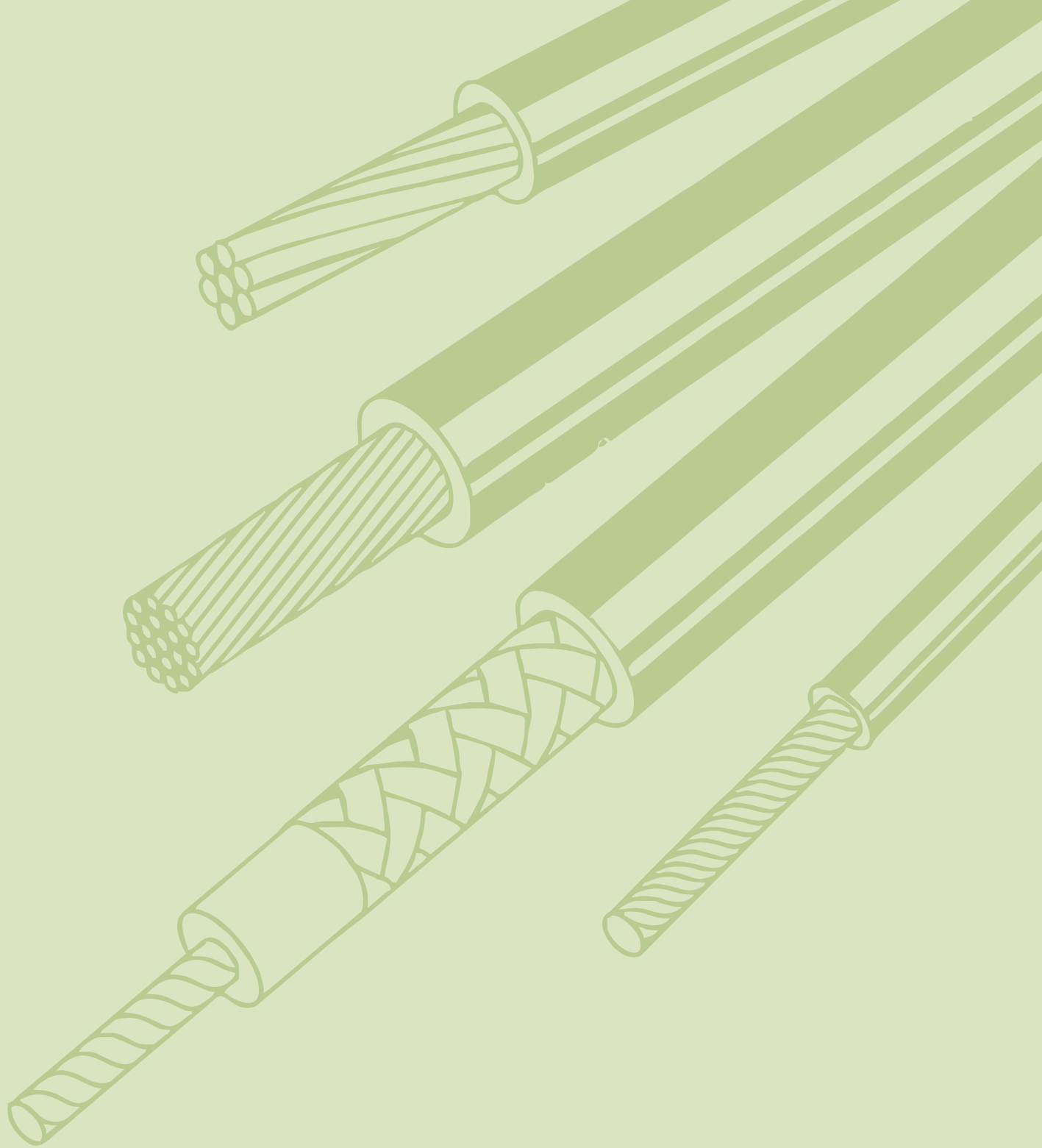
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