

CMI LIMITED

Registered Office: C- 483, Yojna Vihar, Delhi- 110092

Tel No.: 011-49570000-11

NOTICE IS HEREBY GIVEN THAT THE 45TH ANNUAL GENERAL MEETING OF CMI LIMITED will be held on Saturday, the 29th September, 2012 at 11:30 am at Lajwaab Banquet Hall, Vikas Marg, Delhi – 110092 to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended March 31, 2012 and the Balance Sheet as at that date together with the Director's Report and Auditor's Report thereon.
2. To appoint a Director in place of Mr. Ramesh Chand, who retires from office by rotation, and being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration and in this regard to consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT M/s J.K. Manocha & Associates, Chartered Accountants, New Delhi, be and hereby appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors of the Company.”

SPECIAL BUSINESS:

4. To re-appoint and increase remuneration of Mr. Amit Jain, Managing Director of the company and for that purpose to pass with or without modification(s), the following resolution as a Special Resolution:-

“RESOLVED THAT pursuant to provisions of Section 198, 269, 302, 309, 385, 386, 387, 388 read with Schedule XIII and other applicable provisions, if any, (including any statutory modifications of re-enactment thereof for the time being in force) and subject to approval of shareholders, consent of the company be and is hereby accorded for the re-appointment and

increase in remuneration of Mr. Amit Jain, Managing Director of the Company for a period of three years w.e.f. 1st October, 2012, as recommended by the Remuneration Committee and on the terms and conditions as approved by the Board of Directors of the Company and at a remuneration as set out in the Explanatory Statement annexed to the Notice convening this meeting and as further set out in the draft supplementary agreement placed before this meeting, which supplementary agreement is hereby specifically sanctioned with liberty to the Board of Directors to alter and vary the same in such manner as may be agreed to between the Board of Directors and Mr. Amit Jain, Managing Director.

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as in its absolute discretion it may consider necessary, expedient or desirable and to settle any question or doubt that may arise in relation thereto and the Board shall have absolute power to decide breakup of the remuneration within the above said maximum permissible limit and in order to give effect to the forgoing resolution, or as may be otherwise considered by it to be in the best interest of the Company.”

5. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as Special resolution:

"RESOLVED THAT pursuant to the clause (a) of regulation 6 of SEBI (delisting of equity shares) Regulation 2009, and subject to consent of the shareholders, approval of the Board of Directors is being accorded to delist the shares of the Company from Ahmedabad Stock Exchange Limited and Delhi Stock Exchange Limited as the shares of the Company were not being materially traded on Ahmedabad Stock Exchange as well as on Delhi Stock Exchange.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion deem desirable, necessary, expedient, usual or proper to implement this resolution.”

By Order of the Board

Place: Delhi

Date: 03rd September, 2012

Amit Jain
Chairman & Managing Director

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL ON HIS/HER BEHALF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES, IN ORDER TO BE EFFECTIVE, THE INSTRUMENT MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

THE RELEVANT EXPLANATORY STATEMENT PURSUANT TO 173(2) OF THE COMPANIES ACT, 1956 IN RESPECT OF 4 TO 5 OF THE NOTICE SET OUT ABOVE IS ANNEXED HEREWITH.

2. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of Board resolution pursuant to Section 187 of the Companies Act, 1956, authorizing their representative to attend and vote on their behalf at the Meeting.
3. Brief resume of all the Directors, nature of their expertise in specific functional area, names of companies in which they hold directorships and memberships/ chairmanships of Board Committees, Shareholding and relationships between Directors inter-se stipulated under Clause 49 of the Listing Agreement with the Stock Exchange(s) in India, are provided in the Report on Corporate Governance forming part of the Annual Report.
4. Members are requested to bring their ID cards and attendance slip along with their copy of Annual Report of the Meeting.
5. Relevant documents referred in the accompanying notice are open for inspection by the Members at the Registered Office of the Company on all working days, except Saturdays, between 11.00 A.M to 1.00 P.M up to the date of the Meeting.
6. Pursuant to Section 154 of the Companies Act, 1956 the Company has already notified closure of Register of Members and Share Transfer Books from September 23rd, 2012 to September 29th, 2012 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if the dividend is declared at the Meeting.
7. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts.
8. Members holding shares in physical form are requested to advise any change of address immediately to the Company/ Registrar and Transfer Agents, M/s Beetal Financial & Computer Services Private Limited, Beetle House, 99 Madangir, Behind Local Shopping Centre, Near Dada Harsukh Dass Mandir, New Delhi-110062.
9. The Members are requested to provide information with respect to particulars such as occupation, Fathers' name etc and such other information, that is not available with the Company so as to update Members' Register.
10. Members holding shares in electronic form are requested to quote Ledger Folio Numbers/ DP ID- Client ID in all their correspondence.

11. The Members are requested to note that no gift or gift coupons will be distributed at the meeting.
12. No amount of money is due & pending which is required to be transferred to unpaid or unclaimed dividend account or to Investor Education and Protection Fund.
13. The Register of Director's shareholding will be available for inspection at the meeting.

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

AGENDA ITEM NO. 4

Mr. Amit Jain is a qualified person and serving the Company from the Year 2002 onwards. He was appointed as Managing Director of the Company w.e.f 1st October, 2002 for a period of Five Years. He is handling the operations of the Company very efficiently and his foresightedness and professional approach towards working has brought significant improvement in the growth to the Company. He was re-appointed for the period of Five Years w.e.f 1st October 2007. During his tenure he is working so efficiently that the accumulated losses of the Company which are more than Capital of the Company are now equal to the Capital of the Company.

Keeping in view the professional services provided by him, directors of the Company are of the view that his services should be used further for the steady growth of the Company. Your Directors foresee a bright future of the Company under his management.

Keeping in view the above, the Board of Directors of the Company has unanimously re-appointed and increased the remuneration of Mr. Amit Jain, Managing Director of the Company in its meeting held on 03rd September, 2012 for a period of 3 years w.e.f. 01st October, 2012 to 30th September, 2015 at remuneration as approved by the Board of Directors.

The remuneration package proposed to be provided to Mr. Amit Jain is as follows:

Pay Elements	Amount per month (in Rs.)
Basic Salary	88,750.00
HRA (60% of Basic)	53,250.00
Education Allowance	3,500.00
Fixed Medical Allowance	4,500.00
Total	1,50,000.00

In terms of Section 269 of the Companies Act, 1956 read with Schedule XIII any appointment or re-appointment and payment of remuneration to the Managing Director in accordance with Schedule XIII requires the approval of Shareholders at the General Meeting, therefore the Board of Directors of your Company commends the said re-appointment and payment of remuneration for your approval.

None of the Directors other than Mr. Amit Jain is interested in this Resolution.

GENERAL INFORMATION:

1. Nature of Industry : Insulated wires & cables

2. Year of Commencement of commercial Production : 1967

3. Financial Performance **(Amount in Rs.)**

Particulars	01/04/2009 to 31/03/2010	01/04/2010 to 31/03/2011	01/04/2011 to 31/03/2012
Paid-up Share capital	30,535,000	32,061,750	33,664,830
Reserves & Surplus (Excluding Revaluation Reserve, if any)	29,424,132	51,991,716	76,081,859
Total Income	488,079,653	592,671,339	731,092,695
Profit before tax	19,259,645	22,336,464	23,754,419
Profit after tax	19,160,196	20,161,426	21,563,688
Dividend	Nil	Nil	Nil

INFORMATION ABOUT THE APPOINTEE:

4. Background Details

Mr. Amit Jain is a Commerce Graduate, aged about 38 years, has vast and diverse industrial experience of over 15 years in the Cable Industry. He is associated with CMI Limited since 2002.

5. Past Remuneration

The past remuneration as withdrawn by Mr. Amit Jain, Managing Director as on 31st March 2012 was **Rs. 1,25,000/-** per month.

6. Job Profile and his suitability :

Mr. Amit Jain, Managing Director of the Company has been serving the Company from the past several years and is having vast experience and expertise in the field of Cable Industry. He possesses an extraordinary vision and entrepreneurial skills. Under his leadership, CMI has grown significantly despite many hurdles. As a Managing Director, he is responsible for overall management of the Company. He is handling the operations of the Company very efficiently and his foresightedness and professional approach towards working has brought significant improvement in the growth to the Company.

7. Remuneration Proposed : As provided in Item No. 4

8. Pecuniary relationship with the Company or relationship with the Managerial persons, if any:

Except being a Managing Director and the amount of loan granted by him to the company, he has no pecuniary relationship with the Company or with the Managerial personnel.

DISCLOSURES:

The shareholders of the company shall be informed of the remuneration package of the managerial person.

AGENDA ITEM NO. 5

The Company's equity shares are listed on three Stock Exchanges namely, Ahmedabad, Mumbai and the Delhi. With the extensive networking of The Bombay Stock Exchange (BSE) and the extension of the BSE terminal to other cities as well, investors have access to online dealings in the Company's equity shares across the country. The bulk of the trading in the Company's equity shares in any case takes place on the BSE.

The Company's equity shares are one of the scrips which the Securities and Exchange Board of India (SEBI) has specified for settlement only in dematerialized form by all investors, since April 5, 1999. It is observed that there has been no trading of company's shares on ASE & DSE for a long time.

The Company also satisfies the requirement / criteria for delisting the equity shares, pursuant to Securities and Exchange Board of India (Delisting of Securities) Guidelines, 2003 and therefore it is proposed to get the equity shares delisted from ASE & DSE.

The proposed De-listing of the Company's Securities as and when the same takes place, will not adversely affect the investors.

Your Directors, therefore, recommend the Special Resolution for the approval of members.

Thereafter, the company will be applying to the aforesaid Stock Exchanges for delisting of the shares of the company.

None of the Directors are, in any way, concerned or interested in the resolution.

By order of the Board

Place: Delhi

Date: 03rd September, 2012

Amit Jain
Chairman & Managing Director