

ANNUAL  
REPORT  
2014-15



CMI Limited



Poised for  
Growth

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## FORWARD LOOKING STATEMENTS

This Report may contain certain forward-looking statements relating to the future business, development and economic performance. Such Statements may be subject to a number of risks, uncertainties and other important factors, such as but not limited to (1) competitive pressure; (2) legislative and regulatory developments; (3) global, macro economic and political trends; (4) fluctuations in currency exchange rates and general market conditions; (5) delay or inability in obtaining approving from authorities; (6) technical developments; (7) litigations; (8) adverse publicity and news coverage, which could cause actual developments and results to differ materially from the statements made in this presentation. CMI Limited assumes no obligation to update or alter forward-looking statements whether as a result of new information, future events or otherwise.



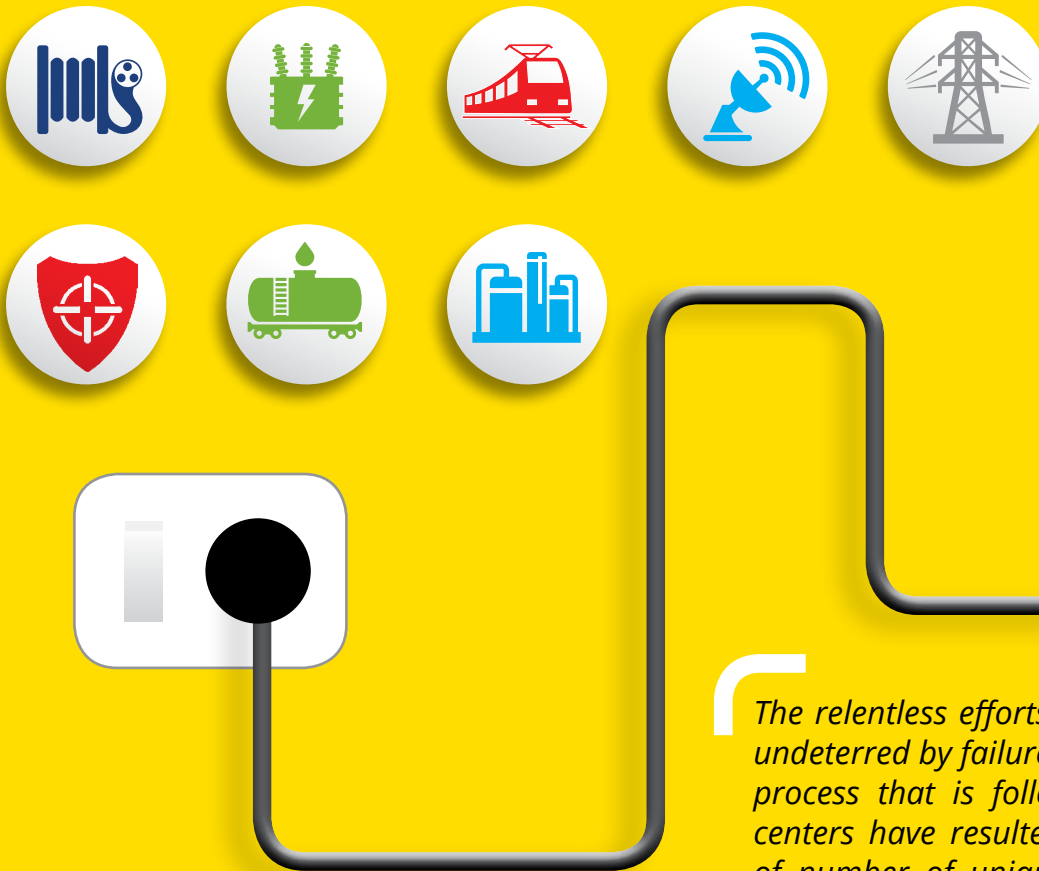
# Poised for Growth

**We at CMI have grown consistently despite the challenging macroeconomic situation in the recent years reflecting our fundamental strength of resilience and dynamism.**

It is our inherent quality of constantly evaluating ourselves and implementing new measures that fortifies our strength. Due to this dynamism in thought and action, we have built a robust business model and we are continuously strengthening our growth capabilities and deepening our growth appetite.

With the healthy demand growth returning over coming quarters, the onus would shift to enterprises to seize the opportunity. At CMI, with our range of cable wire products backed by state-of-the-art production facility located at Faridabad (Haryana), capable of adhering to both domestic and international specification, we are well equipped to tap this opportunity. The cable rods/wires produced here are used in wide range of applications from Heavy vehicles to Railways and underground Metro Rail System and from telecommunication to satellite launching. Armed with a wide range of products and strong R&D capability, we are well poised to ride on the economic growth in India.

# With Diversity and Innovation



*The relentless efforts by our engineers undeterred by failure and the stringent process that is followed in our R&D centers have resulted in development of number of unique cables meeting specific needs differentiating us from others.*



**The wide variety of product basket coupled with R&D capability has been the driving factor of our consistent growth. Diversity and Innovation has been the hallmark for CMI, establishing us as one of the leading players in the industry.**

Incepted as a trading company for copper Rods/wires, today we have emerged as a pioneer in development of various types of cable as per national / international specifications catering to customers' specific needs. The cable wires manufactured in our production facility at Faridabad is used in assorted industries spanning from telecommunication, railways to heavy petrochemical plants, oil refineries, power generating stations and satellite launching reflecting our strategy of maintaining a diversified client base.

Innovation at CMI is about a commitment to solve challenging customer problems with new solutions. Our deep knowhow of technologies, keenness on details and fervor for excellence have played the pivotal role in developing a nurturing environment of creation. We boast of a large pool of highly knowledgeable and skilled engineers committed towards innovating cutting edge solutions. The relentless efforts by our engineers undeterred by failure and the stringent process that is followed in our R&D centers have resulted in development of number of unique cables meeting specific needs differentiating us from others.

Thanks to our commitment to diversity and innovation, we have emerged as the preferred vendor for many prestigious clients across industries. We are proud to be the sole supplier for ISRO for specific cables used in Multi Object tracking system. We are one among 15 active vendors for Railways Signaling cables, 10 active vendors for Railway Power cables and 13 active vendors for PIJF quad cables to name a few.

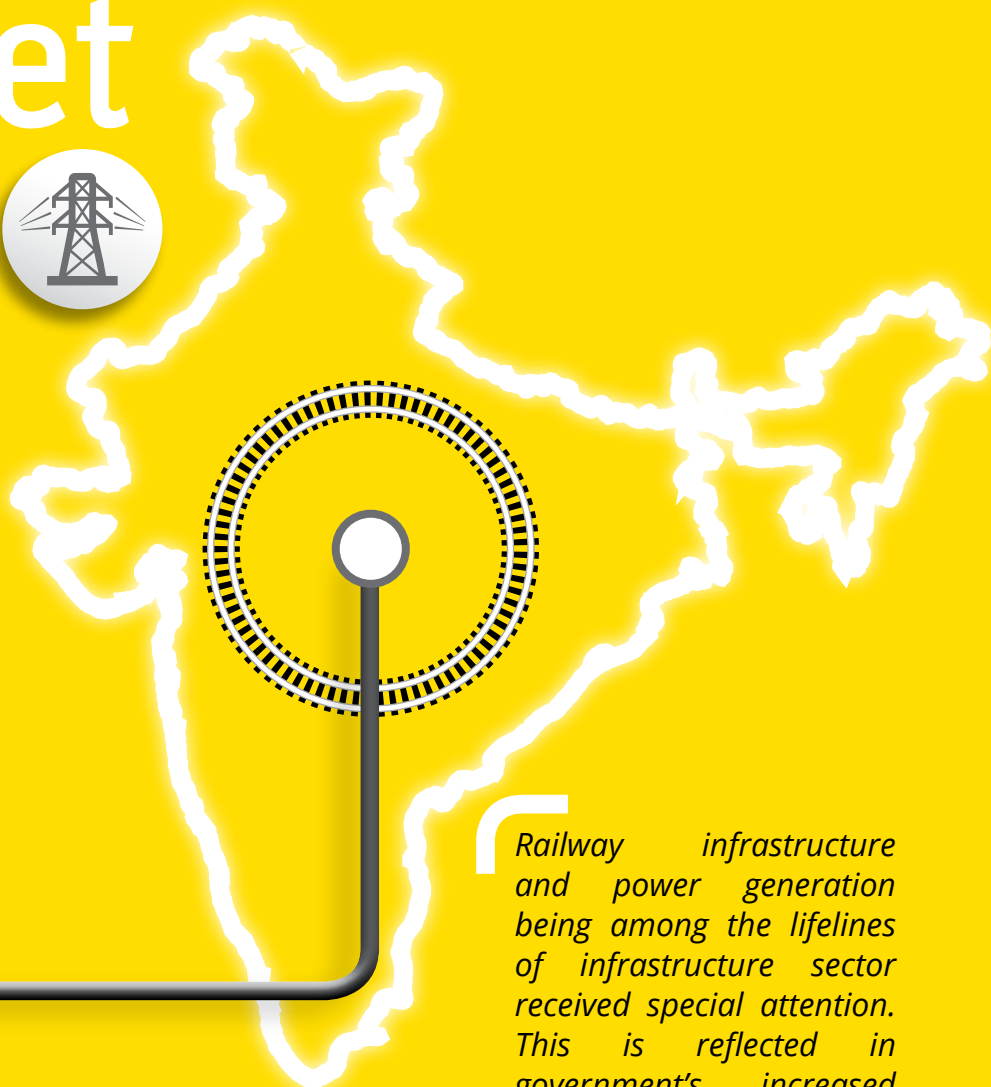
**24,000** KM

**Addition of railway track length over next five year**

**23**  
number of clients

**For whom we are the preferred vendors**

# Huge Opportunity in Domestic Market



*Railway infrastructure and power generation being among the lifelines of infrastructure sector received special attention. This is reflected in government's increased investment in these sectors especially in the railway which witnessed the highest ever annual outlay in the latest rail budget 2015-16.*





**The nation is geared up to realize the dream of its people of a next generation reform. Supported by a collective strength of its billion plus people, abundance of natural resources and democratic landscape; India is poised to raise its stake on the global economic platform.**

A pro reformist government in the center with the commitment of improving country's benign infrastructure ushered in new hope. Railway infrastructure and power generation being among the lifelines of infrastructure sector received special attention. This is reflected in government's increased investment in these sectors especially in the railway which witnessed the highest ever annual outlay in the latest rail budget 2015-16. A concerted effort to enhance and upgrade the rail infrastructure and to ensure a safe journey instead of announcing popular measures such as introducing new trains augurs well.

The government also charted out an ambitious plan of power for all by 2022 which will require huge capacity addition in the power generation sector. The latest budget witnessed announcement of large capacity addition in the generation segment with setting up of 5 UMPPs (ultra mega power project) of 4,000 mw each.

With the policies in place, the responsibility shifts to the private players to realize the concurrent national dreams of safe rail journey or uninterrupted power supply. We, at CMI are well placed to tap this huge opportunity and assisting the nation in its endeavour to improve quality of life by ensuring a safe rail journey or making energy available to the people of India.



**88,537<sub>MW</sub>**

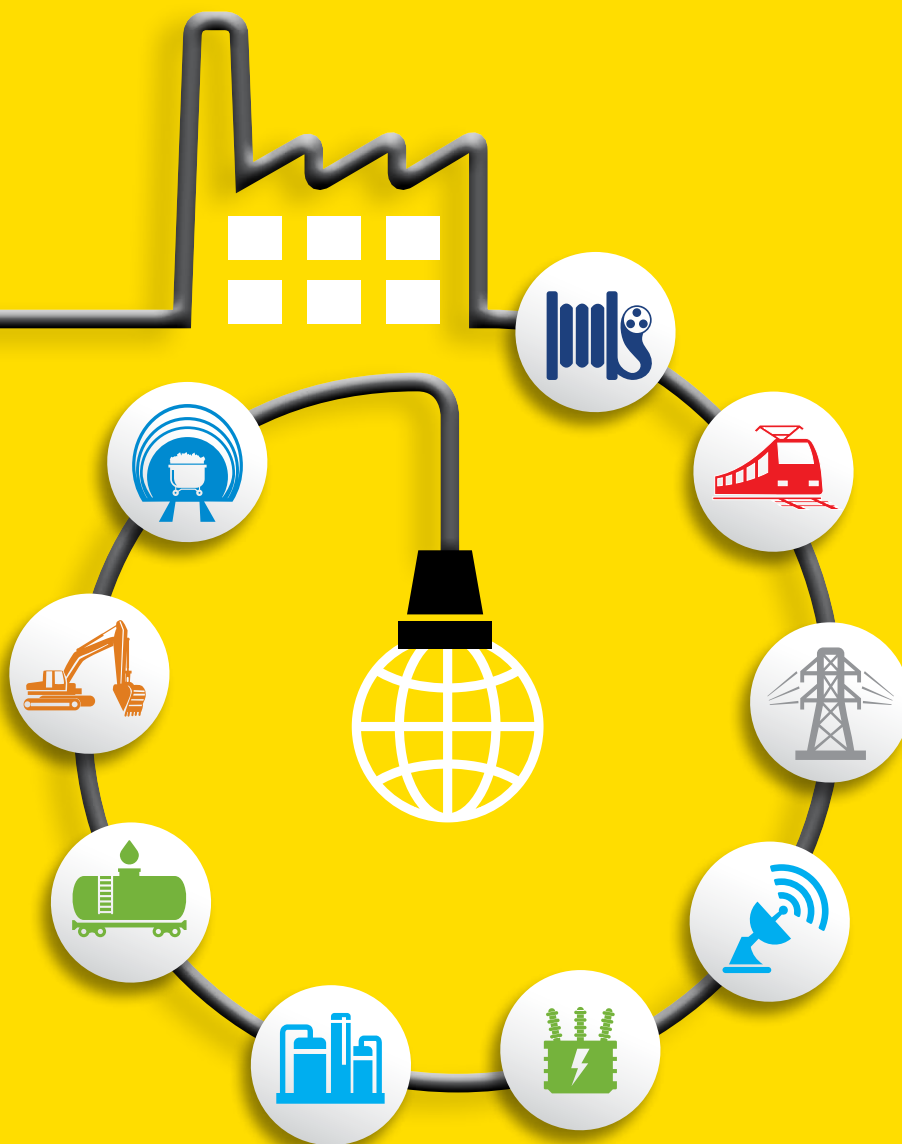
**Addition in 12<sup>th</sup> Five  
Year Plan**

# The World of CMI



**CMI Limited is the leading manufacturer of various types of cables that meet requirements of a wide spectrum of clients. CMI is amongst the few approved vendors for Railway,**

Telecommunication, Power, Refineries, Defense, Mining, Transmission, Petrochemicals, Electrical, Steel, Space, and many other sectors in the infrastructure segment. It has In-house R&D centre and production facility in Faridabad (Haryana). Spread over an area of 10,000 sq meters, the manufacturing unit is well equipped to develop cables adhering to both domestic and international specifications





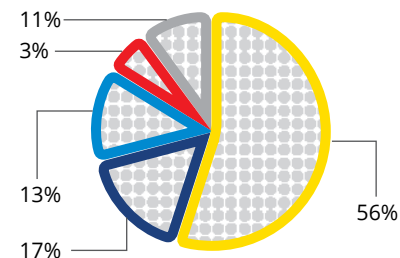


Product	Application
Quad Cables	Specialized Safety cables used by Railways for counting incoming & out going axles / coaches at any particular section to ensure no coach is left behind
Railway Signaling cables	Used for transmitting signals to signal posts for smooth movement of trains.
Ballise cables	Used for Train Protection & Warning system ( TPWS)
Fire Survival cables	Used to maintain circuit integrity in case of fire for 3 hrs up to 950 deg C, to ensure transmission of signals to safety equipments
Low Smoke Zero Halogen (LSZH ) cables	Ensures better visibility & low toxicity in case of fire
Highly flexible multi core copper shielded abrasion resistant TPU sheathed cables	Used for Gas Insulated Substations ( GIS )
Multi pair PTFE insulated & sheathed shielded cables	Multi Object Tracking RADAR for tracking module after it disconnects from Rocket
PTFE insulated, silver plated copper conductor, multi pair data cables	High temperature applications used at satellite launching stations
Air field lighting cables	Used for guiding Air planes on runways
Field Bus / Profibus cables	Used on very sophisticated control instruments
Fire Alarm & Communication cables	Used for fire detection & alert equipments
Polythene Insulated Jelly Filled ( PIJF) telecom cables	Used for last mile connectivity
Specialized Instrumentation & Data shielded cables w	Used on sophisticated control instruments in control rooms for giving signals to activate various equipments.
EPR-CSP-PCP-Silicon	Used at high temperature in Mines, Steel, ship building & Wind energy generation industry.

## OUR MAJOR CUSTOMERS

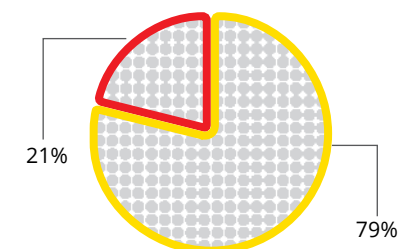
India Railways	LT	Global Toyo	SAIL
Konkan Railway	TCIL	The Linde Group	SIEMENS
EIL	MTNL	NTPC	TATA
GAIL	ALSTOM	Bharat Electronics	ISRO
Indian Oil	Technip	IFFCO	BSNL
HP	LPSC	Bharat Petroleum	

## REVENUE BY SECTOR (FY15)



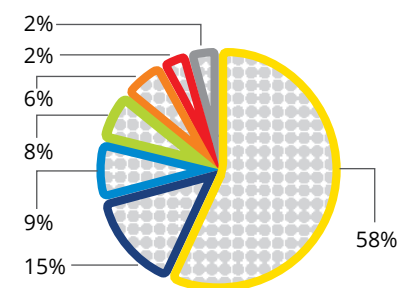
■ Railway ■ Power  
■ Petro-chemicals & Fertilizers  
■ Telecom ■ Others

## REVENUE BY TYPE (FY15)



■ Govt./PSU ■ Private

## REVENUE MIX BY SEGMENT (FY15)



■ Railway Signalling & Quad ■ Power Cable  
■ Control Cable ■ Rubber Cable  
■ PUF Cable ■ Export Cable

# Financial Highlights

(In ₹ Cr)

Particulars	2014-15	2013-14	2012-13	2011-12	2010-11
Total Income	137.3	106.4	89.4	73.1	59.3
Total Expenses	121.4	97.2	81.0	66.4	54.1
EBITDA	15.9	9.2	8.4	6.7	5.2
Depreciation	0.9	0.8	1.1	1.1	1.1
EBIT	15.0	8.4	7.3	5.6	4.1
Interest	5.9	5.6	4.7	3.3	1.9
Profit Before Tax	9.1	2.8	2.7	2.3	2.2
Tax	2.8	1.0	1.0	0.1	0.2
Profit After Tax	6.3	1.8	1.7	2.2	2.0
Reserves	24.4	10.6	8.8	7.6	5.2
Shareholders Fund	11.5	3.5	3.5	3.4	3.2
Networth	35.9	14.1	12.4	11.0	8.4
Total Debt	33.0	36.6	31.1	27.3	18.3
Cash & Bank Balance	3.1	2.0	4.2	3.1	2.4
<b>Ratios</b>					
EBITDA Margins (%)	11.6%	8.6%	9.4%	9.2%	8.8%
PBT Margins (%)	6.7%	2.6%	3.0%	3.1%	3.8%
PAT Margins (%)	4.6%	1.7%	1.9%	3.0%	3.4%
Earnings Per Share (₹)	7.3	5.0	4.2	6.4	6.3

## KEY HIGHLIGHTS

- We received order to supply Fire Alarm and Plant Comm., cable on June 29, 2015 for total value of ₹ 24.69 Cr from M/s. Bharat Petroleum Corporation Limited for integrated refinery expansion project at Kochi refinery, as per inspection and testing by M/s Engineers India Limited.
- We have received order from Bharat Petroleum Corporation Limited, Kochi Refinery for supply of Signal Cable for ₹ 12.30 Cr.