

ANNUAL REPORT
2022-23



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Resolution Professional's Speech

Respected Shareholders,

I stand before you today as the Resolution Professional of CMI Limited, tasked with guiding the company through the Corporate Insolvency Resolution Process (CIRP) following the order of the Hon'ble National Company Law Tribunal (NCLT), New Delhi Bench, dated 28 July 2023. With the suspension of the Board of Directors' powers, I have assumed the responsibility of leading the company toward resolution.

Initially appointed as the Interim Resolution Professional and subsequently confirmed in this role by the Committee of Creditors on 29 September 2023, I have been entrusted with the control and management of CMI Limited since July 28, 2023. Throughout this process, I have diligently executed actions that would typically fall under the purview of the Board of Directors, ensuring compliance with the provisions of the Insolvency and Bankruptcy Code (IBC).

As per the directives of the NCLT order and in adherence to the IBC, the powers of the Board have been suspended, and the management of the company now rests with me as the Resolution Professional. This transition is in line with Section 17 and 23 of the Insolvency Code, along with Regulation 15(2A) & (2B) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The attached report serves the purpose of compliance and fulfills the responsibilities mandated by the CIRP. I would like to share that we have received significant interest in the Resolution Process, with Prospective Resolution Applicants submitting their Expression of Interest. The process, including the issuance of the Information Memorandum, Request for Resolution Plan (RFRP), and Evaluation Matrix, has been diligently conducted within the stipulated timelines.

Currently, we are in the phase of awaiting the Resolution Plans, and I assure you that I am committed to ensuring a successful resolution for CMI Limited. Amidst the challenges, it brings me pleasure to present the CMI Limited Annual Report 2022-23, highlighting the company's efforts to regain strength and its unexpected financial position.

I seek the support of each stakeholder in this crucial journey towards prosperity. I extend my gratitude to the Board Members, regulatory authorities, our management, employees, and the wider stakeholder community for their guidance and continued support. I am confident that, with your support, CMI Limited will overcome the challenges and capitalize on new opportunities in the years to come.

Thank you for your trust and confidence in CMI.

Deepak Maini
Resolution Professional
CMI Limited

(Reg. No. IBBI/IPA-001/IP-P00676/2017-2018/11149)

GENERAL CORPORATE INFORMATION

Resolution Professional	Mr. Deepak Maini
Board of Directors (Power Suspended)	Mr. Amit Jain, Chairman cum Managing Director Mr. Kunal Singhal, Non-Executive Non-Independent Director Mr. Servagaya Jain, Non- Executive Independent Director Mr. Pyare Lal Khanna, Non-Executive Non-Independent Director Mr. Vikash Sharma, Non- Executive Independent Director (till 30.04.2023) Ms. Charu Jain, Non-Executive Independent Director (till 01.08.2023)
Chief Financial Officer	Mr. Raj Kumar (till 30.05.2023)
Company Secretary and Compliance Officer	Mr. Subodh Kumar Barnwal (till 01.06.2023) Ms. Tanya Kukreja (w.e.f. 31.07.2023)
Statutory Auditors	M/s. Krishna Neeraj & Associates, Chartered Accountants
Internal auditor of the Company	M/s. Priyanka Singh & Associates
Cost Auditor	M/s. Ajay Kumar Singh & Co.
Secretarial auditor of the Company	M/s ATG & Co., Practicing Company Secretaries
Audit Committee (Power Suspended)	Mr. Servagaya Jain – Member
Nomination and Remuneration Committee (Power Suspended)	Mr. Servagaya Jain – Chairman Mr. Kunal Singhal – Member
Stake Holder Relationship Committee (Power Suspended)	Mr. Kunal Singhal – Chairman Mr. Pyare Lal Khanna – Member
Corporate Social Responsibility Committee (Power Suspended)	Mr. Kunal Singhal – Chairman Mr. Pyare Lal Khanna -Member
Investor Grievance Service	Ms. Tanya Kukreja Company Secretary & Compliance Officer PD-II, Jhilmil Metro Station, Jhilmil Industrial Area, Delhi-110095 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: PD-II, Jhilmil Metro Station, Jhilmil Industrial Area, Delhi-110095 Faridabad Plant: Plot N0.71 and 82, Sector-6, Faridabad-121006 (Haryana) Baddi Plant: Village: Bhatauli Khurd, Baddi, Tehsil: Nalagarh, District: Solan , (Himachal Pradesh)-173205

MANAGEMENT DISCUSSION AND ANALYSIS

GLOBAL ECONOMY

The global wires and cables market size was USD 181.28 billion in 2021 and is projected to grow from USD 200.23 billion in 2022 to USD 294.73 billion in 2029, exhibiting a CAGR of 5.7% during the forecast period. The global COVID-19 pandemic has been unprecedented and staggering, with experiencing lower-than-anticipated demand across all regions compared to pre-pandemic levels. Based on our analysis, the global market exhibited a decline of -8.8% in 2020 as compared to 2019.

A wire is a single electrical conductor, whereas a group of wires bundled in an assembly is called a cable. Various cables, such as coaxial cables, are widely used for transmitting electric power and communication signals across industry verticals. Increasing investments in transmission & distribution of electric power and growth in demand from data centers and the telecom industry will drive the wire and cables market growth during the projected period. High cash inflow in smart and projects and up-grading power transmission systems are also expected to boost the demand for wires & cables. Significant investment in smart grids has resulted in and growing necessity for grid interconnections; additionally, rising funds in underground cables and progression in renewable energy have escalated the adoption of wires and cables.

Increasing Demand for Renewable Power Generation to Aid Market Growth

Governments have implemented vast targets to deploy green energy technologies to reduce dependency on fossil fuels. Adherence of various nations to exceed the required objectives will likely provide a great opportunity for the market. The increasing setup of wind turbines and solar farms has increasingly led to the growth of requirements for wires and cables. According to the IRENA, the world's renewable energy capacity has risen from 2,542,035 MW in 2019 to 2,802,004 in 2020, portraying a 10.23% increase year-on-year.

Moreover, there has been a growth in offshore renewable technologies like offshore wind farms. The offshore wind turbines are connected to power cables that must be buried in seafloors to transmit power. Further, subsea umbilical cables are also required for the constant maintenance activities of these wind turbines. Similarly, solar PV is installed on water instead of land in recent times, called the floating PV. The floating PV system is fixed

on a floating platform with an anchoring system in water bodies and is connected by subsea power cables. The increasing reliance on renewable energy has led to massive development in renewable energy infrastructure worldwide, which has increased the demand for wires and cables.

INDIAN ECONOMY



Indian Wires and Cables Market would grow on the back of rapidly growing investment by the government towards the development of infrastructural projects. The development of smart cities in the country along with the increase in electronic devices in the household would increase the demand for wires and cables in the Indian market. The development of manufacturing industries as a part of the Make in India initiative would also result in the growth of the wires and cables market during the forecast period.

Indian wires and cables market is expected to witness progressive growth in the upcoming six years backed by the growing telecommunication sector in the country. The increased number of internet subscribers due to rising internet penetration rapidly from past years is an active contributor to the India wires and cables market growth. On the other side, telecom operators are spending in bulk on the integration of telecom towers in rural areas and all this can be possible with the needful resources for the same and as a result, the use of wires and cables is

rising in the telecom sector which tends to ensure better signals through consistent power supply. As a result, it is estimated to strengthen India wires and cables market growth in the forthcoming years.

The India - Electric Wire And Cable Market size is estimated to grow at a CAGR of 4.63% between 2022 and 2027. The market size is forecast to increase by USD 2,189.92 million. The growth of the market depends on several factors, such as growth in renewable power generation in India, the expansion and revamping of transmission and distribution (T&D) infrastructure in India, and the increase in investment in metro railways.

This report extensively covers market segmentation by end-user (railway, power, construction, telecom, and others) and type (power cable and specialty cable). It also includes an in-depth analysis of drivers, trends, and challenges.

India Electric Wire and Cable Market Dynamics

Our researchers studied the data for years, with 2022 as the base year and 2023 as the estimated year, and presented the key drivers, trends, and challenges for the market. Although there has been a disruption in the growth of the market during the COVID-19 pandemic, a holistic analysis of drivers, trends, and challenges will help companies refine marketing strategies to gain a competitive advantage.

Driver - Growth in renewable power generation in India

One of the main factors that is significantly contributing to the growth of the electric wire and cable market in India is the substantial growth of renewable power generation in the region. As a result, there is an increase in demand for efficient, durable, and technologically advanced wiring solutions across the region.

Moreover, there is an increased requirement for reliable interconnections and transmission systems. fuelled by the expansion of solar and wind energy installations across the nation. As a result, the demand for electric wires and cables has surged as they are an essential component of these energy networks, enabling the seamless transfer of generated electricity to distribution grids and end consumers. Hence, such factors are expected to drive India electric wire and cable market growth during the forecast period.

Trends - Increase in sales of HVDC power cables

There is increasing adoption of High-voltage direct current (HVDC) underground power cables as they are considered the best option for long-distance and high-voltage safe power transfer. The main advantage of HVDC power systems is that they offer a reliable option for long-distance bulk power delivery.

Moreover, several energy products are announced by the European Commission for the construction of cross-border infrastructure to create an internal energy market and enhance the security of the energy supply. As a result, it will fuel the demand for high-voltage direct current (HVDC) underground power cables for the transfer of high loads of electricity across the country. Hence, such factors are positively impacting the market which in turn will drive the India electric wire and cable market growth during the forecast period.

Challenge - Volatility in raw material prices of electric wire and cable

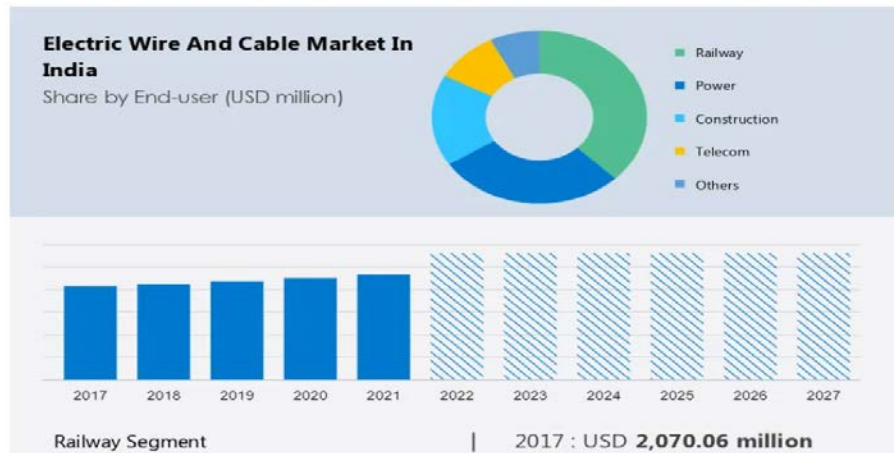
The electric wire and cable market in India highly depends on materials such as copper and aluminum for the efficient conduction of electricity. The price of these raw materials is influenced by several factors such as supply-demand imbalances, geopolitical tensions, and economic conditions.

Moreover, such factors are fluctuating the prices of these raw materials which in turn is impacting the cost structure of cable production, resulting in pricing inconsistencies, and profitability concerns. As a result, several manufacturers find it challenging to maintain stable pricing for their products, creating hindrances in forecasting and budgeting. Hence, such factors are expected to hinder the India electric wire and cable market growth during the forecast period.

India Electric Wire and Cable Market Segmentation by End-user and Type

End-user Segment Analysis:

The **railway segment** is estimated to witness significant growth during the forecast period. One of the main countries with the largest railway network in the world after Russia and China is India. The Indian railway network includes 126,366 km of tracks covering a distance of 67,956 km. Factors such as the expansion and modernization of the country's railway network is significantly contributing to the growth of this segment.



The **railway segment** was the largest segment and was valued at **USD 2,070.06 million** in 2017. There is an increasing investment by the Indian government in the railway sector with the goal of improving connectivity and enhancing transport infrastructure, resulting in an increase in demand for electric wires and cables. Furthermore, the electrification of railway tracks is fuelling the demand for electric wire and cable in the region. Furthermore, there is a growing focus by the Indian government on renewable energy sources which has further fuelled the demand for electric wires and cables in the railway segment, as solar panels are being increasingly installed in railway stations and on rooftops of trains. Hence, such factors are expected to fuel the growth of this segment which in turn will drive the India electric wire and cable market growth during the forecast period.

Type Segment Analysis:

Based on **type**, the segment is classified into power cable and specialty cable. A power cable can be referred to as an electrical cable that is made of one or more electrical conductors that are usually held together by a sheath. The main advantage of a power cable is that it can be buried in the ground, run overhead, or exposed as permanent wiring within buildings. Some of the main classifications of power cables include low-tension cables (LT cables) high-tension cables (HT cables) low-tension cables (LT cables). Factors such as the continuous flow of investments by the government of India into strengthening the national power transmission infrastructure are fuelling the growth of the segment which in turn will drive the market growth in India during the forecast period.

Segment Overview

The India electric wire and cable market report forecasts market growth by revenue and provides an analysis of the latest trends and growth opportunities from 2017 to 2027.

- End-user Outlook (USD Million, 2017 - 2027)
 - Railway