

CMC Limited



Your IT Partner

CMC LIMITED

CIN: L72200TG1975PLC001970

Regd. Office: CMC Centre, Old Mumbai Highway, Gachibowli
Hyderabad- 500 032 (TG)

Website: www.cmcltd.com ; email: investor.relations@cmcltd.com ; T: 91 11 2373 6151 ; F: 91 11 2373 6159

Annexure A

Unaudited Financial Results for the Quarter ended 30 June, 2014

Part I		(Amount in Rs. Lakhs)						
Particulars	CMC Limited				Consolidated			
	Quarter ended 30 June, (unaudited)	Quarter ended 31 March, (Audited) (See Note 5)	Quarter ended 30 June, (unaudited)	Year ended 31 March, (Audited)	Quarter ended 30 June, (unaudited)	Quarter ended 31 March, (Audited) (See Note 5)	Quarter ended 30 June, (unaudited)	Year ended 31 March, (Audited)
	2014	2014	2013	2014	2014	2014	2013	2014
1. Income from Operations	31466.09	33883.12	27197.63	118979.15	59263.51	62321.25	48603.92	223092.50
2. Expenses								
(a) Purchases of stock-in-trade	4769.89	6302.05	4189.83	19405.54	4769.89	6302.05	4189.83	19405.54
(b) Changes in inventories of work-in-progress and stock-in-trade	680.77	509.62	271.71	792.25	680.77	509.62	271.71	792.25
(c) Employee benefits expense	10368.21	10100.62	9680.37	40260.84	13861.04	14087.48	12911.38	55467.51
(d) Sub contracting and outsourcing cost	4145.76	3535.10	3167.03	13349.92	25512.35	24375.08	18457.22	88789.34
(e) Depreciation and amortisation expense	1288.82	771.93	598.00	2655.92	1289.82	776.49	616.05	2698.32
(f) Other expenses	4946.14	3317.78	4621.33	18044.13	5329.96	3740.87	5070.11	19704.47
Total expenses (a to f)	26199.59	24537.10	22528.27	94508.60	51443.83	49791.59	41516.30	186857.43
3. Profit from operations before other income, finance costs and exceptional items	5266.50	9346.02	4669.36	24470.55	7819.68	12529.66	7087.62	36235.07
4. Other income	482.08	7066.05	6526.83	14110.82	500.96	969.45	1006.74	2500.98
5. Profit before finance costs and exceptional items	5748.58	16412.07	11196.19	38581.37	8320.64	13499.11	8094.36	38736.05
6. Finance costs	0.19	0.17	0.17	0.69	0.59	2.23	0.47	7.30
7. Profit after finance costs but before exceptional items	5748.39	16411.90	11196.02	38580.68	8320.05	13496.88	8093.89	38728.75
8. Exceptional item - Depreciation and amortisation expenses (See note 3)	1882.78	-	-	-	1882.78	-	-	-
9. Profit before tax	3865.61	16411.90	11196.02	38580.68	6437.27	13496.88	8093.89	38728.75
10. Tax expense	(327.25)	3337.88	1742.83	6219.99	594.47	4553.46	2781.38	10687.24
11. Net Profit after tax	4192.86	13074.02	9453.19	32360.69	5842.80	8943.42	5312.51	28041.51
12. Paid-up equity share capital (Face value Rs. 10 each)	3030.00	3030.00	3030.00	3030.00	3030.00	3030.00	3030.00	3030.00
13. Reserves (excluding revaluation reserves)				104630.77				112567.13
14. Earning per share - Basic and Diluted (Rs.) (not annualised)	13.84	43.15	31.20	106.80	19.28	29.52	17.53	92.55

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Unaudited Financial Results for the Quarter ended 30 June, 2014

Segment wise Revenue, Results and Capital Employed for the Quarter ended 30 June, 2014

(Amount in Rs Lakhs)

Particulars	CMC Limited				Consolidated			
	Quarter ended 30 June, (unaudited)	Quarter ended 31 March, (Audited) (See Note 5)	Quarter ended 30 June, (unaudited)	Year ended 31 March, (Audited)	Quarter ended 30 June, (unaudited)	Quarter ended 31 March, (Audited) (See Note 5)	Quarter ended 30 June, (unaudited)	Year ended 31 March, (Audited)
	2014	2014	2013	2014	2014	2014	2013	2014
Segment Revenue (a to e)								
(a) Customer services	9555.82	11036.36	8634.52	36902.62	10475.29	11982.53	9641.62	40845.87
(b) Systems integration	11596.12	13300.21	9921.14	45497.30	38313.64	39839.22	29289.44	141350.63
(c) IT enabled services	7461.68	6791.72	6195.44	26296.92	7622.11	7744.67	7226.33	30613.69
(d) Education and training	1106.93	1377.12	1423.40	5792.26	1106.93	1377.12	1423.40	5792.26
(e) Special Economic Zone (SEZ)	1745.54	1377.71	1023.13	4490.05	1745.54	1377.71	1023.13	4490.05
Total	31466.09	33883.12	27197.63	118979.15	59263.51	62321.25	48603.92	223092.50
(f) Other unallocable revenue	482.08	7066.05	6526.83	14110.82	500.96	969.45	1006.74	2500.98
Total Revenue	31948.17	40949.17	33724.46	133089.97	59764.47	63290.70	49610.66	225593.48
Segment Results (a to e)								
Profit before tax and finance costs from each segment								
(a) Customer services	374.46	658.26	389.30	1848.64	701.23	812.62	786.69	2968.59
(b) Systems integration	4359.47	7700.12	3834.16	19758.00	6823.90	10902.04	6160.81	31352.91
(c) IT enabled services	2074.14	2251.64	1614.76	7845.00	2099.45	2621.16	1870.83	9077.09
(d) Education and training	(284.53)	84.99	208.14	631.39	(284.53)	84.99	208.14	631.39
(e) SEZ	1065.44	997.47	769.84	3343.85	1065.44	997.47	769.84	3343.85
Total	7588.98	11692.48	6816.20	33426.88	10405.49	15418.28	9796.31	47373.83
Less:								
i. Finance costs	0.19	0.17	0.17	0.69	0.59	2.23	0.47	7.30
ii. Other unallocable expenditure (net of unallocable income)	1840.40	(4719.59)	(4379.99)	(5154.49)	2084.85	1919.17	1701.95	8637.78
Exceptional item - Depreciation and amortisation expenses (See note 3)	1882.78	-	-	-	1882.78	-	-	-
Total Profit before tax	3865.61	16411.90	11196.02	38580.68	6437.27	13496.88	8093.89	38728.75
Capital Employed								
Segment Assets - Segment Liabilities (a to e)								
(a) Customer services	17220.26	13090.74	9798.71	13090.74	17610.70	13328.89	10120.38	13328.89
(b) Systems integration	17054.56	21841.86	16341.92	21841.86	20211.55	21936.87	22792.13	21936.87
(c) IT enabled services	7698.67	5705.16	6731.19	5705.16	9150.87	6643.51	6975.30	6643.51
(d) Education and training	361.03	760.06	783.83	760.06	361.03	760.06	783.83	760.06
(e) SEZ	36374.74	35472.81	30704.45	35472.81	36374.74	35472.81	30704.45	35472.81
Total	78709.26	76870.63	64360.10	76870.63	83708.89	78142.14	71376.09	78142.14
Unallocable Assets less Liabilities	33144.37	30790.14	28369.30	30790.14	37737.33	37454.99	29465.79	37454.99
Total Capital Employed	111853.63	107660.77	92729.40	107660.77	121446.22	115597.13	100841.88	115597.13



Part II	CMC Limited				Consolidated			
	Quarter ended 30 June, (unaudited)	Quarter ended 31 March, (Audited) (See Note 5)	Quarter ended 30 June, (unaudited)	Year ended 31 March, (Audited)	Quarter ended 30 June, (unaudited)	Quarter ended 31 March, (Audited) (See Note 5)	Quarter ended 30 June, (unaudited)	Year ended 31 March, (Audited)
A PARTICULARS OF SHAREHOLDING	2014	2014	2013	2014	2014	2014	2013	2014
1. Public shareholding								
- Number of shares	14810078	14810078	14810078	14810078	14810078	14810078	14810078	14810078
- Percentage of shareholding	48.88	48.88	48.88	48.88	48.88	48.88	48.88	48.88
2 Promoters and promoter group shareholding								
(a) Pledged / Encumbered								
- Number of Shares	-	-	-	-	-	-	-	-
- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-	-	-
- Percentage of Shares (as a % of the total shareholding of the total share capital of the Company)	-	-	-	-	-	-	-	-
(b) Non-encumbered								
- Number of Shares	15489922	15489922	15489922	15489922	15489922	15489922	15489922	15489922
- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
- Percentage of Shares (as a % of the total shareholding of the total share capital of the Company)	51.12	51.12	51.12	51.12	51.12	51.12	51.12	51.12

Particulars	Quarter ended 30 June, 2014
B. INVESTOR COMPLAINTS	
Pending at the beginning of the quarter	Nil
Received during the quarter	Nil
Disposed of during the quarter	Nil
Remaining unresolved at the end of the quarter	Nil

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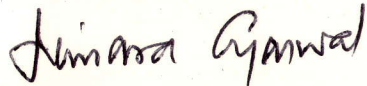
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Notes to Unaudited Financial Results :

- 1 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 16 July, 2014.
- 2 Consolidated results comprise consolidation of the financial results of CMC Limited and the consolidated results of its wholly owned subsidiary CMC Americas, Inc. and its subsidiary CMC eBiz, Inc. (referred to as 'the Group')
- 3 The Company has revised its estimated useful life of fixed assets, wherever appropriate, effective 1 April, 2014 based on an evaluation. The carrying amount as on 1 April, 2014 is depreciated over the revised remaining useful life. As a result of these changes, the depreciation charge for the quarter ended 30 June, 2014 is higher by Rs. 2423.55 lakhs and the effect relating to the period prior to 1 April, 2014 is Rs.1882.78 lakhs (excluding deferred tax credit of Rs. 639.96 lakhs) which has been shown as an 'Exceptional Item' in the Unaudited Financial Results.
- 4 Other Income of the Company includes Rs. 6098.00 lakhs, Rs. 5648.65 lakhs and Rs.11746.65 lakhs pertaining to dividend received from its wholly owned subsidiary CMC Americas, Inc. for the quarter ended 31 March, 2014, for the quarter ended 30 June, 2013 and for the year ended 31 March, 2014 respectively.
- 5 Figures for the quarter ended 31 March, 2014 pertaining to the Company and the Group are the balancing figures between audited figures in respect of the full financial year and published year to date unaudited figures up to the third quarter of the year ended 31 March, 2014 for the Company and the Group respectively.
- 6 Other Income for the quarter ended 30 June, 2014, year ended 31 March, 2014, and for the quarter ended 30 June, 2013 includes Rs. 2.95 lakhs, Rs. 436.02 lakhs and Rs. 424.11 lakhs respectively pertaining to profit on sale of fixed assets.
- 7 During the quarter ended 31 March 2014, the Company received a favourable decision in a legal case against a customer which has resulted in increase in profit before tax by Rs. 3766.15 lakhs for the quarter and year ended 31 March, 2014. The increase is on account of increase in income from operations and other income by Rs. 1897.77 lakhs and Rs. 594.19 lakhs respectively, increase in purchase of stock in trade by Rs. 582.81 lakhs and reduction in other expenses by Rs. 1857.00 lakhs.
- 8 Previous period figures have been regrouped, wherever necessary.

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants



Jitendra Agarwal
Partner

Mumbai
16 July, 2014

For and on behalf of the Board of Directors



R. Ramanan
Managing Director & CEO

Mumbai
16 July, 2014



Annexure B

**INDEPENDENT AUDITORS' REVIEW REPORT
TO THE BOARD OF DIRECTORS OF
CMC LIMITED**

1. We have reviewed the accompanying Statement comprising the "Standalone Unaudited Financial Results for the Quarter ended 30 June, 2014" of **CMC LIMITED** ("the Company") and also the "Consolidated Unaudited Financial Results for the Quarter ended 30 June, 2014" of the Company and its subsidiaries (referred to as "the Group") (herein referred to as 'Statement'), being submitted by the Company pursuant to Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select information referred to in paragraph 5 below. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. The Statement includes the Consolidated Financial Results of the following entities :
 - i. CMC Limited
 - ii. CMC Americas, Inc.
 - iii. CMC eBiz, Inc.
4. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the Accounting Standards specified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.



**Deloitte
Haskins & Sells**

5. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements with the Stock Exchanges and the particulars relating to Investor complaints disclosed in Part II - Select information for the Quarter ended 30 June, 2014 of the Statement from the details furnished by the Registrars.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 015125N)



Mumbai, 16 July, 2014

Jitendra Agarwal

Jitendra Agarwal
Partner
(Membership No. 87104)

Press release
CMC Results – FY 15 (Q1)

CMC revenue grows 22%, operating profit up 18%

Highlights

- **Operating revenue at Rs. 592.64 crore - growth of 22% y-o-y.**
- **EBITDA at Rs. 91.09 crore – Growth of 18% y-o-y.**
- **Broad based growth in India and international markets; International business growth of 28% y-o-y**
- **12 new clients added during the quarter**
- **Net addition of 283 employees**

Mumbai, July 16, 2014: CMC Limited announced consolidated Operating revenue of Rs. 592.64 crore in quarter ending June 30, 2014, which represents a 22% growth over the corresponding period last year. The company earned operating profit (EBITDA) of Rs. 91.09 crore registering a growth of 18% over the corresponding period last year.

In the light of the Companies Act, 2013, the Company has revised its estimated useful life of fixed assets, wherever appropriate effective 1st April, 2014. This has resulted in higher charge of depreciation by Rs. 24.24 crore during the quarter ended 30th June, 2014.

"We continue to see robust growth in the international markets, across geographies" said **R Ramanan, MD & CEO**. "The Company's software solutions and offerings in embedded systems have found increased traction in Middle East & Africa and European markets" he added.

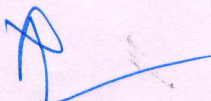
"The domestic market is expected to turn promising after the recent budget announcements and growth initiatives mentioned by the newly elected government" added Mr. Ramanan.

Awards & Certifications:

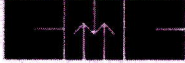
- The Company was awarded the "**DMA Thomas assessment national Award for Excellence in HR Process Digitization -2014**" of Delhi Management Association (DMA).

About CMC Limited

Incorporated in 1975, CMC is a pioneer Information Technology solutions provider in India and is a subsidiary of Tata Consultancy Services Limited, Asia's largest software Company. Operating out of 18 offices and 180 service locations in the



CMC Limited



Your IT Partner


A **TATA** Enterprise

country, CMC employs over 11,000 people and has a wholly owned subsidiary in USA called CMC Americas, Inc.

CMC's vision is to operate globally and bring the benefit of Information Technology to improve the productivity of its customers and the quality of its customer's products and services. CMC combines horizontal expertise in Information Technology with its vertical experience developed by working in a wide range of Industries.

Contact: Saurabh Kesharwani, saurabh.kesharwani@cmcltd.com; Cell: +919820071107

for CMC LIMITED


VIVEK AGARWAL
COMPANY SECRETARY