



Creating
the world of tomorrow

BOARD OF DIRECTORS



L-R : Mr Ashok Sinha, Ms Kalpana Morparia, Mr S Ramadorai, Mr Sudhakar Rao,
Mr R Ramanan, Mr S Mahalingam and Prof. M S Ananth

MANAGEMENT TEAM



L-R : Mr Avadhesh Dixit, Mr Vivek Agarwal, Mr R Ramanan and Mr J K Gupta

Letter from CEO



Dear Shareholders,

I am pleased to report that your Company continues to perform on a sustained basis in terms of growth and profitability during the year 2012-13. During this period your Company's consolidated revenues have grown by 31% to ₹1941 crore. Our net profits grew by 52% to

₹230 crore. The earnings per share for the Company increased to ₹75.98. Your Company has also earned many formal recognitions and awards in the marketplace during the last year.

As a continuation of our practice of consistently rewarding shareholders with a higher dividend, this year an increased dividend payout of ₹17.50 per share has been proposed by the Board of Directors of your Company.

Your Company has a talented pool of committed people serving the organization with considerable innovation capabilities. Your Company has also several people and business excellence related initiatives in progress which aim at people excellence and continuous improvement. Your Company encourages and rewards people for Company's growth and innovation through several mechanisms.

Your Company's growth has been a result of its customer centric approach and a balanced portfolio of integrated services and solutions in niche areas to various businesses. Over the last 12 months, your Company has added 80 new customers across the world deepening its customer base.

Your Company's offerings span across four areas relevant to every organization - infrastructure systems engineering, applications and real time systems

engineering, digitization and business workflow systems engineering and education and training. Your Company has therefore unique end to end servicing and solution capabilities that differentiate it from the traditional vendors in the marketplace.

Your Company has launched a new initiative called CMC 3.0, where the focus is to enable greater customer centricity by bringing the benefits of emerging technologies such as cloud, mobility, big data and enterprise analytics to help customers improve their businesses. This CMC 3.0 initiative integrates these new technologies into CMC core solutions and services, enabling the creation of new transformational business and operational models for our customers. The CMC 3.0 initiatives are yielding positive results. Your Company aims to be among the global top 20 System Engineering and Integration companies by 2020.

Technology continues to be a key driver of business growth for most customers, with IT spends continuing to see an annual rise in the foreseeable future for value adding solutions and services. We believe that there are adequate opportunities for your Company to capitalize on ensuring continued growth going forward.

On behalf of CMC and on my personal behalf, I would like to thank you for your continued support to CMC. Your belief in this Company has helped make CMC a preferred IT partner to an increasing base of global customers.

With regards,

R Ramanan
Managing Director & CEO
15 April, 2013

Financial Highlights

Revenues

Up 31% @ ₹ 1,941 crore



Operating Profits

Up 41% @ ₹ 317 crore



Net Profits

Up 52% @ ₹ 230 crore



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Annual General Meeting will be held on Wednesday, June 26, 2013 at CMC's Auditorium at its Registered Office, CMC Centre, Old Mumbai Highway, Gachibowli, Hyderabad-500 032, Andhra Pradesh at 3 P.M. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies to the meeting

CORPORATE INFORMATION

Board of Directors

Mr S Ramadorai (Chairman)
Mr R Ramanan (Managing Director & CEO)
Ms Kalpana Morparia
Mr Sudhakar Rao
Mr S Mahalingam
Prof M S Ananth
Mr Ashok Sinha

Board Committees

Audit Committee

Mr Sudhakar Rao
Mr S Mahalingam
Mr Ashok Sinha

Shareholders/Investors Grievance Committee

Mr Sudhakar Rao
Mr S Mahalingam
Mr R Ramanan

Governance Committee

Ms Kalpana Morparia
Mr S Ramadorai
Prof M S Ananth
Mr Sudhakar Rao
Mr S Mahalingam

Executive Committee

Mr S Ramadorai
Mr R Ramanan
Ms Kalpana Morparia
Mr S Mahalingam
Prof M S Ananth

Ethics & Compliance Committee

Mr Ashok Sinha
Mr R Ramanan
Mr Vivek Agarwal

Management Team

Mr R Ramanan (Managing Director & CEO)
Mr J K Gupta (CFO)
Mr Vivek Agarwal (Company Secretary)
Mr Avadhesh Dixit (Head - HR)

Statutory Auditors

M/s Deloitte Haskins & Sells
Chartered Accountants

Secretarial Auditors

M/s Chandrasekaran Associates
Company Secretaries

Internal Auditors

M/s Ernst & Young Pvt. Ltd.

Principal Bankers

Canara Bank
State Bank of Bikaner & Jaipur
ICICI Bank

Registrars & Share Transfer Agents

M/s Karvy Computershare Private Limited
Plot No. 17 to 24, Vittalrao Nagar
Madhapur, Hyderabad - 500 081

Stock Exchanges where Company's Securities are listed

BSE Limited
National Stock Exchange of India Limited
The Calcutta Stock Exchange Limited

Registered Office

CMC Centre
Old Mumbai Highway
Gachibowli, Hyderabad-500 032
Tel. : 91 40 6657 8000 (10 lines)
Fax : 91 40 2300 0509

Corporate Office

PTI Building, 5th Floor
4, Sansad Marg
New Delhi-110 001
Tel. : 91 11 2373 6151-8 (8 lines)
Fax : 91 11 2373 6159

NOTICE

Notice is hereby given that the 37th Annual General Meeting of the Members of CMC Limited will be held on Wednesday, 26 June, 2013 at 3.00 p.m. at CMC's Auditorium, CMC Centre, Old Mumbai Highway, Gachibowli, Hyderabad-500 032, Andhra Pradesh, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Statement of Profit and Loss for the year ended on 31 March, 2013 and the Balance Sheet as at that date and the Reports of the Board of Directors and the Auditors thereon.
2. To declare a dividend for the financial year 2012-13 on equity shares.
3. To appoint a Director in place of Mr. S Ramadorai, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Ms. Kalpana Morparia, who retires by rotation and, being eligible, offers herself for re-appointment.
5. To appoint Statutory Auditors and to fix their remuneration.

SPECIAL BUSINESS:

6. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:
"RESOLVED THAT Prof. M S Ananth be and is hereby appointed as Director of the Company liable to retire by rotation."
7. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:
"RESOLVED THAT Mr. Ashok Sinha be and is hereby appointed as Director of the Company liable to retire by rotation."
8. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED THAT pursuant to Sections 198, 269, 309, 310, 311 and other applicable provisions, if any, of the Companies Act, 1956 (the Act), read with Schedule XIII of the Act, the Company hereby approves the re-appointment and remuneration payable to Mr R Ramanan, Managing Director & CEO of the Company from May 1, 2013 to April 30, 2016, upon the terms and conditions as set out in the Explanatory Statement annexed to the Notice convening this meeting with liberty to the Board to alter and vary the terms and conditions of the said re-appointment and remuneration in such manner as may be agreed between the Board and Mr R Ramanan so as not to exceed the limits set out in Schedule XIII of the Act including any amendments thereto."
"RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

By Order of the Board of Directors

New Delhi
15 April, 2013

VIVEK AGARWAL
Company Secretary

Notes:

1. **A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. Proxies, in order to be effective, must be received at the Company's Registered Office not less than 48 hours before the meeting.** Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolution/authority, as applicable.
2. The relevant details as required by Clause 49 of the Listing Agreements entered into with the Stock Exchanges, of persons seeking re-appointment/appointment as Directors under Item Nos. 3, 4, 6, 7 and 8 of the Notice, are annexed hereto.
3. The relevant explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 setting out the material facts in respect of the business under Item nos. 6, 7 and 8 is annexed hereto.
4. Members who hold shares in dematerialised form are requested to bring their DP ID and Client ID details for easy identification of attendance at the meeting.
5. The Register of Members and the Share Transfer Books of the Company will remain closed from Thursday, 20 June, 2013 to Wednesday, 26 June, 2013 (both days inclusive).
6. The dividend as recommended by the Board of Directors, if declared at the Annual General Meeting, will be paid on or after 28 June, 2013 but before 25 July, 2013.

CMC Limited

Thirty seventh annual report 2012 - 2013

7. Members holding shares in electronic form are hereby informed that the bank particulars registered against their respective depository accounts will be used by the Company for the payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change in address, change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members.
8. Members holding shares in physical form are requested to advise any change of address, bank details etc. immediately to the Company's Registrar and Share Transfer Agents, M/s Karvy Computershare Private Limited (RTA).
9. Pursuant to provisions of Section 205A(5) of the Companies Act, 1956, dividends which remain unpaid/unclaimed for a period of 7 years from the date of transfer of the same to the Company's unpaid dividend account will be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. The following are the details of the dividends paid by the Company and respective due dates for claim by the shareholders

Financial Year	Date of Declaration of Dividend	Last date for claim
2005-06	27-06-2006	26-06-2013
2006-07	25-06-2007	24-06-2014
2007-08	24-06-2008	23-06-2015
2008-09	26-06-2009	25-06-2016
2009-10	29-06-2010	28-06-2017
2010-11	27-06-2011	26-06-2018
2011-12	27-06-2012	26-06-2019

Further, the Company shall not be in a position to entertain the claims of Shareholders for the unclaimed dividends after the last date as mentioned in the table.

In view of the above, the Shareholders are advised to send all the un-encashed dividend warrants pertaining to the above years to our RTA for revalidation or issuance of Demand Draft in lieu thereof and encash them before the due dates for transfer to the IEPF.

10. Members desiring any information as regards the Annual Report are requested to write to the Company Secretary at the Corporate Office, New Delhi at least ten days before the date of the Annual General Meeting so that information can be made available at the meeting.
11. To promote green initiative as per circular issued by Ministry of Corporate Affairs in 2011, members are requested to register their e-mail addresses through their Depository Participants where they are holding their demat accounts for sending the future communications by e-mail. Members holding the shares in physical form may register their e-mail addresses through the RTA, giving reference of their Folio Number.

By Order of the Board of Directors

New Delhi
15 April, 2013

VIVEK AGARWAL
Company Secretary

Registered Office:
CMC Centre
Old Mumbai Highway, Gachibowli
Hyderabad-500 032 (A.P.)

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956

Item No. 6

Appointment of Prof. M S Ananth as a Director

Prof. M S Ananth was appointed as an Additional Director pursuant to Articles 82 and 85 of the Articles of Association of the Company by the Board of Directors at its meeting held on June 27, 2012.

As per provisions of said Articles and Section 260 of the Companies Act, 1956, Prof. M S Ananth holds office up to the date of this Annual General Meeting. The Company has received a notice along with a deposit of ₹ 500 from a Member signifying intention to propose the appointment of Prof. M S Ananth as Director of the Company liable to retire by rotation.

The Board of Directors is of the opinion that it would be in the interest of the Company to avail Prof. M S Ananth's experience and his continuance will be of benefit to the Company.

The resolution is accordingly recommended for the approval of the Members.

None of the Directors except Prof. M S Ananth is concerned or interested in the Resolution.

Item No. 7

Appointment of Mr. Ashok Sinha as a Director

Mr. Ashok Sinha was appointed as an Additional Director pursuant to Articles 82 and 85 of the Articles of Association of the Company by the Board of Directors at its meeting held on 11 July, 2012.

As per provisions of said Articles and Section 260 of the Companies Act, 1956, Mr. Ashok Sinha holds office up to the date of this Annual General Meeting. The Company has received a notice along with a deposit of ₹ 500 from a Member signifying intention to propose the appointment of Mr. Ashok Sinha as Director of the Company liable to retire by rotation.

The Board of Directors is of the opinion that it would be in the interest of the Company to avail Mr. Ashok Sinha's experience and his continuance will be of benefit to the Company.

The resolution is accordingly recommended for the approval of the Members.

None of the Directors except Mr. Ashok Sinha is concerned or interested in the Resolution.

Item No. 8

Re-appointment of Mr. R Ramanan as Managing Director & CEO

The Board of Directors of the Company ("Board") had on April 15, 2013, re-appointed Mr. R Ramanan, as Managing Director & Chief Executive Officer (MD & CEO) of the Company with effect from May 1, 2013 to April 30, 2016, subject to the approval of the Members.

Mr. R Ramanan, aged 54 years, is a B.Tech.(Electrical Engg.) from IIT Mumbai with more than 32 years of rich working experience. He held several key positions in Tata Consultancy Services ("TCS"), starting his career as a Software Engineer in July 1981. He has been a Project Leader, a Group Leader and an Overseas Regional Manager representing TCS in USA. Mr. R Ramanan was appointed as Dy. Managing Director & COO of the CMC Limited w.e.f. October 16, 2001. He was elevated to the post of MD & CEO w.e.f. December 13, 2003. He was re-appointed as MD & CEO from time to time. He is also Chairman of CMC Americas Inc. and CMC eBiz, Inc., wholly owned subsidiaries of the Company. The main terms and conditions relating to the re-appointment of Mr R Ramanan as MD & CEO are as follows:

A. Tenure of Appointment:

The re-appointment of the MD & CEO is with effect from May 1, 2013 to April 30, 2016.

B. Nature of Duties:

The MD & CEO shall devote his whole time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Board, and exercise such powers as may be assigned to him, subject to the superintendence, control and directions of the Board in connection with and in the best interest of the Company and the business of its subsidiary, including performing duties as assigned by the Board from time to time, by serving on the Board of its subsidiary or any other executive body or Committee of such a Company.

C. Remuneration:

- (i) Basic Salary upto ₹ 4,00,000 per month. The annual increments which will be effective 1st April each year will be decided by the Board and merit based and takes into account the Company's performance. In addition to the basic salary payable, MD & CEO shall also be entitled to benefits, perquisites & allowances as determined by the Board from time to time and incentive remuneration and/or commission based on certain performance criteria to be prescribed by the Board subject to the maximum limit of 5% of the net profits as mentioned in sections 198, 269, 309 read with sections 349 and 350 of the Companies Act, 1956.
- (ii) Minimum Remuneration: Notwithstanding anything to the contrary herein contained where in any financial year during the currency of the tenure of the MD & CEO, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary, benefits, perquisites, allowances and incentive remuneration as specified above.

D. Other terms of Appointment:

- (i) The MD & CEO shall not become interested or otherwise concerned, directly or through his spouse and/or children, in any selling agency of the Company.
- (ii) The terms and conditions of appointment of the MD & CEO may be altered and varied from time to time by the Board as it may, in its discretion deems fit, irrespective of the limits stipulated under Schedule XIII to the Act or any amendments made hereafter in this regard in such manner as may be agreed to between the Board and the MD & CEO, subject to such approvals as may be required.
- (iii) The appointment may be terminated by either party by giving to the other party six months' notice of such termination or the Company paying six months' remuneration in lieu thereof.
- (iv) The employment of the MD & CEO may be terminated by the Company without notice for payment in lieu of notice:
 - (a) If the MD & CEO is found to be guilty of any gross negligence, default or misconduct in connection with or affecting the business of the Company of any subsidiary company to which he is required by the Agreement to render services; or
 - (b) In the event of any serious repeated or continuing breach (after prior warning) non observance by the MD & CEO of any of the stipulations contained in the agreement to be executed between the Company and the MD & CEO; or
 - (c) In the event the Board expresses its loss of confidence in the MD & CEO.
- (v) In the event of MD & CEO is not in a position to discharge his official duties due to any physical or mental incapacity, the Board shall be entitled to terminate his contract on such terms as the Board may consider appropriate in the circumstances.
- (vi) Upon the termination by whatever means of the MD & CEO's appointment:
 - (a) The MD & CEO shall immediately tender his resignation as Director of the Company and from such other offices held by him in the Company, in subsidiary company without claim for compensation for loss of office.
 - (b) The MD & CEO shall not without the consent of the Company at any time thereafter represent himself as connected with the company or any of its subsidiary company.
- (vii) The MD & CEO is appointed as a Director by virtue of his employment in the Company and his appointment shall be subject to the provisions of Section 283(1)(l) of the Act. The MD & CEO will not be liable to retire by rotation.
- (viii) The terms and conditions of the appointment of the MD & CEO also include clauses pertaining to adherence with the Tata Code of Conduct, no conflict of interest with the Company and maintenance of confidentiality.
- (ix) If and when the Agreement expires or is terminated for any reason whatsoever, the MD & CEO will cease to be the Managing Director and Chief Executive Officer, and also cease to be a Director. If at any time, the MD & CEO ceases to be a Director of the Company for any reason whatsoever, he shall cease to be the Managing Director & Chief Executive Officer, and the Agreement shall forthwith terminate. If at any time, the MD & CEO ceases to be in the employment of the Company for any reason whatsoever, he shall cease to be a Director and Managing Director & Chief Executive Officer of the Company.

In compliance with the provisions of Section 309 read with Schedule XIII of the Act, terms of the remuneration specified above are now being placed before the Members in General Meeting for their approval.

Mr. R Ramanan is concerned or interested in Item No. 8 of the Notice.

As required under Section 302 of the Companies Act, 1956, an abstract of the main terms and conditions of the re-appointment of Mr. R Ramanan together with the memorandum of concern or interest has been sent to the members earlier.

The Resolution regarding the re-appointment and remuneration of the MD & CEO at Item No. 8 is commended for acceptance by the Members.

By Order of the Board of Directors

New Delhi
15 April, 2013

VIVEK AGARWAL
Company Secretary