

Annual Report **2017-18**

AN ISO 9001, ISO 14001 &
OHSAS 18001 COMPANY
CIN NO. L74899DL1967PLC018031

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CMI Limited
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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.



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

Vision

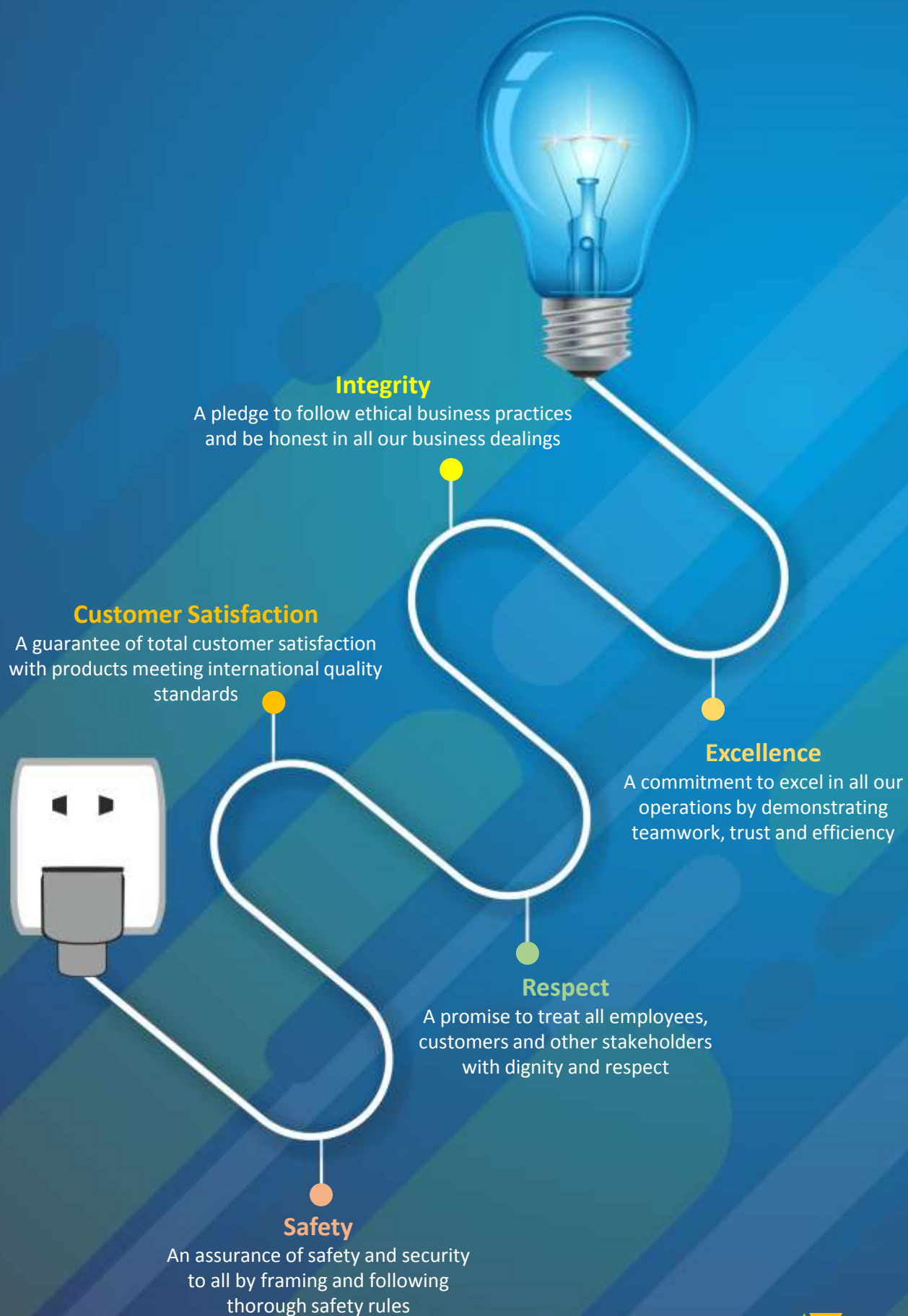
Our vision is to become one of the world's leading cable manufacturers by utilizing state-of-the-art manufacturing facilities and best-in-class resource pool. We aim to be the first choice amongst significant players in the specialty cable manufacturing industry by delivering products which exceed customers'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



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Our Values







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Chairman's Speech



Chairman's Speech

Dear Shareholders,

It gives me immense pleasure to report another year of excellent performance, underpinned by robust traction across the entire business of the Company. We embarked on our FY2017-18 journey with the agenda of growth and are pleased to share that we have taken strides in the right direction in the highly competitive Indian wire and cable market. The amalgamation of CMI Energy India Private Limited (CMIE) with CMI Limited is on the legal and regulatory course and is expected to be completed by this fiscal year end. The merger would improve economies of scale and facilitate in charting higher growth trajectory for the business, thereby enhancing shareholders value. Amid the positive macro environment, the Company posted an increase in profit before tax from Rs. 33.5 crores to Rs. 35.6 crores on a standalone basis. On a consolidated basis, profit before tax advanced 74.0% annually to Rs. 39.4 crores from Rs. 22.6 crores posted a year ago. What is particularly satisfying about this performance is that it came across verticals and regions, despite the effects of GST.

During the year, we focused on new product development with the emphasis on the latest technologies at our facilities. We are moving in the right direction to enhance the capacity utilization at our CMIE plant located at Baddi which has started to contribute substantially to our topline. We are on track to make the Baddi plant fungible by December 2018 which would provide us the prowess to manufacture a wide variety of cables. We are scaling-up our manufacturing and technological prowess to empower ourselves to meet the demand that we see opening across sectors, segments and regions. Our diversified portfolio of products has emerged as a key strength, which we shall focus even more in the future, to meet the niche needs of our growing clientele. Indian Railways continued to remain our top customer, while we explored new business avenues to diversify our revenue stream. We expect Baddi plant to receive approval from the Indian Railways in the near term which would further

boost our revenue stream. During the year, we bagged significant orders from Indian Railways, Bharat Heavy Electricals Limited and other PSUs. Continuous product innovation and high-performance solutions have enabled CMI Limited to establish itself as the preferred supplier for several clients in the private and public sectors. On the export front, we have already dispatched trial orders to many countries like Nepal, Bhutan, Sri Lanka, Bangladesh, Germany, UK, Singapore, Zambia, Switzerland, Egypt, Qatar, Dubai, etc. Based on the performance of these trial orders, we are hopeful to receive meaningful orders soon. A strong presence both in domestic and international



markets has further diversified and de-risked our business model. We are confident that our strong order book, execution capability and capable management team would help us to progress holistically, as we continue to chart new milestones of success in future.

With global economic growth showing improvement, India remained a bright star with an inspiring growth rate of 6.7%. The International Monetary Fund (IMF) expects the Indian economy to grow strongest amongst global economies in the near term, as short time jitters from the demonetization and the introduction of the Goods and Services Tax (GST) fade. With the incumbent 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 up to make the most of the unfolding developments. The roadmap for future growth is charted and we are strategically poised to capitalize on the immense opportunities that are unfolding across the sectors we serve. Training and empowerment of people to take on the future opportunities are also high on our agenda, as we move responsibly forward on our strategic roadmap with an increasing focus on CSR activities.

We have taken a step forward to maximize shareholder value by recommending a final dividend of Rs. 1 per equity share for the financial year ended 31 March 2017. On this positive note, I would like to thank all stakeholders, including our vendors, customers, bankers, Central and State government bodies, business associates and employees, for their continued trust and support. We are committed to enhance the connection that we have built with you over the years to make our business a win-win proposition for all of us. Our present gains, we believe, are only the beginning of more exciting outcomes.

Amit Jain
Chairman cum Managing Director



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**Our
Company**





About Our Company

CMI Limited (hereinafter “the Company” / “CMI” / “CMI Limited”) is a leading manufacturer of various types of cables for industries such as Railways, Oil & Gas, Telecommunications, Energy, Industrial, Power, Petrochemicals, etc. We are headquartered in Delhi and are the recipient of prestigious ISO 9001, 14001 and OHSAS 18001 certifications. Our presence in the entire value chain of the wire and cable industry, starting from design, development and manufacturing to marketing and distribution of cables, makes us an integrated wire and cable player in the Indian market. We cater to the requirements of a broad spectrum of industries and clients through our diversified range of cables. Our comprehensive product portfolio includes electric cables for Railways, Metro projects, Utilities, Buildings, Data Transmission, Instrumentation, Submarine Cables, Control Cables, Special Cables and Extra High Voltage (EHV) Cables. We are one of the few approved vendors to supply signalling cables to Railways. We provide signalling cables and other safety cables to Railways and other government agencies which form our primary source of revenue. Our plants located at Faridabad and Baddi manufacture cables which conform to several domestic and international specifications. These plants possess state-of-the-art production lines along with R&D and testing facilities. Apart from the capabilities to serve clients across industries, the plant at Baddi is equipped to manufacture cables used in the solar power projects.