



CMI INDUSTRY

Metals

Full commitment

Annual Report 2014-2015

CMI FPE Limited



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Full commitment

In a challenging market environment, strong companies look for opportunities to gain strategic advantage, maintain stability and drive long-term growth. They strive to recommit themselves to their core purpose...their stakeholders. At CMI FPE, we have done just that.

Amidst the economic turmoil of the past year, we continued to focus on the fundamentals of our business. We made a number of process improvements to increase operational efficiency and expanded our geographic reach to South East Asian and African markets while leveraging our expertise to provide operational and maintenance services in order to diversify and stabilize our revenue streams.

Our full commitment is to enhance value for all our stakeholders while conducting business safely, in a socially, environmentally and ethically responsible manner.

Message from Chairman

Dear Shareholders,

Jean-Marc Kohlgruber's leadership and foresight as Chairman of your Company from June 25, 2008 to July 30, 2014 guided us through some exceptionally challenging years. I would like to seize this opportunity to thank him for his valuable guidance and commitment throughout all these years.

This being the first year for me to reach out to all of you, I take this opportunity to share my view and outlook on your Company.

While announced as a financial year in "combat mode", in FY 2013-14 the expected growth did not materialize and, in spite of the unflinching commitment of the teams, growth continued to be sluggish in FY 2014-15. The country's metals & minerals sectors are desperately hoping there is no further reversal in fortunes next year. However various investor reports show that India's growth will continue to remain slow but hopefully stable.

While India's growth invites considerable global attention, we are hoping for an economic revival as promised by the new reform-focused government. There has been a significant sentiment change with the prospect of a stable Government for the next five years and one hopes that during this financial year we will see some definitive measures to bring back confidence and restart investment cycle and job creation.

During this slowdown scenario, CMI FPE has increased its focus on customers, leadership and talent, and is being better organized to serve customers while reducing structural costs.

In order to continue to remain abreast with the market scenario, your Company has consolidated its processes, procedures and

systems with regard to plant capacity for better lead time and operational efficiency. Existing structures and routines have been reinvented through targeted and explicit interventions.

Simultaneously there is an intent to shift from a product focused to a more customer focused orientation. Your Company is now geared up to provide operational and maintenance services to not just CMI supplied equipments but also to cater to the equipments of third party by way of technological upgrading and development of new products and accessories.

CMI FPE is also tapping into new growth markets like South East Asia and Africa, which are slowly emerging. Market entry into Bangladesh, after a long hiatus, proves that your Company's products have good acceptability, recognition and value.

After the intensive commitment which characterized FY 2014-15, success in the upcoming financial year will depend on your Company's capacity to pull out the same stops: operational and commercial efficiency, enhanced technological solutions and value added services, and growing geographical reach.

Hopefully FY 2015-16 will be the year of change for the better, driven by your Company's commitment, improving local market conditions and the support of your customers. Furthermore, your continued support and confidence, for which I warmly thank you, will help us to put our objectives into action and to propel us towards our overall goal: making a better future for CMI FPE.

Yours Sincerely,

Jean Jouet





After the intensive commitment which characterized FY 2014-15, success in the upcoming financial year will depend on your Company's capacity to pull out the same stops: operational and commercial efficiency, enhanced technological solutions and value added services, and growing geographical reach.

Corporate Information

BOARD OF DIRECTORS

Mr. Jean Jouet– Chairman (w.e.f. July 31, 2014)

Mr. Raman Madhok – Managing Director

Mr. Yves Honhon

Mr. D. J. Balaji Rao

Mr. Raman M. Madhok

Mr. N. Sundararajan

Mr. Fabrice Orban

Ms. Roma Balwani (w.e.f. October 29, 2014)

BANKERS

Canara Bank

Kotak Mahindra Bank Limited

ICICI Bank Limited

Union Bank of India

HDFC Bank Limited

REGISTRAR AND SHARE TRANSFER AGENT

Sharepro Services (India) Private Limited

CHIEF FINANCIAL OFFICER

Mr. Akash Ohri

COMPANY SECRETARY

Mr. Haresh Vala

AUDITORS

Deloitte Haskins & Sells,

Chartered Accountants

COST AUDITOR

Kishore Bhatia & Associates,

Cost Accountants

LEGAL ADVISORS

PDS & Associates,

Advocates & Solicitors

REGISTERED OFFICE

Mehta House, Plot No.64,

Road No.13, MIDC,

Andheri (E), Mumbai – 400 093

Notice

Notice is hereby given that the Twenty-ninth Annual General Meeting of the Shareholders of CMI FPE Limited will be held at Mehta House, Plot No. 64, Road No. 13, MIDC, Andheri (East), Mumbai - 400 093 on Friday, July 31, 2015 at 2.30 p.m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2015 and Statement of Profit and Loss for the year ended on that date, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Yves Honhon (DIN 02268831), who retires by rotation and, being eligible, offers himself for re-appointment.
3. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 read with Rule 6 of Companies (Audit and Auditors) Rules, 2014, the retiring Auditors, M/s. Deloitte Haskins & Sells, Chartered Accountants (ICAI Registration Number 117365W) being eligible for re-appointment, be and are hereby appointed as Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at a remuneration of ₹ 34.50 lacs (plus reimbursement of out-of-pocket expenses).”

SPECIAL BUSINESS

4. Appointment of Mr. Jean Jouet as a Director

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 149 and 152 and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) and the Rules made thereunder, Mr. Jean Jouet (DIN 06937120), who was appointed as an Additional Director of the Company by the Board of Directors with effect from July 31, 2014 pursuant to the provisions of Section 161(1) of the Act, and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

5. Appointment of Ms. Roma Balwani as a Director

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 149, 150 and 152 and other applicable provisions of the Companies Act, 2013 ('the Act') and the Rules made thereunder read with Schedule IV of the Act and Clause 49 of the Listing Agreement, Ms. Roma Balwani (DIN 00112756), who was appointed as an Additional Director of the Company by the Board of Directors with effect from October 29, 2014 pursuant to the provisions of Section 161(1) of the Act, and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to October 28, 2019."

6. Commission to Non-Executive Directors

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 Section 197 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and subject to all applicable approval(s) as may be required, the consent of the shareholders of the Company be and is hereby accorded for the payment of commission to Non-Executive Directors of the Company, for a period of 5 (five) years commencing from April 1, 2014, not exceeding, in the aggregate, 1% per annum of the Net Profit of the Company for that year as computed in the manner specified under Section 198 of the Act and that Board of Directors of the Company shall in their absolute discretion, decide the extent to which such remuneration is payable to each of the Non-Executive Directors based on their individual services to the Company within the ceiling limit of 1% of the Net Profit of the Company."

7. Ratification of the remuneration payable to Cost Auditor for the financial year 2015-16

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or re-enactment(s) thereof for the time being in force), the remuneration of ₹ 1.40 lacs (plus reimbursement of out-of-pocket expenses) payable to M/s. Kishore Bhatia & Associates, Cost Accountants for conducting the audit of the cost accounting records of the Company for the financial year 2015-16, be and is hereby ratified and confirmed."

By Order of the Board

Haresh Vala
Company Secretary

Mumbai
May 29, 2015

Registered office:

Mehta House, Plot No. 64,
Road No. 13, MIDC, Andheri (E),
Mumbai - 400 093

Tel. No.: 022-66762727 | **Fax No.:** 022-66762737/38

CIN.: L99999MH1986PLC039921

Email: investors@cmifpe.com

Website: www.cmifpe.com

NOTES:

1. **A Member entitled to attend and vote at the Annual General Meeting (“Meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of himself / herself and the proxy need not be a member of the Company.** The instrument appointing the proxy, in order to be effective, must be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting.

A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than 10 (ten) percent of the total share capital of the Company. Further a member holding more than 10 (ten) percent 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 proxy for any other person or member.

Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorising their representatives to attend and vote on their behalf at the Meeting.

2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will be closed from July 28, 2015 to July 31, 2015 (both days inclusive).
4. The Company's Registrar and Transfer Agents (R&T Agents) for its Share Registry Work (Physical and Electronic), are Sharepro Services (India) Private Limited having their office premises at 13AB, Samhita Warehousing Complex, 2nd Floor, Sakinaka

Telephone Exchange Lane, Off Andheri Kurla Road, Sakinaka, Andheri (E), Mumbai – 400 072.

5. Pursuant to the provisions of Section 205A of the Companies Act, 1956, dividends that are unclaimed for a period of 7 (seven) years are required to be transferred to the Investor Education and Protection Fund (IEPF). An amount of ₹ 86,726/- being unclaimed Interim dividend of the Company for the financial year 2006-2007 and ₹ 4,65,255/- being unclaimed Final dividend of the Company for the financial year 2006-2007 were transferred to IEPF and no claim lies against the Company in respect thereof.

The final dividend for the financial year 2007-2008 will become due for transfer to IEPF in November, 2015. Members who have not encashed the Dividend Warrants so far for the said financial year or any subsequent financial years are requested to make their claim to the Company's R&T Agents. It may be noted that once the amounts in the Unpaid Dividend Accounts are transferred to IEPF, no claim shall lie against the Fund or the Company in respect thereof and the Members would lose their right to claim such dividend.

Pursuant to the IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 (IEPF Rules), the Company has uploaded the information of the Unclaimed Dividends as on the date of the Annual General Meeting (AGM) held on July 30, 2014, on the website of the IEPF viz. www.iepf.gov.in and also on the website of the Company viz. www.cmifpe.com.

6. The relevant details of Directors proposed to be appointed / re-appointed, as required under Clause 49 of the Listing Agreement with the Stock Exchange is annexed to the Notice.
7. Members can avail themselves of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013. Members desiring

to avail themselves of this facility may send their nominations in the prescribed Form No. SH-13 duly filled in to the Company's R&T Agents. Members holding shares in electronic form may contact their respective Depository Participants for availing this facility.

8. The Securities and Exchange Board of India has made it mandatory for all companies to use the bank account details furnished by the Depositories for any payment (including dividend) through Electronic Clearing Service (ECS) to investors. In the absence of ECS facility, companies shall mandatorily print the bank account details of the investors on such payment instruments. Members are encouraged to avail ECS facility and requested to update bank account details in the prescribed form to their respective Depository Participants and/or the Company's R&T Agents.
9. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are requested to submit PAN to their Depository Participant(s) with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's R & T Agents.
10. Members are requested to notify immediately any change of address to the Company's R&T Agents or their respective Depository Participants, in case of shares held in electronic form.
11. Members holding shares in physical form are requested to consider converting their holdings to dematerialised form to eliminate the risks associated with physical shares and for ease in portfolio management. Members can contact the Company's R & T Agents for assistance in this regard.
12. Members are requested to address all correspondence, including dividend matters, to the Company's R&T Agents.
13. Members, desiring any information relating to the accounts, are requested to write to the Company at an early date, so as to enable the management to keep the information ready.
14. As a measure of austerity, copies of the Annual Report will not be distributed at the Meeting. Members are, therefore, requested to bring their copies of the Annual Report to the Meeting.
15. Electronic copy of the Annual Report for FY 2014-15 and the Notice of the Annual General Meeting of the Company *inter alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form are being sent to all the members whose email IDs are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for hard copies of the same. For members who have not registered their email address, physical copies of the aforesaid documents are being sent in the permitted mode.
16. Process and manner for Members opting to vote through electronic means:
 - I. In compliance with the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and Clause 35B of the Listing Agreement, the Company is pleased to provide to the members the facility to exercise their right to vote at the 29th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL):

The instructions for e-voting are as under:

A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participant(s)]:

- (i) Open email and open PDF file viz; "CMI FPE e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
- (iii) Click on Shareholder – Login
- (iv) Insert user ID and password as initial password/ PIN noted in step (i) above. Click Login.
- (v) Password change menu will appear. Change the Password with a new password of your choice with minimum 8 digits / characters or combination thereof. Please keep a note of the new Password. It is strongly recommended not to share your Password with any person and take utmost care to keep it confidential.
- (vi) You need to login again with new credentials. Home page of e-voting will open. Click on e-Voting: Active Voting Cycles.
- (vii) Select "EVEN" (Electronic Voting Event Number) of CMI FPE Limited.
- (viii) Now you are ready for e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option "For" or "Against" and click on "Submit" and also "Confirm" when prompted.
- (x) Once you have voted on the resolution, you will not be allowed to modify your vote.

- (xi) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xii) You can similarly vote in respect of all other resolutions forming part of the Notice of the AGM. During the voting period, members can login any number of times till they have voted on all the Resolutions.
- (xiii) If you wish to log out after voting on a few resolutions and continue voting for the balance resolutions later, you may click on "RESET" for those resolutions for which you have not yet cast the vote.
- (xiv) Corporate / Institutional shareholders (*i.e.* other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter, etc. together with attested specimen signature(s) of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to iqureshiassociates@yahoo.co.in or investors@cmifpe.com with a copy marked to evoting@nsdl.co.in. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_EVEN NO."

B. In case a Member receives physical copy of the Notice of AGM [for Members whose email addresses are not registered with the Company / Depository Participant(s) or requesting physical copy] :

- (i) Initial password is provided as below at the bottom of the Attendance Slip for the Meeting.

Electronic Voting Event Number (EVEN)	User ID	Password
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- (ii) Please follow all steps from Sr. No. (ii) to (xiv) as mentioned in A above, to cast your vote.
- C. Members who are already registered with NSDL for e-voting can use their existing User ID and password / PIN for casting their votes.
- D. Members holding shares in either physical or dematerialized form as on the Cut-Off Date of July 24, 2015, may cast their votes electronically. The e-voting period for the Members who hold shares as on the cut-off date commences on July 28, 2015 (9.00 am) and ends on July 30, 2015 (5.00 pm). The e-voting module shall be disabled by NSDL for voting thereafter.
- II. In case of any query pertaining to e-voting, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com
- III. 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).
- IV. General Instructions / information for members for voting on the Resolutions :
- a) Facility of voting through Poll paper shall be made available at the Meeting. Members attending the Meeting, who have not already casts their vote by remote e-voting shall be able to exercise their right at the Meeting.
 - b) Members who have cast their vote by remote e-voting may also attend the Meeting, but shall not be entitled to vote again at the AGM.
 - c) The voting rights of shareholders shall be in proportion to their share of the paid up equity share capital of the Company as on the cut-off date. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting or voting at the AGM.
- d) Any member who acquires shares of the Company and becomes a member of the Company after the dispatch of the AGM Notice and holds shares as on the cut-off date *i.e.* July 24, 2015, may obtain login ID and password by sending a request at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you have forgotten your password, you may reset your password by using “Forgot User Details / Password” option available on www.evoting.nsdl.com
 - e) Mr. Imtiaz Qureshi (Membership No. 036915), Proprietor – M/s. I. Qureshi & Associates, Practising Chartered Accountants (Firm Registration No. 121463W) has been appointed by the Board of Directors of the Company as the Scrutinizer to scrutinize the remote e-voting process as well as voting through poll at the Meeting, in a fair and transparent manner.
 - f) The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting, in the presence of atleast 2 (two) witnesses not in the employment of the Company.
 - g) The Scrutinizer will collate the votes cast at the Meeting, votes downloaded from the

e-voting system and make, not later than 2 (two) days from the conclusion of the Meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or the Managing Director, who shall countersign the same.

- h) The Chairman or the Managing Director shall forthwith on receipt of the consolidated Scrutinizer's Report, declare the result of the voting. The Results declared, alongwith the Scrutinizer's Report shall be placed on the Company's website www.cmifpe.com and on the website of NSDL immediately after the declaration, and communicated to the Stock Exchange where the Company is listed.

17. Members may also note that the Notice of the Annual General Meeting and the Annual Report for financial year 2014-2015 will also be available on the Company's website www.cmifpe.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Mumbai for inspection during normal business hours (10.00 am to 5.00 pm) on all working days up to and including the date of the Annual General Meeting of the Company. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: investors@cmifpe.com.

ANNEXURE TO THE NOTICE:

Re-appointment of Mr. Yves Honhon as Director

Mr. Yves Honhon, Non-Executive Director of the Company, retires by rotation and, being eligible, has offered himself for re-appointment.

Following is the information required under Clause 49 of the Listing Agreement with the Stock Exchange with respect to the re-appointment of Director :

Mr. Yves Honhon (DIN : 02268831), aged about 52 years, holds Bachelor's degree in Mathematics, Bachelor's degree in Business Administration and CEPAC. Mr. Honhon has also attended various advance programmes on Situational Leadership, Communication, Process Management, Total Quality Management, Project Management, etc.

Mr. Yves Honhon has total work experience of nearly 29 years, having handled various functions in Accounts, Finance, Controlling, Administration and General Management, in various firms / companies including Arthur Andersen, DB Stratabit S.A., Carmeuse Coordination Centre (as Group Controller). Presently he is the Chief Financial Officer of CMI Group.

Mr. Honhon holds other directorships in CMI France SAS (Chairman), CMI Maintenance Hainaut SA, CMI Traction SA, DODECA SA (Vice Chairman), CMI America Inc, CMI Luxembourg Services SA, CMI Industry Russia, CMI Industry Americas Inc and CMI Europe Environment.

Mr. Honhon is a member of the Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee of the CMI

FPE Board.

He does not hold any shares in the Company and is not related to any other Director.

Apart from Mr. Honhon, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in this resolution.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

ITEM NO. 4

Appointment of Mr. Jean Jouet as a Director

The Board of Directors at its meeting held on July 30, 2014, on the recommendation of the Nomination and Remuneration Committee appointed Mr. Jean Jouet as an Additional Director of the Company in terms of Section 161 and other applicable provisions, if any, of the Companies Act, 2013 to hold office up to the date of the ensuing Annual General Meeting of the Company.

Following is the information required under Clause 49 of the Listing Agreement with the Stock Exchange with respect to the appointment of Director :

Mr. Jean Jouet (DIN : 06937120) aged about 58 years, is a Graduate in Civil Metallurgy from Ecole des Mines de Nancy, France.

He started his career with IRSID (Research Institute of the French Iron and Steel Industry) in Mazièreslès Metz in the Rolling Mill Department in 1980 and worked with them upto 1986. In the year 1987, he joined SOLLAC in Sainte Agathe (Florange) as Production Engineer in the Cold Mill Department. He was then elevated as Head of Production Planning for the Florange plant and led the technical assistance team for the Sollac Automotive

Sales Department. His last assignment with SOLLAC was as a Director of the Cold Mill (Sainte Agathe) in Florange and he worked with them up to the year 2000.

He then worked with Cockerill Sambre in Belgium as Deputy Managing Director in charge of operations from 2001 to 2004, Arcelor Packaging International as Chief Operating Officer and Arcelor Dunkerque as Director from 2005 to 2007, Arcelor Mittal KRYVIYRIH (Iron mines and Steel plant in Ukraine) as CEO from 2008 to 2010 and Duferco – NLMK in Europe as COO for the strip business from 2010 to 2012.

At the end of 2012, he joined CMI Group as Chief Development Officer in Liege, Belgium.

He does not hold any directorship in other Company. He does not hold any shares in the Company and is not related to any other Director.

Mr. Jouet is a member of the Nomination and Remuneration Committee of the Company.

In terms of Section 161 of the Companies Act, 2013, ('the Act'), Mr. Jean Jouet holds office up to the date of the forthcoming Annual General Meeting of the Company. The Company has received a Notice from a Member along with the deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Jean Jouet for the office of Director of the Company at the forthcoming Annual General Meeting.

Mr. Jean Jouet is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as a Director.

Your Directors recommend Resolution No. 4 as an Ordinary Resolution for approval by the Members.

Except Mr. Jean Jouet, being an appointee, none of

the Directors and Key Managerial Personnel of the Company and their respective relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 4.

ITEM NO. 5

Appointment of Ms. Roma Balwani as a Director

The Board of Directors at its meeting held on October 29, 2014, on the recommendation of the Nomination and Remuneration Committee appointed Ms. Roma Balwani as an Additional Director of the Company in terms of Section 161 and other applicable provisions, if any, of the Companies Act, 2013 to hold office up to the date of the ensuing Annual General Meeting of the Company.

Following is the information required under Clause 49 of the Listing Agreement with the Stock Exchange with respect to the appointment of Director :

Ms. Roma Balwani (DIN : 00112756), aged about 63 years, is a Graduate in Economics and Post-graduate in Marketing. She is presently President, Group Communications, Sustainability & CSR of Vedanta Group. She has over 3 (three) decades of experience in various aspects of strategic communications. Prior to joining Vedanta, she was the Chief Group Communications Officer at Mahindra Group, India.

She does not hold any directorship in other Company. She does not hold any shares in the Company and is not related to any other Director.

Ms. Balwani is the Chairperson of the Corporate Social Responsibility Committee and member of the Stakeholders Relationship Committee of the Company.

In terms of Section 161 of the Companies Act, 2013, ('the Act'), Ms. Balwani holds office up to the date of the

forthcoming Annual General Meeting of the Company. The Company has received a Notice from a Member along with the deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing the candidature of Ms. Roma Balwani for the office of Director of the Company at the forthcoming Annual General Meeting.

Ms. Roma Balwani is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given her consent to act as a Director. The Company has received a declaration of independence from Ms. Roma Balwani. In the opinion of the Board, Ms. Roma Balwani fulfils the conditions specified in the Companies Act, 2013 and the Listing Agreement for appointment as Independent Director of the Company.

Your Directors recommend Resolution No. 5 as an Ordinary Resolution for approval by the Members.

Except Ms. Balwani, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their respective relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 5.

ITEM NO. 6

Commission to Non-Executive Directors

The shareholders of the Company at the 24th Annual General Meeting of the Company held on July 31, 2010 had approved the payment of commission to Non Executive Directors of the Company not exceeding 1% per annum of the net profits of the Company for a period of 5 (five) years commencing from April 1, 2009 up to March 31, 2014.

Considering the contribution of the Non Executive Directors, the Board proposed to continue with the payment of commission to the Non Executive Directors of the Company. Accordingly, it is proposed that in terms of Section 197 of the Companies Act, 2013, the

Non Executive Directors be paid, for each of the 5 (five) consecutive financial years commencing April 1, 2014, remuneration not exceeding, in aggregate, 1% per annum of the net profits of the Company computed in accordance with the provisions of the Act. This remuneration will be distributed amongst all or some of the Directors in accordance with the directions given by the Board.

The payment of commission would be in addition to the sitting fees payable for attending the meetings of the Board and Committees thereof.

Keeping in mind the performance of the Company for the year under review, the Board decided not to recommend payment of any commission for FY 2014-15 to be paid to the Non Executive Directors.

Your Directors recommend Resolution No. 6 as a Special Resolution for approval by the Members.

All the Directors of the Company except the Managing Director are concerned or interested in the Resolution at Item No. 6 of the Notice to the extent of the commission that may be received by each of them.

ITEM NO. 7

Ratification of remuneration payable to the Cost Auditor for the financial year 2015-16

Pursuant to the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board at its meeting held on May 29, 2015, based on the recommendation of the Audit Committee, appointed M/s. Kishore Bhatia & Associates, Cost Accountants, as Cost Auditor to conduct the audit of the cost accounting records of the Company for the financial year 2015-16.

The Board, subject to ratification by the Shareholders, also approved remuneration of ₹ 1.40 lacs (previous year ₹

1.40 lacs) plus reimbursement of out-of-pocket expenses, for conducting the cost audit for FY 2015-16.

Your Directors recommend Resolution No. 7 as an Ordinary Resolution for approval by the Members.

None of the Directors and Key Managerial Personnel of the Company and their respective relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 7.

By Order of the Board

Haresh Vala
Company Secretary

Mumbai
May 29, 2015

Registered office:

Mehta House, Plot No. 64,
Road No. 13, MIDC, Andheri (E),
Mumbai - 400 093

Tel. No.: 022-66762727 | **Fax No.:** 022-66762737/38

CIN.: L99999MH1986PLC039921

Email: investors@cmifpe.com

Website: www.cmifpe.com

Directors' Report

Dear Shareholders,

Your Directors have pleasure in presenting the Twenty-ninth Annual Report of the Company, together with the audited financial statements for the financial year ended March 31, 2015.

1. FINANCIAL PERFORMANCE

PARTICULARS	(₹ in lacs)	
	Financial Year 2014-2015	Financial Year 2013-2014
Total Revenue	24,092.78	45,836.39
Profit before provision for doubtful trade receivables, depreciation and amortisation expense, finance costs and tax expense	1,319.27	855.79
Less:		
Depreciation and amortisation expense	650.13	838.04
Finance costs	429.57	670.20
Provision for doubtful trade receivables	3.18	1,950.94
Profit / (Loss) before Exceptional Item and Tax	236.39	(2,603.39)
Add : Exceptional Item	556.48	-
Less: Tax expense:		
Net current tax expense	150.00	4.09
Deferred tax	(304.40)	(376.26)
Profit/(Loss) for the year	947.27	(2,231.22)
Balance brought forward from previous year	1,794.41	4,025.63
Balance to be carried forward	2,741.68	1,794.41

DIVIDEND

In order to conserve resources for the operating business, your Directors do not recommend any dividend for the financial year 2014-2015.

During the year, the unclaimed dividend pertaining to the interim dividend and final dividend for the year ended March 31, 2007 was transferred to the Investor Education and Protection Fund.

OPERATIONS

The year under review was the year of consolidation for the future growth. The revenue of the Company dropped

by almost 50% because of the steel market situation. However, the profitability of the Company has increased because of other income and measures taken to increase efficiency. Due to volatile business environment, slower expansion of economy and waiting for new government policies, the market has put on hold new projects and expansion of projects resulting in lower order entry for the year under review.

INDUSTRIAL INFRASTRUCTURE DEVELOPMENT

As we mark the year under review as that of consolidation for future growth, some major steps had been taken to strategically align the manufacturing workshops. The

operations at Silvassa plant have been suspended and your Company's Taloja plant has been realigned with the new infrastructure and machines so that it truly becomes the "Centre of Excellence for cold rolling mills". Your Company's new plant at Hedavali, Khopoli, Maharashtra has been developed as state-of-the-art fabrication facility for internal use as well as for outside jobs.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments 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 this report.

SHARE CAPITAL

The paid up equity share capital of the Company as on March 31, 2015 was ₹ 493.78 lacs. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity. As on March 31, 2015, none of the Directors of the Company hold shares of the Company.

DEPOSITS

Your Company has not accepted any deposits from the public falling within the ambit of Section 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014.

DIRECTORS

Mr. Jean-Marc Kohlgruber, consequent to his taking new responsibilities within the CMI Group, resigned as the Chairman and Director of the Company with effect from July 30, 2014.

The Board of Directors ("the Board") placed on record its collective unanimous appreciation of the valuable services rendered and contribution made by Mr. Jean-Marc Kohlgruber during his tenure as the Chairman of

the Board since CMI SA took over the Company in 2008. The Board also appreciated the contribution made by Mr. Kohlgruber, towards smooth integration after acquisition and the subsequent strategic development plans for the Company including modernization and expansion plan of Taloja workshop and setting up of greenfield facility at Hedavali.

The Board, on the recommendations of the Nomination and Remuneration Committee, appointed Mr. Jean Jouet as an Additional Director of the Company with effect from July 31, 2014. Subsequently, the Board at its meeting held on October 29, 2014 appointed Mr. Jean Jouet as the Chairman of the Board of Directors of the Company.

The Board, on the recommendations of the Nomination and Remuneration Committee, also appointed Ms. Roma Balwani as an Additional Director and as an Independent Director of the Company for a term of five consecutive years with effect from October 29, 2014, also complying with the provisions of Companies Act, 2013 and the Listing Agreement for the appointment of woman director on the Board of the Company.

Mr. Jean Jouet and Ms. Roma Balwani hold office up to the date of forthcoming Annual General Meeting of the Company. The Company has received separate notices from a member along with the cheques in favour of the Company under Section 160 of the Companies Act, 2013, signifying its intention to propose Mr. Jean Jouet and Ms. Roma Balwani as candidates for the office of Director of the Company at the forthcoming Annual General Meeting.

The necessary resolutions proposing appointment of Mr. Jean Jouet and Ms. Roma Balwani as Directors, are being placed before the shareholders for their approval.

Mr. R. N. Tandon, Independent Director expressed his desire to not be appointed as an Independent Director and accordingly stepped down as a Director at the 28th Annual General Meeting of the Company held on

July 30, 2014. The Board places on record its appreciation for the valuable contribution made by Mr. R. N. Tandon during his association with the Company.

In accordance with the provisions of Companies Act, 2013, Mr. Yves Honhon retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

All Independent Directors have submitted the declaration of Independence as required under Section 149(7) of the Companies Act, 2013 confirming that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

Brief resume of the Directors proposed to be appointed / re-appointed and other information as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange are part of the Notice attached to this Report.

KEY MANAGERIAL PERSONNEL

Mr. Sanjay Kumar Mutha, Company Secretary resigned from the services of the Company with effect from March 16, 2015. The Board, on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Haresh Vala as the Company Secretary and Compliance Officer with effect from May 29, 2015.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 read with the Rules issued thereunder and Clause 49 of the Listing Agreement, the Board, in consultation with Aon Hewitt, had carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit Committee and Nomination and Remuneration Committee. The Board of Directors expressed their satisfaction with the evaluation process.

REMUNERATION POLICY

The Board, has, on the recommendation of the Nomination

and Remuneration Committee, framed and adopted a policy for selection and appointment of Directors, Senior Management and their remuneration pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The Remuneration Policy is stated in the Corporate Governance Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

MEETINGS

During the year under review, 5 (five) Board Meetings and 4 (four) Audit Committee meetings were convened and held, the details of which are given in the Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and Clause 49 of the Listing Agreement.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of the provisions of Section 134(3)(c) of the Companies Act, 2013 that :

- a. in the preparation of the annual financial statements for the year ended March 31, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. such accounting policies as mentioned in the Notes to the financial statements have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2015 and of the Profit of the Company for the year ended on that date;

- c. proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the annual financial statements have been prepared on a going concern basis;
- e. proper internal financial controls had been laid down and followed and that such internal financial controls are adequate and were operating effectively; and
- f. proper systems to ensure compliance with the provisions of all applicable laws were in place which were adequate and operating effectively.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business and the provisions of the Companies Act, 2013, Rules made thereunder and Clause 49 of the Listing Agreement are not attracted. Thus the disclosure in Form AOC 2 is not required. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee and also the Board for approval. Prior omnibus approval of the Audit Committee is obtained on a quarterly basis for transactions which are of foreseen and repetitive nature. The transactions entered into pursuant to omnibus approval so granted are audited and a statement giving

details of all related party transactions is placed before the Audit Committee and the Board of Directors for their approval on a quarterly basis.

Details of transactions with Related Parties are given in the notes to the Financial Statements.

The policy on Related Party Transactions as approved by the Board is uploaded on the website of the Company.

None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

AUDITORS

a. Statutory Auditors

The Company Auditors, M/s. Deloitte Haskins & Sells, Chartered Accountants, retire at the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment.

Pursuant to the provisions of Section 139 of the Companies Act, 2013 ('the Act') read with Rule 6 of the Companies (Audit and Auditors) Rules, 2014, the Audit Committee and the Board have recommended their re-appointment as Auditors of the Company from the conclusion of the forthcoming Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at a remuneration of ₹ 34.50 lacs (plus reimbursement of out-of-pocket expenses).

The Company has received a written consent to such appointment from M/s. Deloitte Haskins & Sells, Chartered Accountants, and a certificate that the appointment, if made, shall be in accordance with the criteria as specified in Section 141 of the Act. As required under Clause 49 of the Listing Agreement, the Auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The necessary resolution is being placed before the shareholders for approval.

There are no qualifications, reservations or adverse remarks or disclaimers made by the Statutory Auditors in their report except the Emphasis of Matter.

b. Cost Auditor

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the Company is required to audit its Cost Accounting records for the financial year 2015-2016. Your Directors had, on the recommendation of the Audit Committee, appointed M/s. Kishore Bhatia & Associates, Cost Accountants to audit the cost accounts of the Company for the financial year 2015-2016 on a remuneration of ₹ 1.40 lacs. As required under the Companies Act, 2013, the remuneration payable to the Cost Auditor is required to be placed before the shareholders in a general meeting for ratification. Accordingly, a resolution seeking shareholders ratification for the remuneration payable to M/s. Kishore Bhatia & Associates, Cost Auditor is included in the Notice convening the Annual General Meeting.

The cost audit report would be filed with the Central Government within prescribed timelines.

c. Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed M/s. VKM & Associates, Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the financial year 2014-2015. The Report of the Secretarial Auditor is annexed herewith as Annexure A and forms an integral part of this Report.

There are no qualifications, reservations or adverse remarks or disclaimers made by the Secretarial Auditor in his Secretarial Audit Report.

AWARDS & RECOGNITION

Your Company was conferred the status of “STAR EXPORT HOUSE” by the Director General of Foreign Trade for a period of five years ending on March 31, 2019.

During the year under review, your Company received a Certificate of Merit for the Improvement Project “CAD / CAM Integration : Linking Design and Manufacturing” at the 26th QIMPRO Convention held at Mumbai in October, 2014.

CORPORATE GOVERNANCE

A Report on Corporate Governance, along with a Certificate from the Statutory Auditors of the Company regarding the compliance with the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report, as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has in place a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. The policy has set guidelines on the redressal and enquiry process that is to be followed by the complainants and the Internal Complaints Committee, whilst dealing with issues related to sexual harassment at the workplace towards any women employees. All women employees (permanent, temporary, contractual and trainees) are covered under this policy. All employees are treated with dignity with a view to maintain an environment free of sexual harassment whether physical, verbal or psychological.

During the year under review, the Internal Complaints Committee has not received any complaint pertaining to sexual harassment.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on the energy conservation, technology absorption and foreign exchange earnings and outgo, as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed herewith as Annexure B.

EXTRACT OF ANNUAL RETURN

The Extract of Annual Return as provided under Section 92(3) of the Companies Act, 2013 and as prescribed in Form No. MGT-9 of the Companies (Management and Administration) Rules, 2014 is annexed herewith as Annexure C and forms an integral part of this Report.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an adequate Internal Control System, commensurate with the size, scale and complexity of its operations. The scope of the Internal Audit (IA) function outsourced to KPMG as of current is well defined in the engagement letter of the Internal Auditor duly approved by the Audit Committee. To maintain its objectivity and independence, the Internal Auditor reports to the Audit Committee.

The Internal Auditor evaluates the adequacy of the internal control system in the Company on the basis of Statement of Operations Procedure, instruction manuals, accounting policy and procedures.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a vigil mechanism named Whistle Blower Policy to deal with any instances of fraud and mismanagement in the Company. The details of the Whistle Blower Policy are explained in the Corporate

Governance Report and also posted on the website of the Company. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.

AUDIT COMMITTEE

The Audit Committee is constituted in line with the regulatory requirements mandated by the Companies Act, 2013 and Clause 49 of the Listing Agreement. The details of the Committee and its terms of reference are set out in the Corporate Governance Report forming part of the Board's Report.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee is constituted in line with the regulatory requirements mandated by the Companies Act, 2013 and Clause 49 of the Listing Agreement. The details of the Committee and its terms of reference are set out in the Corporate Governance Report forming part of the Board's Report.

CORPORATE SOCIAL RESPONSIBILITY

The Board has constituted a Corporate Social Responsibility (CSR) Committee in accordance with Section 135 of the Companies Act, 2013. For the year under review, the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014 are not applicable to the Company. However, the Board has approved an amount of ₹ 5 lacs to be spent on CSR activities for the financial year 2015-16.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 of the Companies Act, 2013 ('the Act') read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of

employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

None of the employees listed in the said Annexure is related to any Director of the Company. None of the employees hold (by himself or along with his / her spouse and dependent children) more than 2% of the equity shares of the Company.

BUSINESS RISK MANAGEMENT

Pursuant to the requirement of Clause 49 of the Listing Agreement, the Company has constituted a Risk Management Committee. The details of the Committee and its terms of reference are set out in the Corporate Governance Report forming part of the Board's Report.

The Board of Directors recognize that there are 3 (three) distinct approaches followed in the various standards viz. the "Risk Management Approach" followed by ISO 31000, the "Enterprise Risk Management Framework (2004)" developed by COSO (Committee of Sponsoring Organizations of the Treadway Commission) and the "Risk Aware culture" developed by the Canadian Institute of Chartered Accountants known as the CoCo (Criteria of Control) Framework.

After due reflection, it was felt appropriate to adopt the COSO ERM Framework along with ISO 31000 framework for Risk Management at CMI FPE.

The Company has robust Risk Management processes, aligned with the aforesaid frameworks, to identify, evaluate and treat business risks. The "Risk taxonomy" is aligned

with that deployed at Group level. A 7 (seven) point rating scale is used for the dimensions of "likelihood", "impact" and "control". To derive better insight on each Risk ID, risk mapping is carried out based on 3 (three) perspectives, viz likelihood v/s impact, impact v/s control and risk v/s control. The focus is more on operational risk.

The Operations Committee is responsible for carrying out the risk mapping exercise on a bi – annual basis. The results of the risk mapping exercise are actively deliberated at the Audit Committee; going forward, this will be initially done at the Risk Management Committee and thereafter presented to the Audit Committee as well for further deliberation.

The risk mitigation plan is integrated into the entity level annual KPIs and progress monitored on a quarterly basis.

Care is taken to see that the Annual Internal Audit program is properly correlated and aligned with the entity level risk mapping exercise.

The Board of Directors and Audit Committee engage with Management on a periodic basis on matters such as the clarity in the rating scales as defined, the interpretation of the risk maps based on the 3 (three) perspectives elucidated above, the adequacy of the risk mitigation actions, the degree to which "systemic risk" and "cyber risk" have been identified, evaluated and mitigated and so forth.

The entity has recently contracted Disaster Recovery capability for its state-of-the-art ERP Application with an internationally reputed data centre. Measures are also in place to protect its critical Intellectual Property.

HEALTH AND SAFETY

The Company continues to demonstrate a strong commitment towards safety and occupational health of employees at all locations. Your Company has a well established Safety Health & Environment (SHE) Policy. The employees are encouraged to adopt a healthy, safe and environmentally conscious lifestyle. The Company

has taken various steps to strengthen the Safety culture across the organization and imparting various trainings at all employee levels. Some specific measures taken in recent months to enhance the entity's safety orientation are detailed in the subsequent paragraphs.

- The strategic focus for safety, health and environmental initiatives has been communicated across the organization from the desk of the Managing Director.
- The work permit procedure, format and declaration for non-routine activities requiring special measures for risk identification and risk mitigation has been recently revised to make it more comprehensive in scope and approach, while focusing on contract workers hired for some specific projects.
- Job safety analysis has been carried out in a more thorough manner for critical machines at our workshop.
- Personal Protection Equipment (PPE hereinafter) matrix has been revised (type of PPE, hazard, body part affected).
- The Entity's Safety Health & Environment (SHE) Policy has been base-lined with the National Policy on SHE (2010), OHSAS 18001:2007.

The Company believes that "Detailed Root Cause Analysis and corrective action for Near Misses", "safety training" with a practical orientation and a "Safety MIS" are the cornerstones of a robust safety program.

Environmental Health and Safety training programs have been carried out focusing on group level policies, procedures, safe work practices. The monthly safety MIS has been aligned with that at CMI Group level. There

is a strict policy, mandated by the MD's Office, to deal with "safety violations" and these are tracked through a "safety violations tracker", maintained by the Company's Safety Manager.

The Company's 2 (two) Plants at Taloja and Hedavali have been without any 'Lost Time Accident' for the year under review. We believe this is an outcome of the Company's pro – active approach to safety of its direct and indirect personnel.

The Company is already aligned with CMI Group procedural and reporting practices relating to health and safety. Going forward, every effort will be made to further refine existing safe work practices through focus on the twin initiatives of "safety training" and "safety audit", thereby creating an environment wherein good safety practices are nurtured and encouraged.

PERSONNEL

The industrial relations continued to be cordial at all levels throughout the year. Your Directors wish to thank all the Employees and Workmen of the Company for their contribution, support and continued co-operation throughout the year.

ACKNOWLEDGEMENT

Your Directors would like to express their appreciation for the co-operation and assistance received from the Government authorities, bankers, financial institutions, vendors, customers and shareholders during the year under review.

For and on behalf of the Board

**Jean Jouet
Chairman**

Mumbai
May 29, 2015

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2015
(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of
the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,
The Members,
CMI FPE LIMITED
Mehta House, Plot No. 64,
Road No.13, MIDC
Marol, Andheri (E), Mumbai-400093

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by CMI FPE Limited (hereinafter called the Company). 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 Company'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 March 31, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under 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, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during the Audit period);
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits)

- Regulations, 2014 notified on October 28, 2014 (Not applicable to the Company during the Audit period);
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (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, 1998 (Not applicable to the Company during the Audit period).

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (Not notified hence not applicable to the Company during the Audit period).
- (ii) The Listing Agreement entered into by the Company with BSE Limited.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the other laws applicable to the Company.

We further report that:

- 1) The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- 2) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least 7 (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.
- 3) Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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.

Place : Mumbai

Date : May 29, 2015

For VKM & Associates
Company Secretary

(Vijay Kumar Mishra)
Partner

FCS No. 5023

C P No.: 4279

Particulars as per Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014.

A. CONSERVATION OF ENERGY

Energy conservation is a continuous process and is one of the prime areas for control of cost. Steps taken by the Company are as under:

(a) Energy Conservation Measures taken:

- Due to measures taken in previous year (2013-14), this year also the Power factor of Taloja factory was maintained at almost 1 (Unity) which has contributed in incentives from MSEDCL reflected in monthly electricity bill.
- Installation of 120 Watts LED fittings in Shed 7.
- Air Conditioners set off point was maintained at 24°C.

(b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy:

- Procured 120 Watts LED fittings for extended shed at Hedavali and will be made operative in this year.
- Provisions of capacitor bank for newly installed Poreba lathe to maintain power factor and reduce line current.

- On going activities are being taken for energy conservation.

- (c) Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods:

The above measures have resulted in reduction of Energy consumption and power expenses.

New machines got added in the year 2014-15 as compared to the year 2013-14 and these machines were received from Silvassa and Ghodbunder plants. Also, new offices for Assembly and Design were made at Taloja works.

Though the above activities have added the total connected load of the plant, the actual consumption of KWH is less in comparison with that of year 2013-14.

- (d) Total Energy Consumption and Energy Consumption per unit of production is as follows:

Power and Fuel consumption	2014-2015	2013-2014
i. Electricity:		
a. Purchased		
Units (Total) - KWH	16,34,684	18,41,469
Total Amount (₹ in lacs)	120.03	120.43
Rate / Unit (₹)	7.34	6.54
Consumption per unit of production	Not Applicable	Not Applicable
b. Own generation (DG set)		
Units (Total) – KWH	42,734	63,641
Total Amount (₹ in lacs)	10.97	10.13
Rate / Unit (₹)	25.66	15.92
Consumption per unit of production	Not Applicable	Not Applicable
ii. Coal:	Not Applicable	Not Applicable
iii. Furnace Oil / H.S.D.:		
Purchased – Diesel		
Units (Total) – Litres	18,016	18,410
Total Amount (₹ in lacs)	10.97	10.13
Rate / Unit (₹)	60.87	55.02
Consumption per unit of production	Not Applicable	Not Applicable
iv. Others:	NIL	NIL

B. TECHNOLOGY ABSORPTION:

RESEARCH AND DEVELOPMENT (R&D):

1. Specific areas in which R&D carried out by the Company:
 - Various value engineering projects were undertaken on existing products, components and processes including standardizing/optimizing of sub-components/processes to reduce weights and optimize on sizes.
 - Extensive use of '3D'design software like Inventor, Solid Works for drafting and analysis.
 - Tool Touch time is monitored to have better efficiency of the Machine.
 - Development of new product design, processes, materials and tooling and improvement in existing products/processes in related areas.
 - Tie up with Educational Institution for upgrading mill technology.
2. Benefits derived as a result of above R&D:
 - Development of light-weight equipments with improved technology and performance.
3. Future Plan of Action:
 - Introduction of new products and processes.
 - Ongoing value engineering and development in the existing products and processes in various areas in which the Company is operating.
4. Expenditure on R&D:
 - Capital : Nil
 - Recurring : Expenses incurred are charged to normal heads and not allocated separately.
 - Total : Not determinable
 - Total R&D expenditure as a percentage of total turnover: Not determinable

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

1. Efforts in brief, made towards technology absorption,

adaptation and innovation:

- Participating in national/international conferences, seminars and exhibitions.
 - Imparting training to personnel by foreign technicians, mostly from CMI Group, in various manufacturing techniques, manufacturing technologies, latest products/designs and assembly practices.
2. Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, saving in foreign exchange, etc.

The above measures helped in offering light-weight equipments with improved technology and performance and introduction of new products and processes.

3. Information regarding technology imported during the last 5 years:

Technology Imported	Year of Import	Status
Certain Acid Re-generation Plant Technology	2009-2010	Absorbed
Certain Color Coating Technology	2009-2010	Absorbed

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Particulars with regard to Foreign Exchange Earnings and Outgo are given in the Notes forming part of the Financial Statements.

Activities relating to exports and export plans:

The Company makes continuous efforts to explore new foreign markets for products and services and makes its presence felt in the global markets through the assistance of its parent company, as needed.

Form No. MGT-9
Extract of Annual Return as on the financial year ended on March 31, 2015
[Pursuant to Section 92(3) and Rule 12(1) of the
Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i.	CIN	L99999MH1986PLC039921
ii.	Registration Date	March 28, 1986
iii.	Name of the Company	CMI FPE Limited
iv.	Category / Sub-Category of the Company	Company limited by shares / Indian Non-Government Company
v.	Address of the Registered office and contact details	Mehta House, Plot No. 64, Road No. 13, MIDC, Marol, Andheri East, Mumbai 400 093 Tel : 022 66762727 Fax : 022 66762737
vi.	Whether listed company (Yes / No)	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Sharepro Services (India) Private Limited 13AB, Samhita Warehousing Complex, 2 nd Floor, Off Andheri Kurla Road, Sakinaka Telephone Exchange Lane, Sakinaka, Andheri East, Mumbai 400 072 Tel : 022 67720400 Fax : 022 28591568

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company, on standalone basis, are as under :

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1.	Manufacturer of Cold Rolling Equipments	2923	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Cockerill Maintenance and Ingénierie S.A.	NA	Holding company	74.89%	2(46)

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% change during the year
	Demat	Physical	Total	Demat	Physical	Total	
A. Promoters & Promoter Group							
(1) Indian							
Individual/HUF	-	-	-	-	-	-	-
Central Govt.	-	-	-	-	-	-	-
State Govt.(s)	-	-	-	-	-	-	-
Bodies Corp.	5500	0	5500	5500	0	5500	0.11
Banks / FI	-	-	-	-	-	-	-
Any Other	-	-	-	-	-	-	-
Sub-total (A)(1)	5500	0	5500	5500	0	5500	0.11
(2) Foreign							
a) NRIs - Individuals	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-
Bodies Corp.	3697700	0	3697700	3697700	0	3697700	74.89
Banks / FI	-	-	-	-	-	-	-
Any Other	-	-	-	-	-	-	-
Sub-total (A)(2)	3697700	0	3697700	3697700	0	3697700	74.89
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	3703200	0	3703200	3703200	0	3703200	75.00
B. Public Shareholding							
1. Institutions							
a) Mutual Funds	0	200	200	0	200	200	0.00
b) Banks / FI	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	4	0	4	0.00
d) State Govt.(s)	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-
g) FIs	100	1250	1350	100	1250	1350	0.03
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-
i) Others - Qualified Foreign Investor	-	-	-	-	-	-	-
Sub-total (B)(1)	100	1450	1550	104	1450	1554	0.03
Total shareholding of Promoter (A) + Public Shareholding (B)(1)	3703200	0	3703200	3703200	0	3703200	75.00

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	127372	2900	130272	2.64	136605	2900	139505	2.83	0.19
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital up to ₹ 1 lac	496937	56460	553397	11.21	467563	54585	522148	10.57	(0.64)
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lac	523990	0	523990	10.61	554700	0	554700	11.23	0.62
c) Others (specify)									
Non-Resident Individuals	23204	2200	25404	0.51	14506	2200	16706	0.34	(0.17)
Clearing Members	-	-	-	-	-	-	-	-	-
Trust	-	-	-	-	-	-	-	-	-
Sub-total (B)(2)	1171503	61560	1233063	24.97	1173374	59685	1233059	24.97	0.00
Total Public Shareholding (B) = (B)(1)+(B)(2)	1171603	63010	1234613	25.00	1173478	61135	1234613	25.00	0.00
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	4874803	63010	4937813	100.00	4876678	61135	4937813	100.00	0.00

(ii) Shareholding of Promoters

Sl. 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 / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	CMI Industry Automation Private Limited	5500	0.11	0.00	5500	0.11	0.00	0.00
2.	Cockerill Maintenance and Ingénierie S.A.	3697700	74.89	0.00	3697700	74.89	0.00	0.00
	TOTAL	3703200	75.00	0.00	3703200	75.00	0.00	0.00

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year
		No. of Shares	% of total Shares of the Company	
	Not Applicable			

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Jay Mahendra Shah [H.U.F.]	114188	2.31	114188	2.31
2	Nishi Tilakraj Mehta	97086	1.97	97086	1.97
3	Dipa Jay Shah	49292	1.00	49802	1.01
4	Anand Mahendra Shah (HUF)	48256	0.98	48256	0.98
5	Suchita Anand Shah	46602	0.94	48302	0.98
6	Datta Mahendra Shah	43018	0.87	43018	0.87
7	Metwork Consultants Pvt Ltd	41250	0.84	41250	0.84
8	Mahendra H. Shah (HUF)	38959	0.79	38959	0.79
9	Jay Mahendra Shah	27302	0.55	27302	0.55
10	Biswanath Prasad Agarwal	10000	0.20	28500	0.58

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For each of the directors and KMP	Shareholding		Cummulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	Mr. Jean Jouet – Chairman (appointed as a Director w.e.f. July 31, 2014)				
	At the beginning of the year	Nil	0.00	Nil	0.00
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	No change			
	At the end of the year	Nil	0.00	Nil	0.00

Sl. No.	For each of the directors and KMP	Shareholding		Cummulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
2.	Mr. Yves Honhon - Non Executive Director				
	At the beginning of the year	Nil	0.00	Nil	0.00
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	No change			
	At the end of the year	Nil	0.00	Nil	0.00
3.	Mr. Fabrice Orban - Non Executive Director				
	At the beginning of the year	Nil	0.00	Nil	0.00
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	No change			
	At the end of the year	Nil	0.00	Nil	0.00
4.	Mr. Raman Madhok – Managing Director				
	At the beginning of the year	Nil	0.00	Nil	0.00
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	No change			
	At the end of the year	Nil	0.00	Nil	0.00
5.	Mr. D. J. Balaji Rao – Independent Director				
	At the beginning of the year	Nil	0.00	Nil	0.00
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	No change			
	At the end of the year	Nil	0.00	Nil	0.00

Sl. No.	For each of the directors and KMP	Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
6.	Mr. Raman M. Madhok – Independent Director				
	At the beginning of the year	Nil	0.00	Nil	0.00
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	No change			
	At the end of the year	Nil	0.00	Nil	0.00
7.	Mr. N. Sundararajan – Independent Director				
	At the beginning of the year	Nil	0.00	Nil	0.00
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	No change			
	At the end of the year	Nil	0.00	Nil	0.00
8.	Ms. Roma Balwani – Independent Director (Appointed as a Director w.e.f. October 29, 2014)				
	At the beginning of the year	Nil	0.00	Nil	0.00
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	No change			
	At the end of the year	Nil	0.00	Nil	0.00
9.	Mr. Jean-Marc Kohlgruber – Non Executive Director (Ceased to be a Director w.e.f. July 30, 2014)				
	At the beginning of the year	Nil	0.00	Nil	0.00
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	No change			
	At the end of the year	Nil	0.00	Nil	0.00

Sl. No.	For each of the directors and KMP	Shareholding		Cummulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
10.	Mr. R. N. Tandon – Independent Director (Ceased to be a Director w.e.f. July 30, 2014)				
	At the beginning of the year	100	0.00	N.A.	N.A.
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	No change			
	At the end of the year	N.A.	0.00	N.A.	0.00
11.	Mr. Akash Ohri – Chief Financial Officer				
	At the beginning of the year	Nil	0.00	Nil	0.00
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	No change			
	At the end of the year	Nil	0.00	Nil	0.00
12.	Mr. Sanjay Kumar Mutha – Company Secretary (Resigned w.e.f. March 16, 2015)				
	At the beginning of the year	Nil	0.00	Nil	0.00
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	No change			
	At the end of the year	Nil	0.00	Nil	0.00

V. INDEBTEDNESS

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

(₹ in lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	3,403.62	-	-	3,403.62
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	27.83	-	-	27.83
Total (i+ii+iii)	3,431.45	-	-	3,431.45
Change in Indebtedness during the financial year				
Addition	1,756.95	-	-	1,756.95
Reduction	2,626.20	-	-	2,626.20
Net Change	(869.25)	-	-	(869.25)
Indebtedness at the end of the financial year				
i) Principal Amount	2,534.37	-	-	2,534.37
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	21.51	-	-	21.51
Total (i+ii+iii)	2,555.88	-	-	2,555.88

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹ in lacs)

Sl. no.	Particulars of Remuneration	Name of Managing Director	Total Amount
		Mr. Raman Madhok	
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	240.00	240.00
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	63.06	63.06
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - as % of profit - others, specify...	-	-
5.	Others	28.80	28.80
	Total (A)	331.86	331.86
	Ceiling as per the Act	Not Applicable	Not Applicable

As per the General Circular No. 07/2015 dated April 10, 2015 issued by the Ministry of Corporate Affairs, it is clarified that the managerial person paid in terms of sub-para (C), Section II, Part II of Schedule XIII of the Companies Act, 1956 may continue to receive remuneration for his remaining term in accordance with the terms and conditions approved by the Company as per the relevant provisions of Schedule XIII of Companies Act, 1956 even if the part of his tenure falls after April 1, 2014. In view of the same, the approval of the Central Government is not required for the remuneration paid/payable to Mr. Raman Madhok as the Managing Director for the remaining tenure.

B. REMUNERATION TO OTHER DIRECTORS:

(₹ in lacs)

Sl. No.	Particulars of Remuneration	Name of Director					Total Amount
1.	Independent Directors	Mr. D. J. Balaji Rao	Mr. Raman M. Madhok	Mr. N. Sundararajan	Ms. Roma Balwani	Mr. R. N. Tandon *	
	Fee for attending board / committee meetings	9.50	7.00	7.20	2.50.	2.80	29.00
	Commission	Nil	Nil	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil
	Total (1)	9.50	7.00	7.20	2.50.	2.80	29.00
2.	Other Non-Executive Directors						
	Fee for attending board / committee meetings	Nil	Nil	Nil	Nil	Nil	Nil
	Commission	Nil	Nil	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil	Nil	Nil	Nil
	Total (B)=(1+2)	9.50	7.00	7.20	2.50.	2.80	29.00

* Resigned as a Director w.e.f. July 30, 2014

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD :

(₹ in lacs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Chief Financial Officer (Mr. Akash Ohri)	Company Secretary (Mr. Sanjay Kumar Mutha) *	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	36.77	22.06	58.83
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify...			
5.	Others, please specify	-	-	-
	Total	36.77	22.06	58.83

* Resigned as Company Secretary w.e.f. March 16, 2015

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES : NOT APPLICABLE

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	None	None	None	None	None
Punishment	None	None	None	None	None
Compounding	None	None	None	None	None
B.	DIRECTORS				
Penalty	None	None	None	None	None
Punishment	None	None	None	None	None
Compounding	None	None	None	None	None
C.	OTHER OFFICERS IN DEFAULT				
Penalty	None	None	None	None	None
Punishment	None	None	None	None	None
Compounding	None	None	None	None	None

Corporate Governance Report

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company continuously strives to enhance the stakeholders' relationship, e-governance initiatives, while upholding the core values of integrity, transparency, fairness, responsibility and accountability.

Your Company is also guided by the principles laid down by CMI Group in the conduct of its business, which aim to generate sustainable industrial progress for the benefit of its customers, employees, stakeholders and the communities. This determination constitutes the backdrop of all the CMI Group's decisions based on the six cornerstones of its commitment.

1. Provide quality jobs.
2. Reinforce governance and promote responsible behaviour.
3. Encourage the development and production of "green" technologies.
4. Reduce the Group's own environmental footprint.
5. Support local developments in communities where CMI is established.
6. Guarantee the Group's growth and viability in the long term.

Corporate Safety Policy

The CMI Group firmly believes that safety of its employees and all the stakeholders associated with our project sites and manufacturing facilities is of utmost importance. Safety is an essential and integral part of all our work activities.

Safety awareness programs were regularly conducted for all the stakeholders to ensure a safe and accident-free work place.

I. BOARD OF DIRECTORS

(i) Composition of the Board

The composition of the Board of Directors ('the Board') is in conformity with Clause 49 of the Listing Agreement, as amended from

time to time. Presently, the Board of the Company comprises of eight directors. The Non-Executive Chairman of the Company represents the Promoters and the number of Independent Directors is one-half of the total number of Directors. The number of Non-Executive Directors (NEDs) is more than one-half of the total number of Directors.

During the year under review, Mr. Jean-Marc Kohlgruber, consequent to his taking new responsibilities within CMI Group, resigned as the Chairman and Director of the Company with effect from July 30, 2014.

Mr. Jean Jouet was appointed as an Additional Director of the Company with effect from July 31, 2014 and subsequently, on October 29, 2014, Mr. Jean Jouet was appointed as the Chairman of the Board of the Company.

The Board also appointed Ms. Roma Balwani as an Additional Director of the Company with effect from October 29, 2014. As required under Section 149(3) of the Companies Act, 2013 and Clause 49 of the Listing Agreement, Ms. Roma Balwani has been appointed as an Independent Director on the Board of the Company, also complying with the requirement of the provisions of Companies Act, 2013 and Clause 49 of the Listing Agreement of one woman director on the Board of the Company.

Presently, the day-to-day management of the Company is handled by Mr. Raman Madhok, Managing Director under the supervision and control of the Board. The Board represents an optimum combination of senior professionals with wide knowledge and experience in diverse fields.

Apart from reimbursement of expenses incurred in the discharge of their duties and the remuneration for Independent Directors as entitled under the Companies Act, 2013, none of these Directors has any other material

pecuniary relationships or transactions with the Company, its Promoters, its Directors, its Senior Management, which in their judgment would affect their independence.

All the Independent Directors of the Company furnish declarations annually that they qualify the conditions of their being independent. All such declarations are placed before the Board. A formal letter of appointment to Independent Director as provided in the Companies Act, 2013 and the Listing Agreement has been issued and disclosed on the website of the Company viz www.cmifpe.com

Further, pursuant to Section 164(2) of Companies Act, 2013, all the Directors have provided declarations annually in Form DIR-8 that they have not been disqualified to act as Director. No Director is related to any other Director on the Board in terms of the definition of 'relative' given under the Companies Act, 2013.

All members of the Senior Management have confirmed to the Board that there are no material, financial and/or commercial transactions between them and the Company, which could have any potential conflict of interest with the Company at large.

None of the Directors held Directorships in more than 10 public limited companies. As required under Clause 49 of the Listing Agreement, none of the Independent Directors act as Independent Directors in more than 7 listed companies. None of the Directors

on the Board is a Member of more than 10 Committees and/or Chairman of more than 5 Committees (as specified in Clause 49), across all the companies in which he / she is a Director.

Familiarization Program

At the time of appointing a Director, a formal letter of appointment is given to the Director, which *inter alia* explains the role, function, duties and responsibilities expected of him / her as a Director of the Company. New Directors are encouraged to peruse earlier Annual Reports of the Company, earlier Minutes of the Board of Directors Meetings, Audit Committee Meetings with a view to familiarize him / her with the Company's operations, organizational set up of the Company, the functioning of various divisions / departments, the Company's market share and the markets in which it operates, governance and internal control processes and other relevant information pertaining to the Company's business. The above initiatives help the Director to understand the Company, its business and the regulatory framework in which the Company operates and equips him / her to effectively fulfill his / her role as a Director of the Company.

The details of such familiarization program for Independent Directors are posted on the website of the Company and can be accessed at <http://www.cmifpe.com/financialreport.aspx?Subcat=FamiliarisationProgram&InvestorType=CorporateGovernance>.

The information on composition of the Board, category and their Directorships/Committee Membership across all the companies in which they are Directors, as on March 31, 2015 is as under:

Name of Director	Category / position	No. of Directorships#	No. of Memberships / Chairmanships of Committees in various companies*	
			Memberships [§]	Chairmanships [§]
Non-Executive				
Mr. Jean-Marc Kohlgruber [%]	Promoter Group (Chairman)	N.A.	N.A.	N.A.
Mr. Jean Jouet [%]	Promoter Group (Chairman)	1	-	-
Mr. Yves Honhon	Promoter Group	1	1	-
Mr. Fabrice Orban	Promoter Group	1	-	-
Mr. D. J. Balaji Rao	Independent	7	4	3
Mr. Raman M. Madhok	Independent	2	1	2
Mr. R. N. Tandon [%]	Independent	N.A.	N.A.	N.A.
Mr. N. Sundararajan	Independent	1	1	-
Ms. Roma Balwani [%]	Independent Woman	1	1	-
Executive				
Mr. Raman Madhok	Non-Independent (Managing Director)	1	1	-

* Excludes private limited companies, foreign companies, companies registered under Section 8 of the Companies Act, 2013 and Government bodies.

Excludes Alternate Directorships but includes Additional Directorships and Directorship in the Company.

§ Committees considered are Audit Committee and Stakeholders Relationship Committee, including that of the Company.

- %
- Mr. Jean-Marc Kohlgruber resigned as the Chairman and Director w.e.f. July 30, 2014.
 - Mr. Jean Jouet was appointed as an Additional Director w.e.f. July 31, 2014 and subsequently, as the Chairman of the Board w.e.f. October 29, 2014.
 - Mr. R. N. Tandon resigned as the Director of the Company w.e.f. July 30, 2014.
 - Ms. Roma Balwani was appointed as an Additional Director and designated as Independent Woman Director w.e.f. October 29, 2014.

(ii) Board Procedure

The Board meets at regular intervals to discuss and decide on the business strategies / policies and review the financial performance. The Board Meetings are pre-scheduled and a tentative annual calendar of the Board is circulated to the Directors well in advance to facilitate the Directors to plan their schedules. In case of business exigencies, the Board's approval is taken through circular resolution. The circular resolution is noted at the subsequent Board Meeting.

The detailed Agenda and background Notes/papers are sent to each Director in advance for the Board and Committee Meetings. To enable the Board to discharge its responsibilities effectively, the Managing Director appraises the Board at every Meeting of the overall performance of the Company, followed by presentations by the Chief Operating Officer, the Chief Financial Officer and other heads of departments.

The Board also *inter alia* reviews strategy and business plans, annual operating and capital expenditure budgets, investment and exposure limits, compliance reports of all applicable laws, as well as steps taken by the Company to rectify instances of non-compliances, review of legal issues, adoption of quarterly / half yearly / annual results, significant labour issues, transactions pertaining to purchase / disposal of property(ies), major accounting provisions and write-offs, corporate restructuring, Minutes of Meetings of the Audit and other Committees of the Board and information on recruitment of Officers just below the Board level, including the Chief Financial Officer and Company Secretary & Compliance Officer.

(iii) Number of Board Meetings held, Attendance of the Directors at the Board Meetings and at the Annual General Meeting

During the year under review, 5 (five) meetings of the Board of Directors were held on the following dates – May 27, 2014, July 29, 2014, July 30, 2014, October 29, 2014 and January 30, 2015.

The gap between two meetings did not exceed 4 (four) months and was well within the maximum period mentioned under the Companies Act, 2013 and the Listing Agreement. These meetings were well attended. The Twenty-eighth Annual General Meeting (AGM) of the Company was held on July 30, 2014.

The attendance of Directors at the above Board Meetings and at the last AGM is as under:

Name of Director	No. of Board meetings		At the last AGM
	Held	Attended	
Mr. Jean-Marc Kohlgruber *	3	3	Yes
Mr. Jean Jouet **	2	2	N.A.
Mr. Yves Honhon	5	5	Yes
Mr. Fabrice Orban	5	3	No
Mr. D. J. Balaji Rao	5	5	Yes
Mr. Raman M. Madhok	5	5	Yes
Mr. R. N. Tandon ***	2	2	Yes
Mr. N. Sundararajan	5	5	Yes
Ms. Roma Balwani ****	1	1	N.A.
Mr. Raman Madhok	5	5	Yes

* Resigned as Director w.e.f. July 30, 2014

** Appointed as Director w.e.f. July 31, 2014

*** Resigned as Director w.e.f. July 30, 2014

**** Appointed as Director w.e.f. October 29, 2014

(iv) Directors seeking appointment/re-appointment

Mr. Yves Honhon retires by rotation and, being eligible, has offered himself for re-appointment.

Mr. Jean Jouet and Ms. Roma Balwani were appointed as Additional Directors of the Company during the year under review and will hold office up to date of forthcoming Annual General Meeting of the Company.

Details of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting have been furnished in the Notice convening the Annual General Meeting of the Shareholders.

(v) Separate Meeting of Independent Directors

In compliance with Schedule IV of the Companies Act, 2013 and Clause 49 II (B) of Listing Agreement entered into with Stock Exchange, one separate meeting of the Independent Directors of the Company was held on January 30, 2015 for reviewing the performance of Non-Independent Directors, Board as a whole, the performance of the Chairman of the Company (taking into account the views of Executive and Non-Executive Directors) as well as for assessing the quality, quantity and timeliness of flow of information between the Company Management and the Board. All the Independent Directors were present at the meeting.

(vi) Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 read with the Rules issued thereunder and Clause 49 of the Listing Agreement, the Board, in consultation with Aon Hewitt, had carried out an annual performance evaluation of its own performance, the

directors individually as well as the evaluation of the working of its Audit Committee and Nomination and Remuneration Committee. The Board expressed their satisfaction with the evaluation process.

(vii) CEO / CFO Certification

As required under Clause 49 IX of the Listing Agreement with the Stock Exchange, the Managing Director and the Chief Financial Officer of the Company have certified to the Board regarding the Financial Statements for the year ended March 31, 2015.

(viii) Code of Conduct

The Company had adopted a Code of Conduct ('Code') for the Board Members and Senior Management Personnel of the Company. In terms of the provisions of Companies Act, 2013 and Clause 49 of the Listing Agreement, revised Code of Conduct including adoption of Code for Independent Directors was adopted by the Board at its meeting held on October 29, 2014. The Code aims at ensuring consistent standards of conduct and ethical business practices across the Company.

All the Board Members and Senior Management Personnel have affirmed compliance with this Code. A declaration signed by the Managing Director to this effect is attached at the end of this Report. This Code has also been posted on the Company's website www.cmifpe.com.

II. REMUNERATION TO DIRECTORS

(i) Remuneration Policy

While deciding on the remuneration for Directors, the Board and the Nomination

and Remuneration Committee ('Committee') consider the performance of the Company, the current trends in the industry, the qualifications of the incumbents/appointee(s), their experience, past performance and other relevant factors. The Board/Committee takes into account the market trends in terms of compensation levels and practices in relevant industries.

(ii) Remuneration to Non-Executive Directors for the year ended March 31, 2015

The eligible Non-Executive Directors may be paid commission up to an aggregate maximum of 1% of the net profits of the Company as specifically computed for this purpose. The criteria of making payments to Non-Executive Directors cover, *inter alia*, the number of meetings attended, Chairmanship of Committees of the Board, time spent in deliberations with the senior management and contribution at the Board/Committee(s) levels.

The approval of the shareholders is being sought for the payment of commission to the Non-Executive Directors of the Company and forms part of the Notice of the forthcoming Annual General Meeting. Keeping in mind, the performance of the Company for the year under review, the Board decided not to recommend payment of any commission for the FY 2014-15 to be paid to the Non Executive Directors.

In view of the greater responsibility and obligation cast on the Non-Executive Directors, their level of participation at the Board and

Committee meetings and their valuable contribution in evaluating and approving critical business matters, the Board, on the recommendation of the Committee, increased the payment of sitting fees w.e.f. July 1, 2014. The Non Executive Independent Directors are paid sitting fees of ₹ 1,00,000/- for attending the Meeting of the Board and Audit Committee, ₹ 70,000/- for attending the meeting of Nomination and Remuneration Committee and ₹ 50,000/- for attending the meeting of Stakeholders Relationship Committees or other Committees, as decided by the Board. The sitting fees paid to Non-Executive Directors during the year ended March 31, 2015, and their shareholdings in the Company as of that date are as under:

Directors	Sitting Fee paid (₹ in lacs)	No. of Equity Shares held
Mr. Jean-Marc Kohlgruber *	Nil	N.A.
Mr. Jean Jouet *	Nil	Nil
Mr. Yves Honhon *	Nil	Nil
Mr. Fabrice Orban *	Nil	Nil
Mr. D. J. Balaji Rao	9.50	Nil
Mr. R. N. Tandon #	2.80	N.A.
Mr. Raman M. Madhok	7.00	Nil
Mr. N. Sundararajan	7.20	Nil
Ms. Roma Balwani @	2.50	Nil

* They have voluntarily waived the acceptance of sitting fees.

Mr. R. N. Tandon resigned as Director w.e.f. July 30, 2014.

@ Ms. Roma Balwani was appointed as Director w.e.f. October 29, 2014.

(iii) Remuneration paid/payable to Managing Director for the year ended March 31, 2015

Remuneration to Managing Director is fixed by the Nomination and Remuneration Committee, and subsequently approved by the Board of Directors and the Shareholders at a General Meeting. The remuneration paid/payable to the Managing Director for the year ended March 31, 2015 is as under:

(₹ in lacs)

Name of Managing Director / Executive Director	Salary	Performance incentive	Company's Contribution to Funds	Perquisites and allowances	Total	Total Contract Period	Notice period in months
Mr. Raman Madhok	240.00	--	28.80	63.06	331.86	October 9, 2013 to October 8, 2016	6

Notes:

- (1) All the above components of remuneration, except performance incentive, are fixed in nature.
- (2) The Company does not have any stock option scheme.
- (3) As per the General Circular No. 07/2015 dated April 10, 2015 issued by the Ministry of Corporate Affairs, it is clarified that the managerial person paid in terms of sub-para (C), Section II, Part II of Schedule XIII of the Companies Act, 1956 may continue to receive remuneration for his remaining term in accordance with the terms and conditions approved by the Company as per the relevant provisions of Schedule XIII of Companies Act, 1956 even if the part of his tenure falls after April 1, 2014. In view of the same, the approval of the Central Government is not required for the remuneration paid/payable to Mr. Raman Madhok as the Managing Director for the remaining tenure.

III. RISK MANAGEMENT

The Company has a well-defined risk management framework in place, which provides an integrated approach for identifying, assessing, mitigating, monitoring and reporting of all risks associated with the business of the Company. The Board of Directors bi-annually reviews the risk assessment and minimization procedures and ensures that executive management controls risk through means of a properly defined framework.

The risk management framework adopted by the Company is discussed in detail in the Management Discussion and Analysis Report forming part of this Annual Report.

IV. COMMITTEES OF THE BOARD

(i) Audit Committee

Composition of the Committee, Meetings and attendance:

The Audit Committee of the Company comprises of 3 (three) Non-Executive Directors, out of whom 2 (two) are Independent Directors. Mr. D. J. Balaji Rao is the Chairman of the Committee and Mr. Yves Honhon and Mr. N. Sundararajan are other Members of the Committee. The Audit Committee was reconstituted during the year by appointing Mr. N. Sundararajan as the member of the Committee. The composition of the Audit Committee is in compliance with Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. All the Members of the Committee possess accounting and financial management knowledge. Mr. D. J. Balaji Rao was present at the 28th Annual General Meeting of the Company held on July 30, 2014.

The Company Secretary functions as Secretary to the Committee.

The representative of the Statutory Auditors is invited to attend meetings of the Committee. The Committee also invites such of the executives viz. Managing Director and Chief Financial Officer and also Internal Auditors, Cost Auditors and consulting firms as it considers appropriate to be present at the meetings of the Committee, but on occasions it may also meet without the presence of any executives of the Company.

4 (four) meetings of the Committee were held during the year ended March 31, 2015. These meetings were held on May 27, 2014, July 29, 2014, October 29, 2014 and January 30, 2015. The necessary quorum was present for all the meetings. The gap between 2 (two) meetings did not exceed 4 (four) months.

The attendance of the members at the above meetings is as under:

Name	No. of meetings	
	Held	Attended
Mr. D. J. Balaji Rao	4	4
Mr. Yves Honhon	4	4
Mr. N. Sundararajan *	2	2
Mr. R. N. Tandon #	2	2

* Mr. N. Sundararajan appointed as member of the Audit Committee w.e.f. October 28, 2014.

Mr. R. N. Tandon ceased to be a member of the Audit Committee w.e.f. July 30, 2014

Terms of Reference:

The terms of reference was revised by the Board to align it in line with the Companies Act, 2013 and also Clause 49 of the Listing Agreement. The Committee acts as a link between the Statutory and Internal Auditors and the Board. The responsibilities of the Audit Committee include overseeing of the financial reporting process to ensure fairness, adequate disclosures and credibility of financial statements, recommendation of appointment and removal of Statutory Auditors, Branch Auditors, Cost Auditors, review of the adequacy of internal control systems and the internal audit function.

The Audit Committee functions in accordance with the terms of reference specified under Section 177 of the Companies Act, 2013, Clause 49 of the Listing Agreement (for the time being in force) and as may be specified by the Board from time to time, which *inter alia* includes :

- (i) the recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- (ii) review and monitor the auditor's independence and performance, and effectiveness of audit process;

- (iii) examination of the financial statement and the auditors' report thereon;
- (iv) approval or any subsequent modification of transactions of the Company with related parties;
- (v) scrutiny of inter-corporate loans and investments;
- (vi) valuation of undertakings or assets of the Company, wherever it is necessary;
- (vii) evaluation of the internal financial controls and risk management systems; and
- (viii) monitoring the end use of funds raised through public offers and related matters.

The Audit Committee also oversees and reviews the functioning of a vigil mechanism and reviews the finding of investigation, if any, into cases of material nature and actions taken in respect thereof.

(ii) Nomination and Remuneration Committee

Composition of the Committee, Meeting(s) and attendance:

The composition of the Nomination and Remuneration Committee is in compliance with the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The Nomination and Remuneration Committee comprises of Mr. Raman M. Madhok as the Chairman of the Committee. Mr. Jean Jouet, Mr. Yves Honhon and Mr. D. J. Balaji Rao are the other Members of the Committee. The Nomination and Remuneration Committee was reconstituted during the year by appointing Mr. Jean Jouet as the member of the Committee. One-half of the Members of the Committee are Non-Executive Independent Directors. 3 (three) meetings were held on May 26, 2014, July 30, 2014 and October 28, 2014, during the year under review.

The Chairman of the Nomination and Remuneration Committee was present at the 28th Annual General Meeting of the Company held on July 30, 2014.

The attendance of the members at the above meetings is as under:

Name	No. of meetings	
	Held	Attended
Mr. Raman M. Madhok	3	3
Mr. Jean-Marc Kohlgruber *	2	2
Mr. Jean Jouet #	N.A.	N.A.
Mr. Yves Honhon	3	3
Mr. D. J. Balaji Rao	3	3
Mr. R. N. Tandon @	1	1

* Mr. Jean-Marc Kohlgruber ceased to be a member w.e.f. July 30, 2014

Mr. Jean Jouet appointed as a member w.e.f. October 29, 2014

@ Mr. R. N. Tandon ceased to be a member w.e.f. July 30, 2014

Terms of reference:

The terms of reference was revised by the Board to align it in line with the Companies Act, 2013 and also Clause 49 of the Listing Agreement.

The terms of reference of the Committee is in line with the provisions of Companies Act, 2013 and Clause 49 of the Listing Agreement and as may be specified by the Board from time to time and *inter alia* includes :

- (i) to identify persons who are qualified to become Directors and to be appointed in senior management positions, (directly reporting to the Managing Director) and recommend to the Board their appointment and removal;

- (ii) to formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board policy relating to the determination of remuneration for the Directors, and key managerial personnel;
- (iii) to formulate the criteria for evaluation of Independent Directors and Board; and
- (iv) to devise a policy on Board diversity.

In determining the remuneration package of the Executive Director, it evaluates the remuneration paid by comparable organizations and thereafter makes its recommendations to the Board. It also reviews the performance of the Executive Director and recommends to the Board the quantum of performance incentives, annual increments/commissions.

In accordance with the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board of Directors, on the recommendations of the Nomination and Remuneration Committee, formulated the Remuneration Policy of the Company.

(iii) Stakeholders Relationship Committee

During the year under review, the nomenclature of the Investors' Grievance Committee was changed to Stakeholders Relationship Committee to bring it in line with the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

Composition of the Committee, Meeting(s) and attendance:

In view of the resignation of Mr. R. N. Tandon as Director, he ceased to be the Chairman of the Committee. Mr. Raman M. Madhok, member of the Committee was appointed as the Chairman of the Committee.

The composition of the Stakeholders Relationship Committee is in compliance with the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The Committee presently comprises of Mr. Raman M. Madhok (Chairman of the Committee), Ms. Roma Balwani, Director and Mr. Raman Madhok, Managing Director of the Company, as the other members.

The Company Secretary is the Compliance Officer of the Company.

The Committee functions in accordance with the terms of reference as specified in Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement and as may be specified by the Board from time to time, which *inter alia* includes to consider and resolve the grievances of the security holders of the Company including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, etc.

The Committee met twice during the year on May 26, 2014 and January 28, 2015. The attendance of the members at the meetings is as under:

Name	No. of meeting(s)	
	Held	Attended
Mr. Raman M. Madhok	2	2
Mr. Raman Madhok	2	2
Ms. Roma Balwani	1	1
Mr. R. N. Tandon	1	1

During the year under review, 8 (eight) complaints were received from the shareholders, all of which have been attended to/resolved promptly. As of date, there are no pending share transfers pertaining to the year under review.

The Committee meets as and when required, to deal with, *inter alia*, matters relating to transfer/transmission of shares, issue of duplicate share certificates and to monitor redressal of complaints from shareholders relating to transfers, non-receipt of Annual Report, non-receipt of dividends declared, etc. With a view to expedite the process of share transfers, necessary authority has been delegated to the Share Transfer Committee to approve the transfers of equity shares of the Company. The Share Transfer Committee meets on a fortnightly basis to attend to the share transfer formalities.

(iv) Corporate Social Responsibility Committee

During the year under review, the Company had constituted a Corporate Social Responsibility (CSR) Committee in line with the requirements of the provisions of the Companies Act, 2013. The Committee comprises of Ms. Roma Balwani as the Chairperson, Mr. Yves Honhon and Mr. Raman Madhok as members of the Committee. The composition of the Corporate Social Responsibility Committee is in compliance with the provisions of the Companies Act, 2013.

The Corporate Social Responsibility Committee functions in accordance with the terms of reference as specified under the Companies Act, 2013 and as may be specified by the Board from time to time, which *inter alia* includes :

- (i) to formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- (ii) to recommend the amount of expenditure to be incurred on the CSR activities; and
- (iii) to monitor the Corporate Social Responsibility Policy of the Company from time to time.

The Committee met once during the year on January 28, 2015 which was attended by all the members of the Committee.

(v) Risk Management Committee

During the year under review, the Company had constituted a Risk Management Committee in line with the requirements of Clause 49 (VI) of the Listing Agreement. The Committee comprises of Mr. N. Sundararajan as the Chairman and Mr. Raman Madhok as member of the Committee. Mr. Vijay Karayi acts as the Secretary to the Committee.

The Risk Management Committee monitors and reviews the risk management processes or such other functions as may be specified by the Board from time to time.

The Committee met once during the year on

March 12, 2015 which was attended by all the members of the Committee.

(vi) Borrowing Committee

Composition of the Committee, Meeting(s) and attendance:

The Borrowing Committee presently comprises of Mr. Raman Madhok, Managing Director (Chairman of the Committee), Mr. D. J. Balaji Rao, Director and Mr. Akash Ohri, Chief Financial Officer, as the other members. This Committee reviews, considers and approves borrowing of moneys within the overall limits and guidelines approved by the Board from time to time.

(vii) Banking Operations Committee

The Banking Operations Committee presently comprises of Mr. Raman Madhok, Managing Director (Chairman of the Committee) and Mr. Akash Ohri, Chief Financial Officer, as the other member. This Committee approves from time to time, the availing of specific banking services with the Banks and nominates/amends the list of signatories for operating of bank accounts, on behalf of the Company.

V. DISCLOSURES

(i) Disclosure of transactions with Related Parties

The Company follows the following policy in disclosing the related party transactions to the Audit Committee.

- a) A statement in summary form of transactions with related parties in the ordinary course of business is placed periodically before the Audit Committee.
- b) Details of material individual transactions with related parties, which are not in the normal course of business, if any, are placed before the Audit Committee.
- c) Details of material individual transactions with related parties or others, which are not on an arm's length basis, if any, are placed before the Audit Committee, together with

management's justification for the same. The details of related party transactions are presented in Note No. 28.5 in Notes forming part of the Financial Statements for the year ended March 31, 2015.

All transactions entered into with the Related Parties as defined under the Companies Act, 2013 and Clause 49 of the Listing Agreement during the financial year were in the ordinary course of business and at arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with the related parties during the financial year.

As required under Clause 49 of the Listing Agreement, the Board has approved a policy for related party transactions which has been uploaded on the Company's website and can be assessed through the following link :

<http://www.cmifpe.com/financialreport.aspx?Subcat=Related Party Transaction Policy&InvestorType=Corporate Governance>

(ii) Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large

There are no materially significant transactions made by the Company with its promoters, Directors or management, their subsidiaries or relatives, etc. that may have potential conflict with the interest of the Company at large.

(iii) Whistle Blower policy

The Company had adopted a Whistle Blower Policy as per the requirements of Listing Agreement providing a mechanism to any of the employees to report genuine concerns or any violation. During the year, no personnel have been denied access to the Audit Committee.

(iv) Details of non-compliance

The Company has complied with all the requirements of regulatory authorities. During the last 3 (three) years, there were no instances of

non-compliance by the Company and no penalty or strictures were imposed on the Company by the Stock Exchange or Securities and Exchange Board of India or any statutory authority, on any matter related to the capital markets.

(v) Disclosure of Accounting Treatment in the preparation of Financial Statements

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

(vi) Code for Prevention of Insider Trading Practices

In compliance with the Securities and Exchange Board of India (Prevention of Insider Trading) Regulations, 2015, the Company has adopted a comprehensive Code of Conduct for Prevention of Insider Trading for its directors and designated employees. The Code lays down Guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of the Company, and cautioning them of the consequences of violations. The Company Secretary is the Compliance Officer for this purpose.

(vii) Management Discussion and Analysis

A Management Discussion and Analysis (MDA) has been attached to the Directors' Report, and forms part of this Annual Report.

VI. MEANS OF COMMUNICATION

The Company regularly informs its unaudited as well as audited Financial Results to the Stock Exchange, as soon as these are taken on record/approved by the Board. The Financial Results are published in leading English and Marathi dailies, viz. The Economic Times and Maharashtra Times. The Company's results and official news releases are displayed on the Company's website www.cmifpe.com. The

Company's presentations to institutional investors and analysts, if made, would be put up on the website of the Company.

A separate dedicated section under "Investors" on the Company's website gives information on unclaimed dividends, quarterly compliances with the Stock Exchange and other relevant information of interest to the Investors / public.

The Company makes timely disclosures of necessary information to BSE Limited in terms of the Listing Agreement and other rules and regulations issued by SEBI.

VII. SHAREHOLDER INFORMATION

(a) 29th Annual General Meeting

Date: July 31, 2015
 Time: 2.30 p.m.
 Venue: Mehta House, Plot No. 64, Road No. 13,
 MIDC, Andheri (E), Mumbai - 400 093

(b) Date of Book Closure:

Dates of Book Closure will be from July 28, 2015 to July 31, 2015 (both days inclusive).

(c) Last Date of receipt of Proxy Forms

Wednesday, July 29, 2015 before 2.30 pm at the Registered Office of the Company.

(d) Financial year of the Company

The financial year covers the period from April 1 of every year to March 31 of the next year.

Financial Reporting for:

First Quarter ending June 30, 2015	before the end of July, 2015
Half-year ending September 30, 2015	before the end of October, 2015
Third Quarter ending December 31, 2015	before February 14, 2016
Year ending March 31, 2016	before the end of May, 2016

The above dates are indicative.

(e) Listing on Stock Exchange

The Company's Shares are listed on BSE Limited (BSE).

The Company has paid the annual listing fees for the financial year 2015-2016.

(f) Stock Code

BSE Limited
 Scrip Code: 500147 Scrip Name: CMIFPE

(g) ISIN

The ISIN no. for dematerialization of the Company's shares with NSDL and CDSL is INE515A01019.

(h) Corporate Identification Number (CIN)

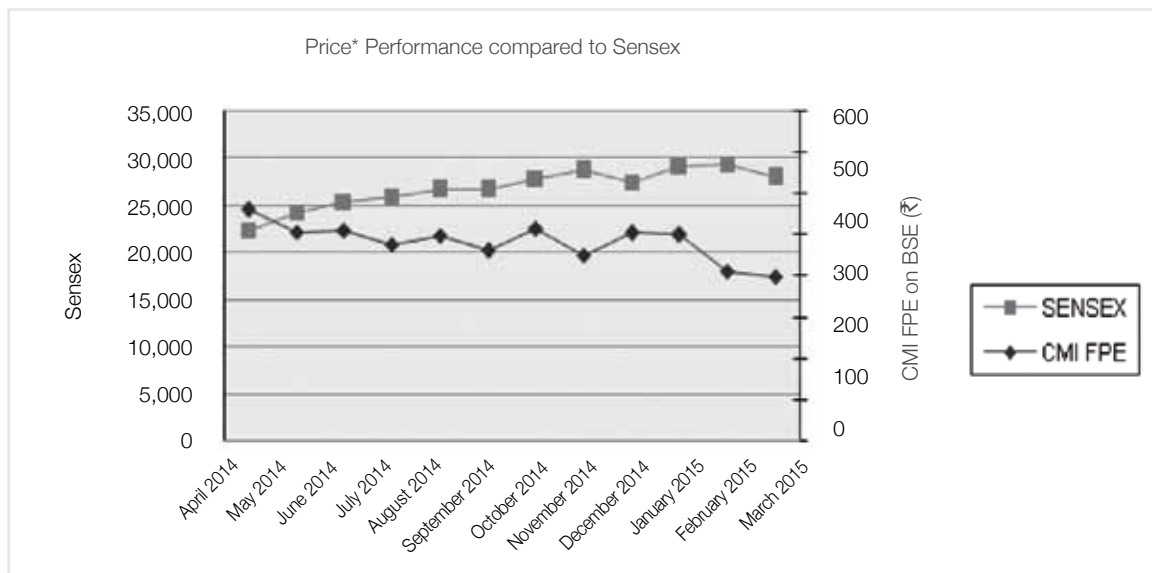
The Company's CIN as allotted by the Ministry of Corporate Affairs, is L99999MH1986PLC039921.

(i) Market Price Data

The high and low prices of the Company's equity shares (face value of ₹10 each) on BSE during the financial year 2014-15 were as under:

Month	High (₹)	Low (₹)	Sensex (closing)
April, 2014	598.00	451.25	22,417.80
May, 2014	580.00	451.00	24,217.34
June, 2014	535.00	460.10	25,413.78
July, 2014	593.35	475.50	25,894.97
August, 2014	514.80	405.05	26,638.11
September, 2014	510.00	400.05	26,630.51
October, 2014	596.95	440.00	27,865.83
November, 2014	535.00	435.25	28,693.99
December, 2014	508.90	420.00	27,499.42
January, 2015	544.00	475.00	29,182.95
February, 2015	500.00	365.00	29,361.50
March, 2015	500.00	340.20	27,957.49

(j) Performance of the Company's shares in comparison to BSE Sensex is given in the chart below:



*based on closing price on last trading day of the Month

(k) Registrar and Transfer Agents

Sharepro Services (India) Private Limited
 Unit: CMI FPE Limited
 13AB, Samhita Warehousing Complex,
 2nd Floor, Off Andheri Kurla Road,
 Sakinaka Telephone Exchange Lane,
 Sakinaka, Andheri (E), Mumbai - 400 072
 Tel. No.: +91-22-67720400/67720300
 Fax No.: +91-22-28591568
 Email: sharepro@shareproservices.com

The Registrar and Transfer Agents also have an office at:
 Sharepro Services (India) Private Limited
 Unit: CMI FPE Limited
 912, Raheja Centre, Free Press Journal Road,
 Nariman Point, Mumbai - 400 021
 Tel. No.: +91-22-22881568/69
 Fax No.: +91-22-22825484

(l) **Distribution of Shareholding as on March 31, 2015**

Range of equity shares held	No. of holders	% of shareholders	No. of equity shares held	% of capital
Upto 500	3,234	94.20	2,92,474	5.92
501 – 1000	92	2.68	71,330	1.45
1001 – 2000	49	1.43	70,665	1.43
2001 – 3000	16	0.47	37,697	0.76
3001 – 4000	12	0.35	43,240	0.88
4001 – 5000	4	0.12	18,343	0.37
5001 – 10000	8	0.23	54,864	1.11
10001 and above	18	0.52	43,49,200	88.08
Total	3,433	100.00	49,37,813	100.00

(m) **Shareholding pattern as on March 31, 2015**

Category	No. of shares	% holding
Promoters & Promoter Group	37,03,200	75.00
Government Companies, Mutual Funds & Banks	204	0.00
Foreign Institutional Investors (FII's)/OCB	1,350	0.03
Non Resident Indians	16,706	0.34
Domestic Companies	1,39,505	2.83
Resident individuals	10,76,848	21.80
Total	49,37,813	100.00

(n) **Dematerialization of shares as on March 31, 2015**

Category	No. of equity shares	% of share capital	No. of shareholders	% of shareholders
Electronic Form	48,76,678	98.76	2,985	86.95
Physical Form	61,135	1.24	448	13.05
Total	49,37,813	100.00	3,433	100.00

Shareholders who continue to hold shares in physical form are requested to dematerialize their shares at the earliest and avail various benefits of dealing in securities in electronic / dematerialized form. For any clarification, assistance or information, please contact the Registrar and Transfer Agents.

(o) **Share Transfer System**

Trading in Equity Shares of the Company through recognized Stock Exchange is permitted only in dematerialized form. Shares sent for transfer in physical form are registered and returned within a period of 15 (fifteen) days from the date of receipt of the documents, provided the documents are valid and complete in all respects. With a view to expedite the process of share transfers, necessary authority has been delegated to the Share Transfer Committee to approve the transfers of equity shares of the Company. The

Share Transfer Committee and Stakeholders Relationship Committee meet as and when required to consider the transfer proposals and attend to Investors' grievances. The Company obtains a half-yearly compliance certificate from a Company Secretary in Practice as required under Clause 47(c) of the Listing Agreement and files a copy of the said certificate with the Stock Exchange.

(p) Outstanding GDR / ADR / Warrants or any convertible instruments, conversion date and impact on equity.

The Company has not issued any GDRs / ADRs / warrants or any other convertible instruments.

(q) Plant Locations

Unit No. I

A-84, 2/3 MIDC, Taloja Industrial Area,
Dist. Raigad - 410208, Maharashtra

Unit No. II *

Sr. No. 144/1/3, Silvassa Khanvel Road,
Village Rakholi, Silvassa – 396230
Union Territory of Dadra & Nagar Haveli

* Production discontinued

Unit No. III

Gat No. 21, 41 and 61, Village Hedavali, Khopoli-
Pali Road, Taluka Sudhgad, District Raigad-
410205, Maharashtra

(r) Address for correspondence:

Shareholders may correspond with the Registrar and Transfer Agents on all matters relating to transfer/dematerialization of shares, payment of

dividend and any other query relating to Equity Shares of the Company at:

Sharepro Services (India) Private Limited
Unit: CMI FPE Limited
13AB, Samhita Warehousing Complex,
2nd Floor, Off Andheri Kurla Road,
Sakinaka Telephone Exchange Lane,
Sakinaka, Andheri (E), Mumbai - 400 072
Tel. No.: +91-22-67720400
Fax No.: +91-22-28591568
Email: sharepro@shareproservices.com

The Company has designated investors@cmifpe.com as an exclusive email ID for Investors for the purpose of registering complaints, and the same email ID has been displayed on the Company's website. Shareholders would have to correspond with the respective Depository Participants for shares held in dematerialized form. For all investor related matters, the Company Secretary & Compliance Officer can be contacted at:

Mehta House, Plot No. 64,
Road No. 13, MIDC, Andheri (E),
Mumbai - 400 093
Tel. No.:022-66762727
Fax No.:022-66762737/38
Email: investors@cmifpe.com

Shareholders are requested to quote their folio no. / DP ID & Client ID, e-mail address, telephone number and full address while corresponding with the Company and its Registrar and Transfer Agent.

VIII. GENERAL BODY MEETINGS

Details of General Meetings and Special Resolutions passed:

The information relating to Annual General Meetings held during the past 3 (three) years and the Special Resolutions passed thereat is as under:

Year	Location	Date	Time	Whether any Special Resolution passed
2011-2012	Mehta House, Plot No. 64, Road No. 13, MIDC, Andheri (E), Mumbai - 400 093	July 31, 2012	2.30 p.m.	None
2012-2013	Mehta House, Plot No. 64, Road No. 13, MIDC, Andheri (E), Mumbai - 400 093	July 31, 2013	2.30 p.m.	Appointment of Mr. Sanjoy Kumar Das as Managing Director
2013-2014	Mehta House, Plot No. 64, Road No. 13, MIDC, Andheri (E), Mumbai - 400 093	July 30, 2014	2.30 p.m.	<ul style="list-style-type: none">• Appointment of Mr. Raman Madhok as Managing Director• Approval of borrowing limits of the Company• Creation of charges on the assets of the Company

The Company has not passed any Special Resolution through postal ballot during the financial year 2014-15 nor proposes to pass any Special Resolution through postal ballot during the current year.

IX. NON-MANDATORY REQUIREMENTS

The Board of Directors

The present Chairman is a foreign national and a Non-Executive Director. All Independent Directors significantly contribute to the deliberations of the Board and provide valuable inputs in directing the Company irrespective of the duration of their tenure. The Board carefully evaluates the qualifications and experience of every Independent Director at the time of the appointment, and also involves the Independent Directors in various Business Committees, to enable them to contribute to the Company.

Audit qualifications

During the year under review, there is no audit qualification on the Company's financial statements except Emphasis of Matter. The Company continues to adopt best practices, and has ensured a track record of unqualified financial statements.

Reporting of Internal Auditor

The Internal Auditor reports directly to the Audit Committee.

DECLARATION

To
The Shareholders of CMI FPE Limited

I, Raman Madhok, Managing Director, declare that the Directors and Senior Management Personnel of the Company have affirmed in writing, their compliance with the Company's Code of Conduct, for the year ended March 31, 2015.

For CMI FPE Limited

Raman Madhok
Managing Director

Place: Mumbai
Date: May 29, 2015

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To:
The Members of CMI FPE Limited,

We have examined the compliance of the conditions of Corporate Governance by CMI FPE LIMITED (hereinafter referred to as "the Company"), for the year ended March 31, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with BSE Limited.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of the Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that such compliances are neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For DELOITTE HASKINS & SELLS
Chartered Accountants
(Firm's Registration No. 117365W)

Khurshed Pastakia
Partner
(Membership No. 31544)

Place: Mumbai
Date: May 29, 2015

CEO/CFO CERTIFICATION

To
The Board of Directors,
CMI FPE Limited

Dear Sirs / Madam,

We have reviewed the financial statements and the cash flow statement of CMI FPE Limited for the year ended March 31, 2015 and that to the best of our knowledge and belief, we state that;

- (a) (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;
- (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with current accounting standards, applicable laws and regulations.
- (b) there are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
- (c) we accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company 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 steps taken or proposed to be taken for rectifying these deficiencies.

- (d) We have indicated to the Auditors and the Audit Committee;
- (i) significant changes, if any, in the internal control over financial reporting during the year.
- (ii) significant changes, if any, in accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and
- (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

FOR CMI FPE LIMITED

Raman Madhok
Managing Director

Akash Ohri
Chief Financial Officer

Place: Mumbai
Date: May 29, 2015

Management Discussion and Analysis

Industry Structure and Developments:

Economic Environment: Analysts expect the FY-16 gross domestic product (GDP) growth to improve to 6.5% mainly on the back of a recovery in the industrial sector. The GDP growth forecast for FY-15 is however lower at 5.6%.

The government is expected to address the structural issues plaguing the industrial and infrastructure sector, thereby giving a fillip to domestic demand. The thrust of the new government for “make in India” (with a focus on 26 specific sectors) and improving the “ease of doing business” in the country will also aid manufacturing /industrial growth.

Considering the expectation of a moderate hike in procurement prices, soft global commodity prices and near stable Rupee Dollar exchange rate, whole sale price index and consumer price index based inflation would moderate going forward.

Although growth patterns across the globe continue to remain uneven and weak, a buoyant US economy augurs well for Indian goods and services exports. Both Export and Import are expected to perform better in FY-16, vis-a-vis FY-15. Oil import growth is however expected to be moderate in view of the fall in global crude prices. The current account deficit is expected to widen, but capital inflows are expected to comfortably finance the same.

By pushing ordinances related to land acquisition, mining auctions and increasing the FDI limit in insurance, the government so far has shown its resolve to improve the investment climate in the country.

There are however mixed signals on the global front. While recovery in the US appears to be gathering pace and is on firmer ground, this is not so for the Euro area and Japan. Growth in China has also slowed down.

Steel Scenario: Domestic steel demand is expected to improve in FY-16 based on higher GDP growth; however the benefit of gradual domestic demand growth will be offset by the weak product pricing capability caused by global overcapacity and cheap imports.

Steel prices are expected to remain restrained in FY-16 due to global weak steel pricing trend, increase in cheap imports, low raw material prices and prevailing overcapacity within domestic producers. In fact the sector will continue to face overcapacity in FY-16 in view of new capacities to be added.

While a significant improvement in steel pricing is unlikely in the short term, efficient cost control and free cash flow generation through higher value added products would be key for the companies to mitigate the risk of a prolonged price recovery. Global overcapacity led to a correction in steel prices during 2014 and import competition and lack of demand drivers within the country kept domestic steel prices low.

Expected softening of interest rate will however support the interest coverage and reduce the cost of working capital funds.

International iron ore prices have seen a sharp decline of around 40-45% last year, driven by a weakening of demand from China, and prospects of higher supply, following capacity expansions by large global mining companies. Despite this, India’s domestic iron ore prices have remained firm, reflecting the continuing short supply situation in the country in spite of the lifting of bans from mines in Karnataka and Goa.

It is therefore expected that domestic iron ore will remain in short supply for the Indian Steel makers at least in the near term. It is reasonable to expect some of the large Indian players to import iron ore, given the steep decline in international prices and economies of scale associated with bulk imports.

In the light of the foregoing, it is proposed to navigate the ensuing year with a spirit of “cautious optimism”. At CMI FPE, market facing processes have been reviewed and re – engineered where needed. Market reach has been enhanced by revamping the Company’s web site. Also, all customers proposals are extensively vetted internally to ensure that these are realistic and in line with the market.

Outlook:

Keeping in view the economic environment in India and the Company's domestic market as well as its primary markets overseas, the strategy going forward would be to facilitate proactive identification of additional needs of existing customers and servicing these in an effective manner.

We would also be on the lookout to forge strategic relationships with existing and new customers in new products where we see significant potential, both in terms of business volumes and profitability. The economic policy initiatives, particularly those towards infrastructure development are expected to have a favourable impact on the Company's operations, going forward.

The Taloja Plant, a "Centre of Excellence for Cold Rolling Mills", is now fully equipped with improved infrastructure, machines, productivity and enhanced capacity. The Company also has a fabrication facility at Hedavali, near Khopoli (Maharashtra).

The Company's short to medium term strategy would be to utilize its capacity to produce critical components and assemblies in-house at its own workshops with the overall objective to meet the complete spectrum of customer needs, thereby differentiating itself from the competition.

The long-term outlook for India is positive, with investors expecting the country to be among the world's top three growth economies by 2020.

Standard and Poor's raised the outlook for India's "BBB-minus" rating to "stable" from "negative," saying the country's government mandate and improved political setting offered a conducive environment for reforms.

Review of Operations:

The year under review was a challenging one for the Company owing to the volatile and uncertain business environment. The Company put in place a structured plan to refine and optimize its internal processes and

cost structures in order to cope better with the market realities.

Your Company has shown a positive EBT of ₹ 792.87 lacs in the year under review. The earnings per share of ₹ 10 were ₹ 19.18 as against ₹ (45.19) in the previous year.

Opportunities and Threats:

Per capita consumption of steel in India is still significantly lower than global averages, which provide potential to close the gap in future.

Your Company endeavours to offer solutions with latest technology and superior functionalities to the steel manufacturers for production of superior grades of value added cold rolled steel in desired shapes and sizes, which enhance the utility of products in various applications. This is where CMI FPE can make a difference vis-a-vis the competition.

The Company focuses on Innovations and Value Engineering for the existing product portfolio to provide more reliable and cost effective solutions. The Company has near to three decades of experience and a proven process for managing projects efficiently, as evidenced by the successful implementation, execution, and completion of various projects for the Cold Rolling and Metal Processing Industry which enables it to stay ahead of its competitors.

In the ensuing year, the Company sees significant business opportunities in its key markets. The Management has put in place an action plan to leverage the Company's leadership position in its principal product lines and markets, which is closely monitored.

Risk Management:

It is recognised that the Company is exposed to risks that are inherent to its businesses and the environment within which it operates. Your Company adopts a comprehensive and integrated risk appraisal, mitigation and management process.

During the year, the Board, Risk Management Committee carried out an extensive review of the Risk Management framework, and also the status of various risks and the steps being taken to deal with these risks – these reviews were carried out in July 2014 and March 2015.

The Company follows the Internal Control Approach developed by COSO (Committee of Sponsoring Organisations of the Treadway Commission) Internal Control – Integrated Framework and the COSO Enterprise Risk Management – Integrated Framework along with ISO 31000 : 2009 as the framework for risk management at the Company. The preference is to institute automated controls through the Company's state-of-the-art ERP application, wherever possible.

The Board, in course of its detailed deliberations, reiterated that Risk Management should indeed be managed with similar discipline as other core business operations. It advised the Management Team to infuse practices into the corporate culture that enable strategy and decision making to evolve out of a risk informed process.

A Commitment Committee of the Company examines in great detail the various sources of risks and the risk mitigation strategies to be adopted preparatory to finalization of contracts with prospective customers. Business risk, financial risk, liquidity risk and market risk are the key risks reviewed by the Commitment Committee prior to their approving the various contract covenants. The various risks as well as risk mitigation strategies are reviewed on a periodic basis by the Company and emergent actions are taken on the basis of these reviews. The learnings from the actual risks and the effectiveness of the mitigation strategies are analysed for further learning, and for refining the approach for future contracts.

The Company has contingent liability as disclosed in the Note No. 27.1 of Notes forming part of the Financial Statements for the year ended on March 31, 2015.

Finance:

Your Company availed long term loans (outstanding as on March 31, 2015) amounting to ₹ 1731.43 lacs to meet the requirements of expansion and modernization of plants at Taloja and Hedavali.

CRISIL has revised its rating for long term bank facilities from "CRISIL A" to "CRISIL A-" while reaffirming the outlook to "Negative". CRISIL has also revised its rating for short term bank facilities from "CRISIL A1" to "CRISIL A2".

Effective management of foreign exchange risk, operational efficiency at workshops, better estimation and optimal project cost, strictness in sales and general administration cost and cash flow will remain the primary drivers of efficiency in the months ahead.

Your Company has not accepted any deposit from the public during the year under review.

Human Resources Management:

The Company rolled out a variety of training programmes, both by internal and external faculty, based on needs identified during the employee appraisal process. The programmes covered diverse areas which ranged from honing leadership skills of middle and senior management to improving the productivity of our draftsmen and engineers on state-of-the-art CAD/CAM software.

Significant efforts have also been made to further strengthen the Company's Performance Management System.

The permanent employee strength of the Company as on March 31, 2015 was 516.

A major Human Resource initiative undertaken this year was to initiate a comprehensive program for creating a leadership pipeline for the entity going forward. The entire middle and senior management team were put through the "assessment centre process."

The “assessment centre process” sought to objectively evaluate the participants on seven key competencies, identified as important to the Company and also benchmark them vis-a-vis industry averages for these competencies. The process was administered to participants in four batches for a duration of one day (for each batch) and was done over four successive weekends.

The assessment was carried out by expert faculty with considerable domain expertise in assessment of key managerial competencies.

The entire process of objective evaluation of predefined competencies, collating the test results, communicating the test results in a sensitive manner to the participants and identifying the top ten participants for next steps took almost five months and was led by the Chairman of the Nomination and Remuneration Committee.

The execution of the assessment centre evaluation process was extremely well received and also perceived to be objective, fair and transparent, based on feedback received from the participants. It is envisaged that this process would be repeated once in three years.

Industrial Relations:

The Company continues to lay emphasis on the fact that employees are our primary source of competencies. The Management strives to maintain a climate of openness, fairness, equality and respect for individuals leading to industrial harmony, mutual trust and teamwork.

Health and Safety Training:

Occupational health and Safety continues to be a focus area. The Company’s safety strategy is to nurture a Zero Accident culture and to reinforce it with the CMI Group’s safety policies initiatives and best practices, suitably adapted to the Indian environment.

The Company has taken significant steps to strengthen the safety culture and safety awareness across the

organization and imparting various trainings at all levels of employees. The Company also has a robust safety reporting system in accordance with group guidelines.

The Company organised a **Safety & Housekeeping Competition** as part of the National Safety Week program at its Taloja Workshop, judged by Senior Management.

Optimisation of Key Business Processes:

Considering that the Company operates in an extremely competitive market, both in the domestic and international arena, it was felt that specific initiatives need to be taken to strengthen the Company’s process orientation. Salient details of some initiatives taken in recent months are set out in the ensuing paragraphs.

As stated earlier the Company has been certified to the ISO 9001 : 2008 Quality Management System for the last 15 years and has base lined its safety management system with OSHAS.

The QMS team does regular training and awareness seminars on EMS, EHS, calibration and NDT (Non Destructive Test) as well as internal quality audit refresher training for the team of cross functional internal ISO auditors.

The entity successfully completed the external surveillance audit conducted by TUV India, with the audit report reflecting a good practice - good internal audit planning and execution system. No non-conformities were identified by TUV auditors.

The Company has successfully deployed a state-of-the-art “CAM software” and “network infrastructure” to facilitate CAD/CAM integration. This gives us a capability to simulate tool motions for various machining jobs in the software, thereby arriving at a realistic ‘touch time’ for the various machining operations on our CNC machining centres. This tool is being extended to all component / part families in a phased manner.

Information Technology:

The Company's business processes have been calibrated in a state-of-the-art ERP system, which provides a high degree of visibility and transparency of the entity's business processes. Incremental configuration was carried out during the year to improve the functional deployment in line with user needs.

Training programmes, facilitated by internal and external faculty, as appropriate, were carried out for users of the Company's ERP system as well as the Company's design and drafting system to optimise productivity in the use of these applications. The Company has also deployed a reliable infrastructure for offline backups which are stored both onsite and offsite.

Focus on operational excellence is continuing for strengthening design / engineering, project execution and controls, optimizing cost structure and assets utilization and optimization of "throughput" at the Company's workshops. The Company has implemented an advanced planning and scheduling software application.

This software application gives vastly improved visibility of project progress. This software tool also provides "what if" capability, specifically indicating likely completion dates for proposed new projects or projects rescheduled by customers, based on current "demand" of resources.

Internal Control Systems:

The Company engaged KPMG as Internal Auditors for the year under review, for examining the adequacy and

compliance with laid down policies, controls, statements of operating procedures and statutory requirements. The Audit Committee of the Board of Directors approves the Annual Internal Audit Plan at the beginning of the year, and reviews at every meeting the internal audit reports as well as action taken on the matters reported upon. The focus of the Internal Audit team is on identifying improvements in "business processes" and "design of controls", with "substantive testing" being carried out as needed.

Cautionary Statement:

The Statements made in this report are forward-looking and are made on the basis of certain assumptions and expectations of future events. The Company cannot guarantee that these forward-looking statements will be realized, though they are set out based on anticipated results and management plans. The Company's actual results, performance or achievements are subject to risk, uncertainties and even inaccurate assumptions, which could thus differ materially from those projected in any such forward looking statements. The Board of Directors of the Company assumes no responsibility in respect of the forward-looking statements mentioned herein, which may differ in future on account of subsequent developments, events or otherwise and the Company is under no obligation to publicly update any forward-looking statements on the basis of subsequent developments, information, future events or otherwise.

Independent Auditors' Report

TO THE MEMBERS OF CMI FPE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **CMI FPE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes 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 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

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 March 31, 2015, and its profit and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note 28.15 to the financial statements in respect of the Company's exposure of ₹ 1,943.76 lacs (net) for which no provision is made.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) 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.
 - (b) 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.
 - (c) 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.
 - (d) 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.
 - (e) On the basis of the written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors,

none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164(2) of the Act.

- (f) 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:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 27.1 to the financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts – Refer Note 28.9 to the financial statements;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For DELOITTE HASKINS & SELLS

Chartered Accountants
(Firm's Registration No. 117365W)

(Khurshed Pastakia)

(Partner)

(Membership No. 31544)

Place Of Signature: Mumbai

Date: May 29, 2015

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT OF CMI FPE LIMITED

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Having regard to the nature of the Company's business/ activities/results during the year, clause (v) of paragraph 3 of the Order is not applicable to the Company.

- (i) In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (ii) In respect of its inventories:
 - (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods and services (project revenues). During the course of our audit, we have not observed any major weakness in such internal control system.
- (v) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vi) According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value

Added Tax, Cess and other material statutory dues in arrears as at March 31, 2015 for a period of more than six months from the date they became payable.

- (c) Details of dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and Cess which have not been deposited as on March 31, 2015 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (₹ in lacs)
The Central Excise Act, 1944	Service Tax – Cenvat Credit (including interest and penalty)	Central Excise and Service Tax Appellate Tribunal	2007-08	440.92
The Central Excise Act, 1944	Service Tax – Cenvat Credit (including interest)	Commissioner of Central Excise LTU, Mumbai	2009-2010 to 2014-2015	292.91
The Central Excise Act, 1944	Excise Duty – Cenvat Credit (including interest)	Commissioner of Central Excise LTU, Mumbai	2008-09 to 2010-11	180.93
Tamil Nadu Value Added Tax, 2006	Sales Tax	Deputy Commissioner III, Chennai	2012-13	3.66
Income-Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)	2010-11 (A.Y.)	19.03
Income-Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)	2011-12 (A.Y.)	360.20
Income-Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)	2009-10 (A.Y.)	11.19

(d) The Company has been generally regular in transferring amounts to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder within time.

- (vii) The Company does not have accumulated losses at the end of the financial year and the Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not borrowed from any financial institution. The Company has not issued any debentures.
- (ix) According to the information and explanations given to us, the Company has not given guarantees for loans taken by others from banks and financial institutions.
- (x) In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained, other than temporary deployment pending application.
- (xi) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For DELOITTE HASKINS & SELLS

Chartered Accountants
(Firm's Registration No. 117365W)

(Khurshed Pastakia)

(Partner)
(Membership No. 31544)

Place of Signature: Mumbai

Date: May 29, 2015

Balance Sheet

as at March 31, 2015

				(₹ in lacs)	
Particulars	Note No.	As at March 31, 2015	As at March 31, 2014		
A EQUITY AND LIABILITIES					
1 Shareholders' funds					
(a) Share capital	3	493.78	493.78		
(b) Reserves and surplus	4	13,356.65	12,335.71		
		13,850.43	12,829.49		
2 Non-current liabilities					
(a) Long-term borrowings	5	1,154.29	1,731.43		
(b) Other long-term liabilities	6	926.63	1,054.25		
(c) Long-term provisions	7	503.44	680.55		
		2,584.36	3,466.23		
3 Current liabilities					
(a) Short-term borrowings	8	802.94	1,095.05		
(b) Trade payables	9	6,136.73	8,987.52		
(c) Other current liabilities	10	10,592.58	12,208.92		
(d) Short-term provisions	11	1,379.32	1,547.41		
		18,911.57	23,838.90		
Total		35,346.36	40,134.62		
B ASSETS					
1 Non-current assets					
(a) Fixed assets					
(i) Tangible assets	12.A	7,021.92	6,024.84		
(ii) Intangible assets	12.B	31.60	109.28		
(iii) Capital work-in-progress		101.21	590.12		
		7,154.73	6,724.24		
(b) Non-current investments	13	-	-		
(c) Deferred tax assets (net)	28.8	1,009.85	991.99		
(d) Long-term loans and advances	14	689.87	1,065.94		
(e) Other non-current assets	15	1,067.82	526.55		
		9,922.27	9,308.72		
2 Current assets					
(a) Inventories	16	2,162.43	1,524.39		
(b) Trade receivables	17	13,178.25	17,505.99		
(c) Cash and cash equivalents	18	2,688.20	1,068.64		
(d) Short-term loans and advances	19	862.20	2,290.20		
(e) Other current assets	20	6,533.01	8,436.68		
		25,424.09	30,825.90		
Total		35,346.36	40,134.62		

See accompanying notes forming part of the financial statements

In terms of our report attached
For Deloitte Haskins & Sells
 Chartered Accountants

Khurshed Pastakia
 Partner

Place : Mumbai
 Date : May 29, 2015

For and on behalf of the Board of Directors

Jean Jouet
 Chairman
 DIN: 06937120

Akash Ohri
 Chief Financial Officer

Place : Mumbai
 Date : May 29, 2015

Raman Madhok
 Managing Director
 DIN: 00672492

Haresh Vala
 Company Secretary

Yves Honhon
 Director
 DIN: 02268831

Statement of Profit and Loss

for the year ended March 31, 2015

(₹ in lacs)

Particulars	Note No.	For the year ended March 31, 2015	For the year ended March 31, 2014
1 Revenue from operations (gross)	21	22,857.33	46,044.92
Less: Excise duty	21	923.94	1,761.65
Revenue from operations (net)		21,933.39	44,283.27
2 Other income	22	2,159.39	1,553.12
3 Total revenue (1+2)		24,092.78	45,836.39
4 Expenses			
(a) Cost of materials consumed	23.a	5,768.94	15,293.30
(b) Purchases of stock-in-trade	23.b	8,893.35	16,323.25
(c) Changes in inventories of finished goods and work-in-progress	23.c	(57.94)	26.73
(d) Employee benefits expense	24	4,410.51	4,284.79
(e) Finance costs	25	429.57	670.20
(f) Depreciation and amortisation expense	12.C	650.13	838.04
(g) Other expenses	26	3,761.83	11,003.47
Total expenses		23,856.39	48,439.78
5 Profit/(Loss) before exceptional items and tax (3-4)		236.39	(2,603.39)
6 Exceptional items	27.8	556.48	-
7 Profit/(Loss) before tax (5+6)		792.87	(2,603.39)
8 Tax expense:			
(a) Current tax expense		150.00	-
(b) Short provision for tax relating to prior years		-	4.09
(c) Net current tax expense		150.00	4.09
(d) Deferred tax		(304.40)	(376.26)
		(154.40)	(372.17)
9 Profit/(Loss) for the year (7-8)		947.27	(2,231.22)
10 Earnings per share (of ₹ 10/- each):	28.7		
(a) Basic (₹)		19.18	(45.19)
(b) Diluted (₹)		19.18	(45.19)

See accompanying notes forming part of the financial statements

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

Khurshed Pastakia

Partner

Place : Mumbai
Date : May 29, 2015

For and on behalf of the Board of Directors

Jean Jouet

Chairman
DIN: 06937120

Akash Ohri

Chief Financial Officer

Place : Mumbai
Date : May 29, 2015

Raman Madhok

Managing Director
DIN: 00672492

Haresh Vala

Company Secretary

Yves Honhon

Director
DIN: 02268831

Cash Flow Statement

for the year ended March 31, 2015

(₹ in lacs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
A Cash flow from operating activities:		
Net Profit/(Loss) before tax	792.87	(2,603.39)
<i>Adjustments for:</i>		
Depreciation and amortisation expense	650.13	838.04
Exceptional items	(556.48)	-
(Reversal of provision)/Provision for doubtful trade receivables (net)	(48.90)	1,932.71
(Reversal of provision)/Provision for warranties (net)	(72.59)	43.68
Reversal of provision for estimated losses on contracts (net)	(266.69)	(374.32)
Reversal of provision for employee benefits (net)	(87.21)	(271.14)
(Profit)/Loss on sale/write off of fixed assets (net)	(117.33)	6.62
Interest expense	273.58	457.62
Interest income	(257.00)	(277.22)
Unrealised foreign exchange gain (net)	(71.49)	(36.76)
Operating profit/(loss) before working capital changes	238.89	(284.16)
<i>Changes in working capital:</i>		
<i>Adjustments for (increase)/decrease in operating assets:</i>		
Inventories	(638.04)	411.07
Trade receivables	4,538.38	7,049.74
Short-term loans and advances	1,426.18	1,036.18
Long-term loans and advances	(174.79)	34.48
Other current assets	2,354.59	2,200.62
Other non-current assets	(493.09)	208.51
<i>Adjustments for increase/(decrease) in operating liabilities:</i>		
Trade payables	(2,840.58)	(5,795.65)
Other current liabilities	(1,600.76)	(1,939.89)
Other long-term liabilities	(160.39)	155.26
Cash from operations	2,650.39	3,076.16
Income tax refund (net)	444.48	484.50
Net cash flow from operating activities (A)	3,094.87	3,560.66
B Cash flow from investing activities:		
Capital expenditure on fixed assets, including capital advances*	(671.74)	(742.95)
Interest received	253.34	286.35
Proceeds from sale of fixed assets	108.37	6.73
Bank balances not considered as Cash and cash equivalents (net)	26.85	311.83
Net cash flow used in investing activities (B)	(283.18)	(138.04)
C Cash flow from financing activities:		
Repayment of long-term borrowings	(577.14)	(577.14)
Net decrease in working capital borrowings	(286.63)	(2,836.71)
Interest paid*	(276.83)	(450.45)
Dividend and dividend tax paid (Including changes in unpaid dividend)	(4.65)	(1.88)
Net cash flow used in financing activities (C)	(1,145.25)	(3,866.18)

Cash Flow Statement for the year ended March 31, 2015 (contd.)

(₹ in lacs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Net increase/(decrease) in Cash and cash equivalents (A+B+C)	1,666.44	(443.56)
Cash and cash equivalents as at the beginning of the year	256.95	700.51
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents	2.97	-
Cash and cash equivalents as at the end of the year	1,926.36	256.95
* Capital expenditure on fixed assets is inclusive of borrowing cost paid and capitalised and Interest paid is exclusive of borrowing cost paid and capitalised ₹ 14.96 lacs (March 31, 2014: ₹ 39.83 lacs)		
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents as per Balance Sheet (Refer Note 18)	2,688.20	1,068.64
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 <i>Cash Flow Statements</i>		-
Unclaimed Dividend	10.18	14.83
Balances held as margin money	751.66	796.86
Net Cash and cash equivalents (as defined in AS 3 <i>Cash Flow Statements</i>) included in Note 18	1,926.36	256.95
Notes:		
1 Cash and cash equivalents comprise of the following:		
(a) Cash on hand	3.26	2.62
(b) Cheque on hand	854.90	0.02
(c) Balances with banks		
(i) In current accounts	356.46	159.31
(ii) In EEFC accounts	711.74	-
(iii) In deposit accounts	-	95.00
Total	1,926.36	256.95
2 Previous year's figures have been recast/restated wherever necessary.		
See accompanying notes forming part of the financial statements		

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Khurshed Pastakia
Partner

Place : Mumbai
Date : May 29, 2015

For and on behalf of the Board of Directors

Jean Jouet
Chairman
DIN: 06937120

Raman Madhok
Managing Director
DIN: 00672492

Yves Honhon
Director
DIN: 02268831

Akash Ohri
Chief Financial Officer

Haresh Vala
Company Secretary

Place : Mumbai
Date : May 29, 2015

Notes forming part of the financial statements

1 Corporate Information:

The principal activities of the Company comprise manufacturing and installation of cold rolling mills, galvanizing lines, colour coating lines, tension levelling lines, skin pass mills, acid regeneration plants, wet flux line and pickling lines for ferrous and non-ferrous industries world wide.

2 Significant Accounting Policies:

2.1 Basis of accounting and preparation of financial statements:

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year except for change in the accounting policy for depreciation and hedge accounting as more fully described in Note 27.8 and Note 2.9 (v) respectively.

2.2 Use of Estimates:

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

2.3 Inventories:

- i Inventories are valued at lower of cost and net realisable value.
- ii Cost of raw materials comprises all costs of purchases (Net of Cenvat credit) and other costs incurred in bringing the inventories to their present location and condition. Cost is determined by moving weighted average method.
- iii Cost is arrived at on a moving weighted average method and includes, where appropriate, manufacturing overheads and excise duty. Work-in-progress and finished goods inventories are valued as aforesaid based on estimated value of work completed on each project.
- iv Material procured for a specific projects is immediately booked to the project and is not considered as inventory.
- v Inventories include goods lying with vendors for job work and goods-in-transit.

Notes forming part of the financial statements

2.4 Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.5 Cash and cash equivalents (for purpose of Cash Flow Statement):

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.6 Depreciation/Amortisation:

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

Assets costing less than ₹ 5,000 each are fully depreciated in the year of capitalisation.

Leasehold land is amortised over the duration of the lease.

Software are amortised over their estimated useful life of 3 years on straight line method.

2.7 Revenue Recognition:

Sale of goods

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales include excise duty but exclude sales tax and value added tax.

Income from services

Revenues from maintenance contracts are recognised pro-rata over the period of the contract.

Revenue from construction contracts

When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs associated with the construction contract are recognised as revenue and expenses respectively by reference to the percentage of completion of the contract activity at the reporting date. The percentage of completion of a contract is determined considering the proportion that contract costs incurred for work performed upto the reporting date bear to the estimated total contract costs.

Notes forming part of the financial statements

For the purposes of recognising revenue, contract revenue comprises the initial amount of revenue agreed in the contract, the variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and they are capable of being reliably measured.

The percentage of completion method is applied on a cumulative basis in each accounting period to the current estimates of contract revenue and contract costs. The effect of a change in the estimate of contract revenue or contract costs, or the effect of a change in the estimate of the outcome of a contract, is accounted for as a change in accounting estimate and the effect of which are recognised in the Statement of Profit and Loss in the period in which the change is made and in subsequent periods.

When the outcome of a construction contract cannot be estimated reliably, revenue is recognised only to the extent of contract costs incurred of which recovery is probable and the related contract costs are recognised as an expense in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense in the Statement of Profit and Loss in the period in which such probability occurs.

At each reporting date, the contracts in progress (Progress work) are valued and carried in the Balance Sheet under Other current assets. Advance and progress payments received from customers during the course to completion are carried under Other long-term liabilities and Other current liabilities.

The Cenvat Credit is accounted by crediting the amount to cost of purchases on receipt of goods and is utilised on clearance of finished goods by debiting Excise duty account.

Income from services is recognised as and when the services are rendered.

Interest Revenue is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend income is recognised when the right to receive dividend is established.

Eligible export benefits, if any, are recognised in the Statement of Profit and Loss when the right to receive credit as per the terms of the entitlement and reasonable certainty of collection/utilisation is established in respect of exports made/to be made.

2.8 Fixed Assets:

i **Tangible Assets:**

Tangible assets are stated at their original cost of acquisition or construction less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and attributable cost if any, of bringing the asset to its working condition for its intended use. Capital work-in-progress is valued at cost.

ii **Intangible Assets:**

Intangible assets are stated at their cost of acquisition less accumulated amortisation and impairment

Notes forming part of the financial statements

losses, if any. An intangible asset is recognised when it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its cost can be reliably measured. The cost of an intangible asset is allocated over the best estimate of its useful life on a straight line basis, a basis that reflects the pattern in which the asset's economic benefits are consumed.

- iii Fixed assets retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately.

2.9 Foreign Currency Transactions:

- i **Initial recognition:**

Foreign currency transactions are recorded in the reporting currency by applying the Monthly/Weekly average exchange rate.

- ii **Translation:**

Foreign currency monetary assets and liabilities reported at the Balance Sheet date are translated using the prevailing exchange rate on the Balance Sheet date. Non-monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate on date of transaction.

- iii **Exchange differences:**

Exchange differences arising on settlement/restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

- iv Forward exchange contracts are entered into for minimising risks (not intended for trading and speculative purposes). Any profit and loss arising on cancellation or renewal of forward exchange contract is recognised as income or expense for the year.

- v The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to highly probable forecast transactions. The Company designates such forward contracts in a cash flow hedging relationship by applying the hedge accounting principles set out in "Accounting Standard 30 Financial Instruments: Recognition and Measurement" issued by the ICAI. These forward contracts are stated at fair value at each reporting date. Changes in the fair value of these forward contracts that are designated and effective as hedges of future cash flows are recognised directly in "Hedging reserve account" under Reserves and surplus and the ineffective portion is recognised immediately in the Statement of Profit and Loss. Amounts accumulated in the "Hedging reserve account" are reclassified to the Statement of Profit and Loss in the same periods during which the forecasted transaction affects profit or loss. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. For forecasted transactions, any cumulative gain or loss on the hedging instrument recognised in "Hedging reserve account" is retained until the forecasted transaction occurs. If the forecasted transaction is no

Notes forming part of the financial statements

longer expected to occur, the net cumulative gain or loss recognised in "Hedging reserve account" is immediately transferred to the Statement of Profit and Loss.

2.10 Investments:

Investments classified as long-term investments are stated at cost of acquisition. However, provision for diminution in value is made to recognise a decline, other than temporary, in its value. Investments classified as current investments are stated at lower of cost and fair value determined either on an individual basis or by category of investment, but not an overall (or global) basis.

2.11 Employee Benefits:

i Defined Contribution Plan:

The Company's contribution to provident fund, superannuation fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

ii Defined Benefit Plan/Long-term compensated absences:

The Company's liabilities towards gratuity and compensated absences are determined as at the end of the reporting date by an independent actuary using the Projected Unit Credit method. Past services are recognised on a straight line basis over the average period until the benefits become vested. Actuarial gain and losses are recognised immediately in the Statement of Profit and Loss as income or expense. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to the market yields at the Balance Sheet date on Government Securities where the currency and terms of the Government Securities are consistent with the currency and estimated terms of the defined benefit obligation.

2.12 Borrowing costs:

Borrowing costs include interest and ancillary costs incurred. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets.

2.13 Segment Reporting:

The accounting policies used in the preparation of the financial statements of the Company are also applied for Segment Reporting. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocated income/expenses".

Notes forming part of the financial statements

2.14 Leases:

Operating Lease:

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset, are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight line basis over the lease term.

Finance Lease:

Leases that transfer substantially all the risks and rewards incidental to ownership of the assets are classified as Finance Leases. Assets procured under finance lease are recognised as Leased Assets and depreciation charged with the same rate used for charging depreciation on the depreciable assets of same kind owned by the Company.

2.15 Earnings per Share:

Basic and diluted earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating the diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.16 Income Taxes:

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only

if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

At each Balance Sheet date, the Company assesses unrecognised deferred tax assets to the extent that it is reasonably certain or virtually certain supported by convincing evidence as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax is reviewed at each Balance Sheet date. The Company writes down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain and supported by convincing evidence, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

2.17 Impairment of Assets:

The carrying values of assets/cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

2.18 Provisions and Contingent Liabilities:

A provision is recognised if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable (more likely than not) that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the flow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is to be made when there is possible obligation that arises from past events and the existence of which will be confirmed only by

Notes forming part of the financial statements

occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that may, but probably will not require an outflow of resources or in respect of which the likelihood of outflow of resources is remote.

2.19 Provision for Doubtful Trade Receivables:

Specific provision for doubtful trade receivables is made where collection of trade receivables is uncertain.

2.20 Post-Sales Warranties and Liquidated Damages:

The Company provides its clients with a fixed-period warranty on all Contracts as per stipulated terms. Costs associated with such contracts are accrued at the time related revenues are recorded and included in cost of sales. The Company estimates such costs based on historical experience and the estimates are reviewed annually for any material changes in assumption. Liquidated damages are provided as per Management's estimates on case to case basis.

2.21 Central Excise Duty:

Excise duty liability is accounted for as and when goods are produced as per consistent practice, in pursuance to the accepted practice of excise authorities.

2.22 Service tax input credit:

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing / utilising the credits.

2.23 Operating Cycle:

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

2.24 Technology Fees:

Technology fees is computed under an agreement effective from January 1, 2010 for the tenure of 5 years and revised for another 5 years with effect from January 1, 2015 on value addition basis on the equipment manufactured with the help of new technology provided by CMI SA. Technology fees are being fully charged off at the time of incurrence, and is included under Project related expenses under head Other expenses.

2.25 Brand Fees:

Brand fees charged by CMI SA, under an agreement effective from January 1, 2010 for the tenure of 5 years and revised for another 5 years with effect from January 1, 2015 is being charged off at the time of incurrence and is included in Other expenses.

Notes forming part of the financial statements

Note 3 Share capital

Particulars	As at March 31, 2015		As at March 31, 2014	
	Number of shares	₹ in lacs	Number of shares	₹ in lacs
(a) Authorised				
Equity shares of ₹ 10/- each with voting rights	8,000,000	800.00	8,000,000	800.00
Preference shares of ₹ 100/- each	200,000	200.00	200,000	200.00
(b) Issued, Subscribed and fully paid up				
Equity shares of ₹ 10/- each with voting rights	4,937,813	493.78	4,937,813	493.78
Total	4,937,813	493.78	4,937,813	493.78

Refer Notes (i) to (iv) below

Notes:

- (i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at March 31, 2015		As at March 31, 2014	
	Equity Shares		Equity Shares	
	Number	₹ in lacs	Number	₹ in lacs
Shares outstanding at the beginning of the year	4,937,813	493.78	4,937,813	493.78
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	4,937,813	493.78	4,937,813	493.78

- (ii) Terms/rights attached to equity shares:

The Company is having only one class of equity shares having par value of ₹ 10/- each. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend, if 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 the equity shares will be entitled to receive remaining assets of the Company, after the distribution of all preferential amounts. The distribution will be in proportion of the paid up share capital held by the shareholders.

- (iii) Details of shares held by the Holding Company, and their Subsidiaries:

Particulars	As at March 31, 2015		As at March 31, 2014	
	Equity shares with voting rights		Number of shares	
Cockerill Maintenance and Ingenierie SA, the Holding Company		3,697,700		3,697,700
CMI Industry Automation Private Limited, Subsidiary of the Holding Company		5,500		5,500

Notes forming part of the financial statements

(iv) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at March 31, 2015		As at March 31, 2014	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares with voting rights				
Cockerill Maintenance and Ingenierie SA	3,697,700	74.89%	3,697,700	74.89%

Note 4 Reserves and surplus

(₹ in lacs)

Particulars	As at March 31, 2015	As at March 31, 2014
(a) Securities premium account	1,466.27	1,466.27
(b) General reserve	9,075.03	9,075.03
(c) Hedging reserve		
Opening balance	-	-
Add: Effect of foreign exchange rate variations on hedging instruments outstanding at the end of the year	73.67	-
Closing balance	73.67	-
(d) Surplus in the Statement of Profit and Loss		
Opening balance	1,794.41	4,025.63
Add: Profit/(Loss) for the year	947.27	(2,231.22)
Closing balance	2,741.68	1,794.41
Total	13,356.65	12,335.71

Note 5 Long-term borrowings

(₹ in lacs)

Particulars	As at March 31, 2015	As at March 31, 2014
Term Loan:		
From bank - Secured [Refer Note (i) and (ii)]	1,154.29	1,731.43
Total	1,154.29	1,731.43

Note:

- (i) Details of terms of repayment for long-term borrowings and security provided in respect of the secured long-term borrowings:

Notes forming part of the financial statements

(₹ in lacs)

Particulars	Terms of repayment and security	As at March 31, 2015	As at March 31, 2014
Term loan from bank: HDFC Bank Limited	Terms of repayment - Repayment is to be made in 8 equal quarterly installments (As at March 31, 2014: 12 equal quarterly installments) bearing interest @ HDFC base rate + 3%; Maturity period is March 15, 2018. Security - First charge over all the immovable properties and movable fixed assets of the Company located at Taloja and second <i>pari passu</i> charge on all current assets of the Company both present and future.	1,154.29	1,731.43
Total		1,154.29	1,731.43

(ii) For the Current maturities of long-term debt, refer item (a) in Note 10 Other current liabilities.

Note 6 Other long-term liabilities

(₹ in lacs)

Particulars	As at March 31, 2015	As at March 31, 2014
(a) Trade Payables: (Other than Acceptances)		
Total outstanding dues of micro enterprises and small enterprises (Refer Note 27.2)	27.88	1.75
Total outstanding dues other than micro enterprises and small enterprises	35.78	198.12
	63.66	199.87
(b) Others:		
Advances from customers (Refer Note 28.1)	862.97	854.38
	862.97	854.38
Total	926.63	1,054.25

Note 7 Long-term provisions

(₹ in lacs)

Particulars	As at March 31, 2015	As at March 31, 2014
(a) Provision for employee benefits:		
(i) Provision for compensated absences	209.74	231.08
(ii) Provision for gratuity (net) (Refer Note 28.2)	28.25	97.87
	237.99	328.95
(b) Provision - Others:		
(i) Provision for warranties (Refer Note 28.9)	265.00	336.30
(ii) Provision for estimated losses on contracts (Refer Note 28.9)	0.45	15.30
	265.45	351.60
Total	503.44	680.55

Notes forming part of the financial statements

Note 8 Short-term borrowings

Particulars	(₹ in lacs)	
	As at March 31, 2015	As at March 31, 2014
Loans repayable on demand from banks - Secured (Refer Note below for security details)		
Buyer's Credit	802.94	1,095.05
Total	802.94	1,095.05

Note:

The above borrowings from bank are secured by first charge over all the immovable properties and movable fixed assets of the Company located at Silvassa and Andheri and second charge over all the immovable properties and movable fixed assets of the Company located at Taloja and first *pari passu* charge on all current assets of the Company both present and future.

Note 9 Trade payables

Particulars	(₹ in lacs)	
	As at March 31, 2015	As at March 31, 2014
Total outstanding dues of micro enterprises and small enterprises (Refer Note 27.2)	748.58	903.23
Total outstanding dues other than micro enterprises and small enterprises	5,388.15	8,084.29
Total	6,136.73	8,987.52

Note 10 Other current liabilities

Particulars	(₹ in lacs)	
	As at March 31, 2015	As at March 31, 2014
(a) Current maturities of long-term debt (Refer Note 5 for security details)	577.14	577.14
(b) Interest accrued but not due on borrowings	21.51	27.83
(c) Unpaid dividends	10.17	14.82
(d) Other payables		
(i) Statutory remittances (Contribution to PF and ESIC, Withholding Taxes, Excise Duty, Service Tax, etc.)	227.38	268.36
(ii) Payables on purchase of fixed assets	31.38	61.89
(iii) Contractually reimbursable expenses	11.83	11.73
(iv) Trade/security deposits received	1.50	12.80
(v) Advances from customers [Refer Note (i)] (Refer Note 28.1)	5,398.78	7,249.14
(vi) Dues to customer on construction contracts (Refer Note 28.1)	2,478.77	2,813.75
(vii) Foreign currency payable towards forward contracts	322.69	1,171.46
(viii) Amount payable to bank - towards derivative contracts	165.18	-
(ix) Forward contract liability (Exports)	1,346.25	-
Total	10,592.58	12,208.92

Notes forming part of the financial statements

Note (i): Advances from customers include from group companies:

Particulars	(₹ in lacs)	
	As at March 31, 2015	As at March 31, 2014
CMI M+W Engineering GmbH, Fellow Subsidiary	-	3.74
CMI Tech5i Pastor SAS, Fellow Subsidiary	27.90	-
Total	27.90	3.74

Note 11 Short-term provisions

Particulars	(₹ in lacs)	
	As at March 31, 2015	As at March 31, 2014
(a) Provision for employee benefits:		
Provision for compensated absences	43.62	39.87
	43.62	39.87
(b) Provision - Others:		
(i) Provision for tax (net of advance tax)	120.32	39.03
(ii) Provision for warranties (Refer Note 28.9)	937.59	938.88
(iii) Provision for estimated losses on contracts (Refer Note 28.9)	277.79	529.63
	1,335.70	1,507.54
Total	1,379.32	1,547.41

Notes forming part of the financial statements

Note 12 Fixed assets

A. Tangible assets	Gross block				Accumulated depreciation				Net block				
	Balance as at April 1, 2014	Additions	Disposals	Borrowing cost capitalised	Reclassified as held for sale	Balance as at March 31, 2015	Balance as at April 1, 2014	Depreciation expense for the year	Other adjustments / Transition adjustment recorded in Statement of Profit and Loss #	Eliminated on disposal of assets	Eliminated on reclassified as held for sale	Balance as at March 31, 2015	Balance as at March 31, 2014
(a) Land													
Freehold (Previous year)	1,007.54	166.35	-	-	103.99	1,069.90	-	-	-	-	-	1,069.90	-
Leasehold	(1,005.20)	(2.34)	(-)	(-)	(-)	(1,007.54)	(-)	(-)	(-)	(-)	(-)	(-)	(1,007.54)
(b) Buildings													
Flats	(10.82)	(-)	(-)	(-)	(10.82)	(-)	(1.25)	(0.25)	(-)	(-)	(1.50)	(-)	(-)
Factory road	203.26	60.39	-	-	27.33	236.32	29.91	54.10	23.02	-	23.76	83.27	153.05
Factory buildings	(121.32)	(81.94)	(-)	(-)	(-)	(203.26)	(23.15)	(6.76)	(-)	(-)	(-)	(29.91)	(173.95)
Office building	(3,447.60)	(464.14)	(-)	(-)	635.27	3,501.36	1,515.34	130.90	(261.82)	(-)	354.87	1,029.55	(2,396.40)
(c) Plant and Equipment													
Plant and equipment	4,249.31	597.77	1.60	87.97	74.00	4,859.45	2,758.37	233.60	(392.35)	1.60	34.31	2,563.71	(1,490.94)
Electrical installations	(4,148.25)	(101.06)	(-)	(-)	(-)	(4,249.31)	(2,388.97)	(369.40)	(-)	(-)	(-)	(2,758.37)	(138.34)
Quality control equipment	229.12	1.59	-	-	21.56	209.15	90.78	23.06	(23.30)	(-)	11.30	79.24	15.33
Furniture and fixtures	(164.73)	(64.39)	(-)	(-)	(-)	(229.12)	(74.34)	(16.44)	(-)	(-)	(-)	(90.78)	(15.72)
(d) Vehicles	41.80	(-)	(-)	(-)	(-)	41.80	26.08	2.01	(1.62)	(-)	(-)	26.47	(61.51)
(e) Office equipment	(42.35)	(-)	(0.55)	(-)	(-)	(41.80)	(24.05)	(2.55)	(-)	(0.52)	(-)	(26.08)	(24.48)
(f) Computers	167.92	1.36	3.62	(-)	0.03	165.63	106.41	13.63	(15.36)	3.52	0.03	101.13	(62.77)
(g) Total	(140.87)	(31.15)	(3.54)	(-)	(0.56)	(167.92)	(95.62)	(12.75)	(1.71)	(1.71)	(0.25)	(106.41)	(84.96)
Total	11,400.16	1,076.19	11.23	87.97	863.74	11,689.35	5,375.32	571.87	(943.02)	11.08	425.66	4,667.43	(6,024.84)
# Refer Note 27.8	(10,707.24)	(754.95)	(50.34)	(-)	(11.69)	(11,400.16)	(4,668.48)	(745.75)	(-)	(36.99)	(1.92)	(5,375.32)	

(₹ in lacs)

B. Intangible Assets	Gross block			Accumulated amortisation			Net block		
	Balance as at April 1, 2014	Additions	Disposals	Balance as at March 31, 2015	Amortisation expense for the year	Eliminated on disposal of assets	Balance as at March 31, 2015	Balance as at April 1, 2014	Balance as at March 31, 2014
(a) Computer software - acquired (Previous year)	812.11	0.58	(-)	812.69	78.26	(-)	781.09	781.09	(109.28)
(b) Designs and drawings - acquired (Previous year)	(804.84)	(7.27)	(-)	(812.11)	(92.29)	(-)	(702.83)	468.10	(-)
Total	1,280.21	0.58	(-)	1,280.79	78.26	(-)	1,249.19	1,249.19	(109.28)
Previous year	(1,272.94)	(7.27)	(-)	(1,280.21)	(92.29)	(-)	(1,170.93)	(1,170.93)	(-)

C. Depreciation and amortisation expense:

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Depreciation for the year on tangible assets as per Note 12 A	571.87	745.75
Amortisation for the year on intangible assets as per Note 12 B	78.26	92.29
Depreciation and amortisation	650.13	838.04

(₹ in lacs)

Notes forming part of the financial statements

Note 13 Non-current investments

(₹ in lacs)

Particulars	As at	As at
	March 31, 2015	March 31, 2014
	Unquoted	Unquoted
Long-Term Investments		
Other		
Investment in equity instruments		
4,000 (As at March 31, 2014: 4,000) shares of ₹ 10/- each fully paid up in Elbee Services Limited (Book value ₹ 1/-)	-	-
34,000 (As at March 31, 2014: 34,000) shares of ₹ 10/- each fully paid up in Essem Coated Steels Limited (Book value ₹ 1/-)	-	-
100,000 (As at March 31, 2014: 100,000) shares of ₹ 10/- each fully paid up in Elbee Airline Limited (Book value ₹1/-)	-	-
Total	*	-
* Represents ₹ 3/-		
Aggregate amount of unquoted investments	-	-

Note 14 Long-term loans and advances

(₹ in lacs)

Particulars	As at	As at
	March 31, 2015	March 31, 2014
Unsecured, considered good		
(a) Capital advances	1.75	39.42
(b) Security deposits	26.66	26.92
(c) Loans and advances to employees	0.86	1.43
(d) Prepaid expenses	5.19	0.84
(e) Advance income tax (net of provisions)	262.76	775.95
(f) Balances with government authorities		
Value Added Tax credit receivable	392.65	221.38
Total	689.87	1,065.94

Note 15 Other non-current assets

(₹ in lacs)

Particulars	As at	As at
	March 31, 2015	March 31, 2014
(a) Long - term trade receivables (Retention Monies) - Unsecured, considered good (Refer Note 28.1)	1,044.57	526.23
(b) Accruals		
Interest accrued on deposits	-	0.07
(c) Others		
Balances held as margin money (restricted with maturity more than 12 months)	23.25	0.25
Total	1,067.82	526.55

Notes forming part of the financial statements

Note 16 Inventories

(At lower of cost and net realisable value)

(₹ in lacs)

Particulars	As at March 31, 2015	As at March 31, 2014
(a) Raw materials	1,505.23	944.12
Goods-in-transit	2.02	5.74
	1,507.25	949.86
(b) Work-in-progress (Refer Note below)	77.16	41.77
(c) Finished goods*	428.11	405.56
(d) Stores and spares	149.91	127.20
Total	2,162.43	1,524.39

* Finished goods include excise duty of ₹ 166.52 lacs (As at March 31, 2014: ₹ 207.49 lacs) of which ₹ 149.50 lacs (As at March 31, 2014: ₹ 183.90 lacs) are pertaining to project stocks.

Note: Details of inventory of work-in-progress

(₹ in lacs)

Particulars	As at March 31, 2015	As at March 31, 2014
Spares components	77.16	41.77
Total	77.16	41.77

Note 17 Trade receivables

(₹ in lacs)

Particulars	As at March 31, 2015	As at March 31, 2014
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	6,122.37	2,515.61
Doubtful	3.18	52.08
	6,125.55	2,567.69
Less: Provision for doubtful trade receivables	(3.18)	(52.08)
	6,122.37	2,515.61
Other Trade receivables*		
Unsecured, considered good	7,055.88	14,990.38
Doubtful	2,639.90	2,639.90
	9,695.78	17,630.28
Less: Provision for doubtful trade receivables	(2,639.90)	(2,639.90)
	7,055.88	14,990.38
Total	13,178.25	17,505.99

* Other trade receivables include retention monies of ₹ 4,434.32 lacs (As at March 31, 2014: ₹ 8,050.46 lacs) (Refer Note 28.1)

Notes forming part of the financial statements

Note 18 Cash and cash equivalents

(₹ in lacs)

Particulars	As at	As at
	March 31, 2015	March 31, 2014
(a) Cash on hand	3.26	2.62
(b) Cheques on hand	854.90	0.02
(c) Balances with banks		
(i) In current accounts	356.46	159.31
(ii) In EEFC accounts	711.74	-
(iii) In deposit accounts	-	95.00
(iv) In earmarked accounts		
- Unpaid dividend accounts	10.18	14.83
- Balances held as margin money guarantees and other commitments	751.66	796.86
Total	2,688.20	1,068.64
Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 <i>Cash Flow Statements</i> is	1,926.36	256.95

Note 19 Short-term loans and advances

(₹ in lacs)

Particulars	As at	As at
	March 31, 2015	March 31, 2014
Unsecured, considered good		
(a) Security deposits	6.05	24.50
(b) Loans and advances to employees	15.38	27.57
(c) Prepaid expenses	147.09	98.14
(d) Balances with government authorities		
(i) CENVAT credit receivable	80.11	300.39
(ii) Value Added Tax credit receivable	55.58	742.76
(iii) Service Tax credit receivable	160.32	187.80
(e) Others		
Advances paid to suppliers	397.67	909.04
Total	862.20	2,290.20

Notes forming part of the financial statements

Note 20 Other current assets

Particulars	(₹ in lacs)	
	As at March 31, 2015	As at March 31, 2014
(a) Dues from customer on construction contracts (Refer Note 28.1)	4,124.92	7,274.68
(b) Accruals		
Interest accrued on deposits	31.21	27.48
(c) Others		
(i) Receivables towards gratuity	2.10	2.08
(ii) Receivables on sale of fixed assets	15.00	-
(iii) Foreign currency receivable towards forward contracts	304.16	1,122.66
(iv) Derivative assets	73.67	-
(v) Amount receivable from bank - towards derivative contracts	1,379.46	-
(vi) Forward contract asset (Imports)	160.52	-
(vii) Fixed assets held for sale (Refer Note 28.14)	441.97	9.78
Total	6,533.01	8,436.68

Note 21 Revenue from operations

Particulars	(₹ in lacs)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
(a) Sale of products [Refer Note (i) below]	21,153.80	44,537.80
(b) Sale of services [Refer Note (ii) below]	1,375.68	1,348.80
(c) Other operating revenues [Refer Note (iii) below]	327.85	158.32
	22,857.33	46,044.92
Less:		
Excise duty	923.94	1,761.65
Total	21,933.39	44,283.27

Notes forming part of the financial statements

Notes:	(₹ in lacs)	
Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
(i) Sale of products comprises:		
Cold Rolling Mill	5,947.19	25,063.57
Continuous Galvanizing Lines	7,153.95	6,452.99
Acid Regeneration Plant	1,907.17	39.83
Tension Levelling Line	2.70	1.38
Electrolytic Cleaning Line	597.94	1,928.41
Pickling Line	93.67	1,173.48
Colour Coating Line	1,818.79	5,508.84
Wet Flux Line	24.61	1,732.74
HR skin pass mill	1,681.35	-
Others (including spares and excise duty)	1,926.43	2,636.56
Total - Sale of products	21,153.80	44,537.80
(ii) Sale of services comprises:		
Service - supervision charges	829.50	643.26
Service - erection charges	492.25	705.54
Service - operation and maintenance	53.93	-
Total - Sale of services	1,375.68	1,348.80
(iii) Other operating revenues comprise:		
Sale of scrap	161.55	92.47
Duty drawback and other export incentives	119.55	-
Others:		
Liquidated damages received	13.72	21.13
Shared services income	33.03	44.72
Total - Other operating revenues	327.85	158.32

Note 22 Other income

Particulars	(₹ in lacs)	
Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
(a) Interest income [Refer Note (i) below]	257.00	277.22
(b) Other non-operating income [Refer Note (ii) below]	1,041.54	1,275.90
(c) Net gain on foreign currency transactions and translation	860.85	-
Total	2,159.39	1,553.12

Notes forming part of the financial statements

Notes:	(₹ in lacs)	
Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
(i) Interest income comprises:		
Interest from banks on deposits	117.48	192.26
Interest on loans and advances	0.16	0.21
Interest on income tax refund	63.12	84.75
Interest on sales tax refund	76.24	-
Total - Interest income	257.00	277.22
(ii) Other non-operating income comprises:		
Profit on sale of fixed assets [net of expenses directly attributable ₹ 1.58 Lacs (Year ended March 31, 2014: ₹ Nil)]	117.33	-
Liabilities/provisions no longer required written back (Refer Note 28.11)	853.95	1,229.54
Provision for trade receivables no longer required written back	52.08	18.23
Miscellaneous income	18.18	28.13
Total - Other non-operating income	1,041.54	1,275.90

Note 23.a Cost of materials consumed

Particulars	(₹ in lacs)	
Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Opening stock	949.86	1,289.33
Add: Purchases*	6,326.33	14,953.83
	7,276.19	16,243.16
Less: Closing stock	1,507.25	949.86
Cost of material consumed	5,768.94	15,293.30

* Cost of material consumed + Closing stock - Opening stock

Note:

Since the Company is a project management company and engaged in the business of putting up projects for its clients on turnkey basis, the Company is following percentage of completion method as prescribed under Accounting Standard-7 Construction contracts under which project stock, manufactured items and other direct cost are considered as project cost incurred till date. Inventory procured for a specific project is immediately booked to the project as consumed and is not considered as inventory. In view of the above, itemwise break-up for cost of materials consumed is not available in the system.

Notes forming part of the financial statements

Note 23.b Purchases of stock-in-trade

(₹ in lacs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Stock-in-trade comprises components for:		
Cold Rolling Mill	2,487.95	8,425.64
Continuous Galvanizing Lines	3,083.22	1,709.04
Acid Regeneration Plant	1,394.49	20.22
Electrolytic Cleaning Line	282.01	900.16
Pickling Line	9.41	485.81
Colour Coating Line	1,017.87	1,534.45
Wet Flux Line	-	691.79
HR skin pass mill	410.67	-
Others	207.73	2,556.14
Total	8,893.35	16,323.25

Note 23.c Changes in inventories of finished goods and work-in-progress

(₹ in lacs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Inventories at the beginning of the year:		
Finished goods	405.56	438.69
Work-in-progress	41.77	35.37
	447.33	474.06
Inventories at the end of the year:		
Finished goods	428.11	405.56
Work-in-progress	77.16	41.77
	505.27	447.33
Net (increase)/decrease	(57.94)	26.73

Note 24 Employee benefits expense (Refer Note 28.13)

(₹ in lacs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Salaries and wages	3,954.96	3,851.80
Contributions to: (Refer Note 28.2)		
Provident fund	195.37	186.23
Superannuation fund	43.37	46.58
Staff welfare expenses	216.81	200.18
Total	4,410.51	4,284.79

Notes forming part of the financial statements

Note 25 Finance costs

Particulars	(₹ in lacs)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
(a) Interest expense on:		
(i) Borrowings	273.58	457.62
(ii) Trade payables	1.04	1.37
(iii) Others		
- Interest on delayed/deferred payment of income tax	-	0.01
- Interest on delayed/deferred payment of service tax	-	1.60
- Interest on sales tax	0.31	-
- Interest on custom duty	9.49	0.23
(b) Other borrowing costs:		
(i) Bank Charges	76.16	130.14
(ii) Premium on forward contracts	68.99	79.23
Total	429.57	670.20

Note 26 Other expenses

Particulars	(₹ in lacs)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Consumption of stores and spare parts	259.37	483.61
Decrease of excise duty on inventory	(40.97)	(58.42)
Project related expenses (Refer Note 28.10)	148.82	355.32
Labour and processing charges	636.91	1,244.96
Erection expenses	292.37	1,982.18
Power and fuel	177.61	179.62
Repairs:		
- Buildings	13.50	7.34
- Plant and machinery	66.16	25.78
- Others	219.90	259.10
Rent (Refer Note 28.6)	17.50	40.26
Rates and taxes	77.21	124.32
Insurance	31.41	34.16
Commission on sales	122.78	193.13
Loss on sale/write off of fixed assets (net)	-	6.62
Loss on exchange fluctuation (net)	-	1,353.52
Provision for doubtful trade receivables	3.18	1,950.94
Brand fees	123.87	245.89
Warranties (Refer Note 28.9)	202.37	615.82
Liquidated damages	113.95	2.03
Estimated losses on contracts (Refer Note 28.9)	(266.69)	(374.32)
Packing and forwarding expenses	344.32	1,061.99
Travelling and conveyance	322.37	565.33
Postage, telex and telephone expenses	25.29	44.11
Payments to auditors [Refer Note (i) below]	67.64	77.02
Legal and professional [Refer Note (ii) below]	268.00	236.86
Bad trade and other receivables, loans and advances written off	185.96	11.61
Miscellaneous expenses	349.00	334.69
Total	3,761.83	11,003.47

Notes forming part of the financial statements

Note 26 Other expenses (contd.)

Notes:

(₹ in lacs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
(i) Payments to the auditors comprises (net of service tax input credit):		
To statutory auditors		
For audit	34.50	34.50
For taxation matters *	9.25	8.00
For other services *	22.75	33.65
Reimbursement of expenses *	1.14	0.87
Total	67.64	77.02
* Payments to the auditors for taxation matters, other services and reimbursement of expenses include ₹ 3.25 lacs (Year ended March 31, 2014: ₹ 2.00 lacs), ₹ Nil (Year ended March 31, 2014: ₹ 10.40 lacs) and ₹ 0.11 lac (Year ended March 31, 2014: ₹ 0.06 lac) respectively as payment made to an affiliated firm.		
(ii) Legal and professional includes (net of service tax input credit):		
To cost auditors for cost audit	-	1.40
Total	-	1.40

Note 27 Additional information to the financial statements

(₹ in lacs)

Note Particulars	As at March 31, 2015	As at March 31, 2014
27.1 Contingent liabilities and commitments (to the extent not provided for)		
(i) Contingent liabilities		
(a) Claims against the Company not acknowledged as debt		
Service tax*	733.83	413.08
Sales tax**	16.33	16.33
Excise duty***	180.93	88.33
Labour matter	-	5.00
Taxation matters:		
1) Demands against the Company not acknowledged as debt and not provided for, relating to issues of deductibility and taxability in respect of which the Company is in appeal and exclusive of effect of similar matters in respect of assessments remaining to be completed:		
- Income Tax	448.37	437.19
2) Items in respect of which the company has succeeded in appeal, but the Income-tax Department is pursuing appeal and exclusive of effect of similar matters in respect of assessments remaining to be completed:		
- Income Tax	30.67	30.67
(b) Other matters for which the Company is contingently liable		
Advance licence - custom duty elements	38.31	1,087.12
(ii) Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for		
Tangible assets	110.66	113.58

Notes forming part of the financial statements

Note 27 Additional information to the financial statements (contd.)

- * Matters relating to:
- (i) During the period October 2007 to February 2008, the Company had paid service tax on the Commission charged by their non-resident commission agents for the services rendered in connection with sales of the Company's finished goods in overseas market and availed Cenvat Credit. The Central Excise department had issue a show cause Notice No. F.No.V(CH84)3-06/Dem./2009-10, dated 29.10.2009 for denial of wrongly availed Cenvat Credit of ₹ 140.41 lacs of service tax paid as input service during the period October 2007 to February 2008. The Commissioner of Central Excise, Customs and Service tax vide their order No.14/Dem./Vapi/2010, dated 12.04.2010 upheld the service tax liability of ₹ 300.51 lacs (As at March 31, 2014: ₹ 272.67 lacs) including interest of ₹ 160.08 lacs (As at March 31, 2014: ₹ 132.24 lacs) with additional penalty of ₹ 140.43 lacs (As at March 31, 2014: ₹ 140.43 lacs). An appeal has been filed by the Company before CESTAT, Ahmedabad vide appeal No.STS/326/2010. The Honorable CESTAT, Ahmedabad, has passed a stay order in favour of the Company and dispensed with the condition of pre-deposit of the duty and penalty amount to the tune of ₹ 440.92 lacs (As at March 31, 2014: ₹ 413.08 lacs) vide order No. 5/570/WZB/AHD/2011, dated 05.04.2011;
- (ii) During the period April 2009 to July 2014, the Company had paid service tax on the Commission charged by their non-resident commission agents for the services rendered in connection with sales of the Company's finished goods in overseas market and availed Cenvat Credit. The Central Excise department had issue a show cause Notice No. SCN NO.05/COMMR/GLT-1/CMI/CEN-D/NON-CERA/2014-15 Dated 26.09.2014 for denial of wrongly availed Cenvat credit of ₹ 184.64 lacs of service tax paid as input service. The Commissioner of Central Excise and Service tax LTU upheld the service tax liability of ₹ 292.91 lacs (As at March 31, 2014: ₹ Nil) including interest of ₹ 108.27 lacs (As at March 31, 2014: ₹ Nil). The Company has replied to show cause notice.
- ** Matters relating to (i) detention of goods despatched by vendor of the Company at site of customer without valid TIN/CST mentioned on the invoice on 19.02.2013; (ii) omission of trading purchases and adoption of wrong output tax on lubricants noticed during VAT Audit for the year 2012-13 against which the Company has filed the petition before Joint Commissioner (Vellore) and appeal before Appellate Deputy Commissioner III Chennai respectively.
- *** Matter relating to non-reversal of proportionate Cenvat Credit on inventory shortages identified during the course of EA2000 audit conducted for the period from April 2009 to March 2011 against which the Company has filed the appeal. The Commissioner of Central Excise LTU, upheld the excise duty liability of ₹ 180.93 lacs (As at March 31, 2014: ₹ 88.33 lacs) including interest of ₹ 92.60 lacs (As at March 31, 2014: ₹ Nil).

27.2 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Total outstanding dues of Micro and Small Enterprises, which are outstanding for more than the stipulated period are given below:

Particulars	(₹ in lacs)	
	As at March 31, 2015	As at March 31, 2014
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	0.20
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	1.10	1.29
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	1.10	1.29
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	1.10	1.29
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid.	-	-*

* Represents ₹ 102/-

Notes forming part of the financial statements

Note 27 Additional information to the financial statements (contd.)

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

27.3 Details on derivatives instruments and unhedged foreign currency exposures

The Company uses Forward Exchange Contracts to hedge its exposure in foreign currency related to firm commitments and highly probable forecast transactions. The information on Derivative Instruments is as follows:

Details of Forward contracts outstanding in respect of recognised assets, firm commitments and highly probable forecast transactions are as below:

(i) Outstanding forward exchange contracts entered into by the Company as on March 31, 2015:

Particulars	As at March 31, 2015		As at March 31, 2014	
	Foreign currency in lacs	₹ in lacs	Foreign currency in lacs	₹ in lacs
Buy (Hedge of payables and expected future purchases)				
EURO	4.29	316.23	9.42	815.08
USD	4.86	309.92	37.31	2,364.82
Sell (Hedge of receivables and expected future sales)				
USD	82.11	5,409.62	169.88	11,129.67

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

Particulars	As at March 31, 2015		As at March 31, 2014	
	Foreign currency in lacs	₹ in lacs	Foreign currency in lacs	₹ in lacs
Payables				
USD	13.32	833.66	-	-
EURO	4.45	305.87	-	-
Canadian Dollar (CAD)	0.05	2.45	-	-
Advance from customers				
USD	38.07	2,351.38	39.78	2,359.00
EURO	0.66	45.03	0.26	21.22
Receivables				
EURO	0.94	63.99	3.30	270.29
Advance to suppliers				
USD	0.32	20.13	0.78	46.78
EURO	0.17	11.77	1.87	155.20

Notes forming part of the financial statements

Note 27 Additional information to the financial statements (contd.)

	(₹ in lacs)	
27.4 Value of imports calculated on CIF basis:	For the year ended March 31, 2015	For the year ended March 31, 2014
Raw materials, components, stores and spares	4,853.07	6,666.86

Note: The Company's records do not distinguish between raw materials, components and stores and spares. Therefore, separate figures for each category of imported items have not been given. The above amounts have been computed based on the purchase bills to the extent identified by the Company, for imported items. The total import purchases of ₹ 4,853.07 lacs (Year ended March 31, 2014: ₹ 6,666.86 lacs) comprise of purchases of goods amounting to ₹ 1,663.24 lacs (Year ended March 31, 2014: ₹ 1,926.42 lacs) on CFR/CPT/EXW/FCA/FOB/FOT basis.

	(₹ in lacs)	
27.5 Expenditure in foreign currency (on accrual basis):	For the year ended March 31, 2015	For the year ended March 31, 2014
Commission on sales, supervision and erection expenses, design and engineering services and consultancy charges	239.31	326.18
Travelling expenses	113.75	185.23
Brand and technology fees [including Income Tax deducted ₹ 13.63 lacs (Year ended March 31, 2014: ₹ 25.27 lacs)]	136.29	252.72
Interest	8.60	12.72
Others	129.43	41.30

	(₹ in lacs)	
27.6 Details of consumption of imported and indigenous items:	For the year ended March 31, 2015	For the year ended March 31, 2014
Imported		
Raw materials, components, stores and spares consumed (₹ in lacs)	1,012.32	1,883.59
% of consumption	16.79%	11.94%
Indigenous		
Raw materials, components, stores and spares consumed (₹ in lacs)	5,015.99	13,893.32
% of consumption	83.21%	88.06%
Total		
Raw materials, components, stores and spares consumed (₹ in lacs)	6,028.31	15,776.91
% of consumption	100.00%	100.00%

Note: Amount of indigenous consumption is balancing figure. See Note in 27.4 above.

	(₹ in lacs)	
27.7 Earnings in foreign exchange:	For the year ended March 31, 2015	For the year ended March 31, 2014
Export of goods calculated on FOB basis	74.01	9,900.26
Export of services	338.34	120.01

Note: The total export sales (made under long-term contracts) of ₹ 6,194.17 lacs (Year ended March 31, 2014: ₹ 20,135.92 lacs) comprise of sale of goods amounting to ₹ 74.01 lacs (Year ended March 31, 2014: ₹ 9,900.26 lacs) on FOB basis, to the extent identified from the records maintained in the ordinary course of business as above and balance sales on CFR/CIF/CIP/CPT/DAP basis.

Notes forming part of the financial statements

Note 27 Additional information to the financial statements (contd.)

27.8 The Company has revisited and changed the method of depreciation of fixed assets from written down value (WDV) method to straight line method (SLM) as on 1 April, 2014, because the Management believes that change would result in a more appropriate presentation of the financial statements of the enterprise. Accordingly, all assets are now being depreciated under SLM. Pursuant to the notification of Schedule II to the Act, the Company also revised the estimated useful life of some of its assets to align the useful life with those specified in Schedule II. The details of previously applied depreciation method, rates/useful life are as follows:

Asset	Previous depreciation method	Previous depreciation rate / useful life	Revised useful life based on SLM
Office building	WDV	5% / 58 years	60 years
Factory road	WDV	5% / 58 years	5 years
Factory buildings	WDV	10% / 28 years	30 years
Plant and equipment	WDV	13.91% / 20 years 20.87% / 13 years 27.82% / 9 years	15 years
Electrical installations	WDV	13.91% / 20 years	10 years
Quality control equipment	WDV	13.91% / 20 years	10 years
Furniture and Fixtures	WDV	18.10% / 15 years	10 years
Vehicles	WDV	25.89% / 10 years	8 years
Office equipment	WDV	13.91% / 20 years	5 years
Computers	WDV	40% / 6 years	6 years / 3 years

Pursuant to the transition provisions prescribed in Schedule II to the Companies Act, 2013, the Company has fully depreciated the carrying value of assets (determined after considering the change in the method of depreciation from WDV to SLM), net of residual value, where the remaining useful life of the asset was determined to be nil as on April 1, 2014. As a result of these changes, the depreciation charge for the year ended March 31, 2015 is lower by ₹107.39 lacs and the effect relating to the period prior to April 1, 2014 is net credit of ₹ 556.48 lacs (excluding deferred tax of ₹ 286.54 lacs) which has been shown as an 'Exceptional items' in the statement of profit and loss.

28.1 Details of contract revenue and costs:

(₹ in lacs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Details of contract revenue and costs:		
Contract revenue recognised during the year	20,844.74	43,092.28
Aggregate of contract costs incurred and recognised profits (less recognised losses)	21,111.43	43,466.60
Advances from customers (Refer Notes 6 and 10)	6,261.75	8,103.52
Retention monies for contracts in progress (Refer Notes 15 and 17)	5,478.89	8,576.69
Gross amount due from customers for contract work (asset) (Refer Note 20)	4,124.92	7,274.68
Gross amount due to customers for contract work (liability) (Refer Note 10)	2,478.77	2,813.75

Notes forming part of the financial statements

Note 28 Disclosures under Accounting Standards (Contd.)

28.2 Employee benefit plans:

Employee benefits expense include the following:

(₹ in lacs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Defined contribution schemes		
Company's contribution to Provident fund	195.37	186.23
Company's contribution to Superannuation fund	43.37	46.58
Defined benefit schemes - Gratuity		
Components of employer expense		
Current service cost	47.85	58.10
Interest cost	44.90	42.33
Expected return on plan assets	(27.95)	(23.43)
Actuarial losses/(gains)	(111.84)	(86.02)
Total expense/(credit) recognised in the Statement of Profit and Loss (Refer Note 28.11)	(47.04)	(9.02)
Actual contribution and benefit payments for the year		
Actual benefit payments	(50.42)	(43.59)
Actual contributions	22.58	73.37
Net liability recognised in the Balance Sheet		
Present value of defined benefit obligation	423.19	453.96
Fair value of plan assets	(394.94)	(356.09)
Net liability recognised in the Balance Sheet (Refer Note 7)	28.25	97.87
Change in defined benefit obligations (DBO) during the year		
Present value of DBO at beginning of the year	453.96	475.72
Current service cost	47.85	58.10
Interest cost	44.90	42.33
Actuarial losses/(gains)	(104.69)	(78.60)
Liabilities assumed on acquisition/(settled on divestiture)	31.59	-
Benefits paid	(50.42)	(43.59)
Present value of DBO at the end of the year	423.19	453.96
Change in fair value of assets during the year		
Plan assets at beginning of the year	356.09	295.46
Expected return on plan assets	27.95	23.43
Actual company contributions	22.58	73.37
Asset acquired on acquisition/(distributed on divestiture)	31.59	-
Actuarial gain	7.15	7.42
Benefits paid	(50.42)	(43.59)
Plan assets at the end of the year	394.94	356.09
Actual return on plan assets	35.10	30.85

Notes forming part of the financial statements

Note 28 Disclosures under Accounting Standards (Contd.)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Composition of the plan assets is as follows:		
(percentage or value)		
Insurer managed funds*	100.00%	100.00%
Actuarial assumptions		
Discount rate	7.95%	9.10%
Expected return on plan assets	8.00%	7.50%
Salary escalation	5.00%	8.00%
Attrition		
Age (Years)		
21-30	5.00%	5.00%
31-40	3.00%	3.00%
41-59	2.00%	2.00%
Mortality tables	Indian Assured Lives Mortality (2006-08) Ult table	Indian Assured Lives Mortality (2006-08) Ult table
Estimate of amount of contribution in the immediate next year (₹ in lacs)	50.00	50.00

Experience adjustments	(₹ in lacs)				
	2014-2015	2013-2014	2012-2013	2011-2012	2010-2011
Gratuity					
Present value of DBO	423.19	453.96	475.72	357.23	322.78
Fair value of plan assets	394.94	356.09	295.46	257.77	167.75
Funded status (Deficit)	(28.25)	(97.87)	(180.26)	(99.46)	(155.03)
Experience (gain)/loss adjustments on plan liabilities	(23.48)	(25.67)	36.75	(13.27)	22.82
Experience gain/(loss) adjustments on plan assets	7.15	7.42	1.78	3.62	(11.55)

The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.

The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

*Due to absence of data provided by Life Insurance Corporation of India, break-up of plan assets (asset allocation) in insurer managed funds have not been furnished.

The above information has been certified by the actuary and relied upon by the auditors.

		(₹ in lacs)	
28.3	Details of borrowing costs capitalised	For the year ended March 31, 2015	For the year ended March 31, 2014
	Borrowing costs capitalised during the year		
	- as capital work-in-progress	-	39.83
	- capitalised during the year	14.96	-
	Total	14.96	39.83

Notes forming part of the financial statements

Note 28 Disclosures under Accounting Standards (Contd.)

28.4 Segment information

Geographical Segments:

The Company has considered geographical segments as the primary segment for disclosure. For the purpose of Segment reporting, the Company has identified two geographical segments which comprises of Overseas and India. The segments have been identified taking into account the differing risks and returns relating to these geographical areas.

Secondary Segments:

As the Company's business activity falls within a single business segment i.e. Original Equipments Manufacturer and Project Management, the disclosure requirement of Accounting Standard (AS-17) for secondary segment reporting is not applicable.

Particulars	For the year ended March 31, 2015		
	Overseas	India	Total
Revenue			
External revenue	6,493.95 (18,007.86)	15,111.59 (26,117.09)	21,605.54 (44,124.95)
Inter-segment revenue	- (-)	- (-)	- (-)
Total	6,493.95 (18,007.86)	15,111.59 (26,117.09)	21,605.54 (44,124.95)
Segment result	1,823.31 (2,998.81)	1,206.88 (360.01)	3,030.19 (3,358.82)
Unallocable expenses (net)			4,523.62 (6,845.13)
Operating expense			(1,493.43) (-3,486.31)
Finance cost			429.57 (670.20)
Other income			2,159.39 (1,553.12)
Exceptional Items (Refer Note 27.8)			556.48 (-)
Profit/(loss) before taxes			792.87 (-2,603.39)
Tax (income)/expense			(154.40) (-372.17)
Net profit/(loss) for the year			947.27 (-2,231.22)
Other information			
Segment assets	4,635.70 (6,834.35)	24,777.58 (29,313.23)	29,413.28 (36,147.58)
Unallocable assets			6,191.37 (4,055.14)
Total assets			35,604.65 (40,202.72)
Segment liabilities	4,362.31 (4,937.57)	12,613.13 (17,710.80)	16,975.44 (22,648.37)
Unallocable liabilities			4,778.78 (4,724.86)
Total liabilities			21,754.22 (27,373.23)
Other information			
Capital expenditure			638.16 (716.76)
Depreciation and amortisation (Refer Note 27.8)			650.13 (838.04)
Non-cash (income)/expenses other than depreciation and amortisation (net)			(546.88) (1,294.17)

Previous year's figures have been given in brackets above.

Notes forming part of the financial statements

Note 28 Disclosures under Accounting Standards (Contd.)

28.5 Related party transactions

28.5 a Details of related parties:

Description of relationship	Names of related parties
Holding Company	Cockerill Maintenance & Ingenierie SA
Fellow Subsidiaries (with whom Company has made transactions during the year)	CMI Industry Automation Private Limited CMI UVK GmbH CMI M+W Engineering GmbH CMI Tech5i Pastor SAS
Key Management Personnel (KMP)	Mr. Raman Madhok - Managing Director (w.e.f. October 9, 2013) Mr. Sanjoy Kumar Das - Managing Director (from April 15, 2013 upto October 8, 2013) Mr. Jean Gourp - Managing Director (upto April 15, 2013 and thereafter Executive Director till April 30, 2013)

Note: Related parties have been identified by the Management.

28.5 b Details of related party transactions during the year ended March 31, 2015 and balances outstanding as at March 31, 2015: (₹ in lacs)

Nature of transactions	Holding Company	Fellow Subsidiaries	KMP	Total
Purchase of goods	-	1,261.48	-	1,261.48
	(-)	(5,169.39)	(-)	(5,169.39)
Receiving of services	139.71	0.67	-	140.38
	(6.52)	(23.63)	(-)	(30.15)
Sale of goods	-	44.77	-	44.77
	(1,571.42)	(2,504.10)	(-)	(4,075.52)
Shared services income	-	37.11	-	37.11
	(-)	(50.25)	(-)	(50.25)
Rendering of services	-	-	-	-
	(16.89)	(-)	(-)	(16.89)
Capital Expenditure	-	32.07	-	32.07
	(-)	(-)	(-)	(-)
Interest Expense	-	0.15	-	0.15
	(-)	(-)	(-)	(-)
Remuneration	-	-	331.86	331.86
	(-)	(-)	(216.00)	(216.00)
Brand and technology fees	136.29	-	-	136.29
	(252.72)	(-)	(-)	(252.72)
Expenses reimbursement received	-	16.04	-	16.04
	(19.61)	(17.59)	(-)	(37.20)
Expenses reimbursement receivable reversed	8.78	-	-	8.78
	(-)	(-)	(-)	(-)
Expenses reimbursement paid	18.89	8.39	-	27.28
	(110.30)	(5.77)	(-)	(116.07)
Bad trade and other receivables, loans and advances written off	44.91	-	-	44.91
	(-)	(-)	(-)	(-)
Balances outstanding at the end of the year:				
Trade receivables	18.97	598.20	-	617.17
	(153.81)	(574.20)	(-)	(728.01)
Advance received from customers	-	27.90	-	27.90
	(-)	(3.74)	(-)	(3.74)
Trade payables	300.28	191.07	-	491.35
	(31.73)	(150.89)	(-)	(182.62)

Note: All above figures are inclusive of taxes. Figures in bracket relates to the previous year.

Notes forming part of the financial statements

Note 28 Disclosures under Accounting Standards (Contd.)

28.5 c The significant related party transactions are as under:

Nature of transactions	Fellow subsidiaries	₹ in lacs	KMP	₹ in lacs
Purchase of goods	CMI Industry Automation Private Limited	1,261.48 (5,169.39)		
Receiving of services	CMI Industry Automation Private Limited	0.67 (23.63)		
Sale of goods	CMI Industry Automation Private Limited	36.10 (1.05)		
	CMI M+W Engineering GmbH	8.67 (2,503.05)		
Capital Expenditure	CMI Industry Automation Private Limited	32.07 (-)		
Interest Expense	CMI Industry Automation Private Limited	0.15 (-)		
Shared services income	CMI Industry Automation Private Limited	37.11 (50.25)		
Remuneration			Raman Madhok	331.86 (159.38)
			Jean Gourp	- (8.40)
			Sanjoy Kumar Das	- (48.22)
Expenses reimbursement received	CMI Industry Automation Private Limited	15.25 (17.59)		
	CMI UVK GmbH	0.79 (-)		
Expenses reimbursement paid	CMI Industry Automation Private Limited	8.39 (5.77)		
Trade receivables	CMI Industry Automation Private Limited	5.19 (9.40)		
	CMI M+W Engineering GmbH	593.01 (564.80)		
Advance received from customers	CMI M+W Engineering GmbH	- (3.74)		
	CMI Tech5i Pastor SAS	27.90 (-)		
Trade payables	CMI Industry Automation Private Limited	191.07 (150.89)		

Note: There were no amounts written off (except as disclosed above) or written back during the year in respect of debts due from or to related parties.

28.6 Operating Lease:

The Company has entered into operating lease or leave and licence arrangements for residential premises/godowns (including furniture and fittings therein as applicable). These leasing arrangements which are not non-cancellable range between 11 months to 36 months.

Notes forming part of the financial statements

Note 28 Disclosures under Accounting Standards (Contd.)

With regard to other non-cancellable operating lease for residential premises/godown, the future minimum rentals are as follows: (₹ in lacs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Future minimum lease payments		
not later than one year	2.62	-
later than one year and not later than five years	-	-
later than five years	-	-
Total	2.62	-
Lease payments recognised in the Statement of Profit and Loss	17.50	40.26

There are no contingent rents and any purchase option; however, there are clauses on renewal and escalation.

28.7 Earnings per share:

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Basic and Diluted		
Net Profit/(loss) for the year attributable to the equity shareholders (₹ in lacs)	947.27	(2,231.22)
Weighted average number of equity shares (in numbers)	4,937,813	4,937,813
Par value per share (₹)	10.00	10.00
Earnings per share - Basic (₹)	19.18	(45.19)
Earnings per share - Diluted (₹)	19.18	(45.19)

28.8 Deferred tax (liabilities)/assets arising due to timing differences:

Items	As at March 31, 2015	As at March 31, 2014
Tax effect of items constituting deferred tax liabilities		
On difference between book balance and tax balance of fixed assets	(258.29)	(68.10)
Tax effect of items constituting deferred tax liabilities	(258.29)	(68.10)
Tax effect of items constituting deferred tax assets		
Unabsorbed Depreciation/brought forward business losses	258.29*	68.10*
Provision for doubtful trade receivables	873.88	873.41
Provision for compensated absences	83.41	83.04
Provision for bonus	4.70	1.36
Provision for excise duty on finished goods	38.52	8.92
Provision for gratuity	9.34	25.26
Tax effect of items constituting deferred tax assets	1,268.14	1,060.09
Deferred tax assets (net)	1,009.85	991.99

*Restricted to the extent of deferred tax liability on depreciation on account of virtual certainty

Notes forming part of the financial statements

Note 28 Disclosures under Accounting Standards (Contd.)

28.9 Details of provisions

The Company has made provision for various contractual obligations based on its assessment of the amount it estimates to incur to meet such obligations, details of which are given below:

(₹ in lacs)					
Particulars	As at April 1, 2014	Additions	Utilisation	Reversal (withdrawn as no longer required)	As at March 31, 2015
Provision for warranties	1,275.18	202.37	102.04	172.92	1,202.59
	(1,231.50)	(615.82)	(35.28)	(536.86)	(1,275.18)
Provision for estimated losses on contracts	544.93	2.56	-	269.25	278.24
	(919.25)	(453.76)	(-)	(828.08)	(544.93)
Total	1,820.11	204.93	102.04	442.17	1,480.83
	(2,150.75)	(1,069.58)	(35.28)	(1,364.94)	(1,820.11)

Note: Figures in brackets relate to the previous year.

Of the above, the following amounts are expected to be incurred within a year:

Particulars	As at March 31, 2015	As at March 31, 2014
Provision for warranties	937.59	938.88
Provision for estimated losses on contracts	277.79	529.63

28.10 Project related expenses comprise:

(₹ in lacs)		
Nature of expense	For the year ended March 31, 2015	For the year ended March 31, 2014
Design and engineering charges	2.92	39.76
Testing and inspection	12.00	29.14
Transport charges (inward)	85.92	173.36
Crane hire charges	31.25	46.62
Clearing and forwarding expenses (import)	3.69	58.40
Technology fees	12.42	6.83
Cess on technology fees	0.62	1.21
Total	148.82	355.32

Notes forming part of the financial statements

28.11 Details of liabilities/provisions no longer required written back:

Nature of expense	(₹ in lacs)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Reversal of provision for warranties	172.92	536.86
Reversal of provision for employee benefits	51.33	198.33
Expense provision reversal	317.55	-
Credit balances written back	312.15	494.35
Total	853.95	1,229.54

28.12 The Company has also entered into an agreement with CMI SA for providing knowhow, access to various industrial processes, development and implementation of strategy, access to best practices for business operations, exploitation of knowledge for new business initiatives, access to new global business opportunities, etc.

The Company has entered into an agreement with CMI SA for rights to use the CMI Brand name. The Company pays 0.6% of net sales. The agreement is originally effective from January 1, 2010 for the tenure of 5 years and revised for another 5 years with effect from January 1, 2015.

Particulars	(₹ in lacs)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Technology fees	12.42	6.83
Brand fees	123.87	245.89

28.13 The expenses disclosed under the Statement of Profit and Loss are net of the following amounts as stated below which have been capitalised under fixed assets:

Particulars	(₹ in lacs)	
	For the year ended March 31, 2015	For the year ended March 31, 2014
Salaries and wages	-	18.76
Provident fund	-	0.63
Staff welfare expenses	-	0.01
Total	-	19.40

Notes forming part of the financial statements

28.14 Details of fixed assets held for sale:

Particulars	(₹ in lacs)	
	As at March 31, 2015	As at March 31, 2014
Flats*	3.89	9.33
Land - Freehold	103.99	-
Factory road	3.57	-
Factory buildings	280.40	-
Plant and equipment	39.69	-
Electrical installations	10.26	-
Furniture and fixtures	-	0.31
Office equipment	0.17	0.14
Total	441.97	9.78

* Includes ₹ 0.01 lac being the cost of 10 shares of ₹ 50 each in Highland Park Co-operative Housing Society Limited.

28.15 Due to stress in the steel industry, one of the major customers to whom the net exposure of the Company is ₹ 1,943.76 lacs has been experiencing cash flow problems during the year. However, the management is confident of receiving the amount and believes that no provision is necessary.

28.16 Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

For and on behalf of the Board of Directors

Jean Jouet
Chairman
DIN: 06937120

Raman Madhok
Managing Director
DIN: 00672492

Yves Honhon
Director
DIN: 02268831

Akash Ohri
Chief Financial Officer

Haresh Vala
Company Secretary

Place : Mumbai
Date : May 29, 2015

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CMI FPE LIMITED

CIN.: L99999MH1986PLC039921

Registered Office: Mehta House, Plot No. 64, Road No. 13, MIDC, Andheri (E), Mumbai – 400093

Name of Member (s):

Regd. Folio No.: /DP ID/Client ID:

I/We, being the member (s) of shares of CMI FPE Limited, hereby appoint:

- (1) Name: Address:
..... having e-mail Id: or failing him;
- (2) Name: Address:
..... having e-mail Id: or failing him;
- (3) Name: Address:
..... having e-mail Id:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 29th Annual General Meeting of the Company to be held on Friday, July 31, 2015 at 2.30 p.m at Mehta House, Plot No. 64, Road No. 13, MIDC, Andheri (E), Mumbai – 400093 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl. No.	Resolutions	Optional	
		For	Against
ORDINARY BUSINESS			
1	Adoption of Balance Sheet, Statement of Profit and Loss, Reports of the Board of Directors and the Auditors for the financial year ended March 31, 2015		
2	Re-appointment of Mr. Yves Honhon (DIN : 02268831), who retires by rotation and, being eligible, offers himself for re-appointment		
3	Appointment of Auditors and fix their remuneration		
SPECIAL BUSINESS			
4	Appointment of Mr. Jean Jouet (DIN : 06937120) as a Director		
5	Appointment of Ms. Roma Balwani (DIN : 00112756) as a Director		
6	Approval for payment of commission to Non Executive Directors		
7	Ratification of remuneration payable to the Cost Auditor		

Signed this..... day of, 2015

Affix
Revenue
Stamp

Signature of shareholder

(1) Signature of First proxy holder (2) Signature of Second proxy holder (3) Signature of Third proxy holder

Note:

- This form of proxy in order to be effective should be duly stamped, completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
- It is optional to indicate your preference in the appropriate column. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she may deem appropriate.



The Communication Department acknowledges all those who contributed to the making of this Annual Report.

Produced by: The Communication Department of CMI FPE Limited, in collaboration with Synergy Creations, under the guidance of CMI Group, Communication Department.





CMI FPE Limited


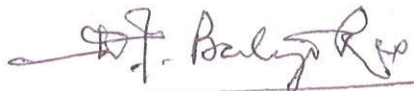


**Mehta House, Plot No. 64, Road No. 13,
MIDC, Andheri (E), Mumbai - 400 093, India**

Tel. : + 91 22 6676 2727

www.cmifpe.com

FORM A

(pursuant to Clause 31(a) of the Listing Agreement with the Stock Exchange)

1.	Name of the Company:	CMI FPE Limited
2.	Annual financial statements for the year ended	March 31, 2015
3.	Type of Audit observation	Un-qualified / Matter of Emphasis
4.	Frequency of observation	Not Applicable
<p>Refer our Audit Report on the financial statements of CMI FPE Limited of even date attached</p> <p>For DELOITTE HASKINS & SELLS Chartered Accountants (Firm's Registration No. 117365W)</p>  <p>Khurshed Pastakia Partner (Membership No. 31544)</p> <p>MUMBAI, May 29, 2015</p>		<p>For CMI FPE Limited</p>  <p>D. J. Balaji Rao Chairman - Audit Committee</p>  <p>Raman Madhok Managing Director</p>  <p>Akash Ohri Chief Financial Officer</p> <p>MUMBAI, May 29, 2015</p>