

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31 MARCH 2011

Sr. No.	Particulars	(Rs. in million)			
		Consolidated for the year ended		Standalone for the year ended	
		31/03/2011 Audited	31/03/2010 Audited	31/03/2011 Audited	31/03/2010 Audited
1	Income:				
	a) Net Sales / Income from Operations	33,661.21	18,528.20	18,432.73	15,646.76
	b) Other Operating Income	-	-	-	-
		33,661.21	18,528.20	18,432.73	15,646.76
2	Expenditure:				
	a) (Increase) / decrease in stock in trade	(1,647.56)	(105.13)	(1,433.31)	(662.35)
	b) Consumption of raw materials	10,965.75	7,246.88	8,977.74	5,494.63
	c) Purchase of finished good	21,063.05	9,115.12	9,044.25	8,901.39
	d) Employees' cost	242.77	201.71	150.74	99.61
	e) Depreciation / Amortisation	105.30	109.72	88.66	90.53
	e) Other expenses	752.35	1,110.08	497.01	796.65
		31,481.66	17,678.38	17,325.09	14,720.46
3	Profit from Operation before Other Income, Interest and Exceptional Items (1-2)	2,179.55	849.82	1,107.65	926.30
4	Other Income	13.23	4.25	3.08	1.93
5	Profit before Interest and Exceptional Items (3+4)	2,192.78	854.07	1,110.73	928.23
6	Interest (net)	635.85	754.04	571.76	675.18
7	Profit after Interest but before Exceptional Items (5-6)	1,556.93	100.03	538.96	253.05
8	Exceptional Items	-	-	-	-
9	Profit from Ordinary Activities before tax (7-8)	1,556.93	100.03	538.96	253.05
10	Tax Expenses:				
	- Current Tax	(91.08)	(61.10)	(77.00)	(47.00)
	- Mat Credit Entitlement	18.00	3.30	18.00	3.30
	- Deferred Tax (Expenses) / Benefits	89.74	0.44	92.44	2.46
	- Prior period tax	0.67	-	-	-
	- Wealth tax	(0.35)	(0.33)	(0.35)	(0.33)
11	Net Profit from Ordinary Activities after tax (9-10)	1,573.91	42.34	572.05	211.48
12	Extra ordinary items	-	-	-	-
13	Net Profit for the year before minority interest	1,573.91	42.34	572.05	211.48
14	Minority interest (profit)/loss	0.11	1.74	-	-
15	Net Profit for the year after minority interest	1,574.02	44.08	572.05	211.48
16	Paid-up Equity Share Capital (Face Value of Rs.10 each)	600.00	450.00	600.00	450.00
17	Reserves excluding Revaluation Reserve	6,192.96	3,219.96	4,745.30	2,766.97
18	Earning per share (EPS)				
	Basic and diluted EPS before and after Extraordinary items for the year and for the previous year.	32.51	0.98	11.72	4.42
19	Public Shareholding				
	- Number of Shares	15,000,000	-	15,000,000	-
	- Percentage of shareholding	25.00%	-	25.00%	-
20	Promoters & 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 share capital of the company)	-	-	-	-
	b) Non-Encumbered				
	- Number of shares	45,000,000	45,000,000	45,000,000	45,000,000
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%
	- Percentage of shares (as a % of the total share capital of the company)	75.00%	100.00%	75.00%	100.00%

Notes:

1 The above results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 28 May 2011.

2 a The auditors has qualified their opinion for the current and previous year in respect of valuation of stock of finished goods (polished diamonds). The cost is based on technical estimate by the management. In view of the nature of variation in the value of individual diamonds, the differentials in their costs, it is not practical to compute the cost of polished diamonds using either FIFO or weighted average cost. In view of the multiple grades, it is not practical to use specific cost. The basis of computing cost used on consistent basis, to avoid distortion in valuation, is to that extent a deviation from that prescribed by Accounting Standard (AS)-2 'Valuation of Inventories'. The impact on profit for the year, reserves and surplus and inventories, due to the above deviations is not ascertainable.

For C. MAHENDRA EXPORTS LTD.


DIRECTOR

(Mahendra C. Shah)

- 2 b The revaluation reserve on fixed assets of Rs. 306.55 million prior to conversion under part IX of the Companies Act, 1956 had been credited to Partner's Capital Account and written down value of all the fixed assets on the date of conversion (04/01/2007) have been carried in the books of the Company as cost. Further in case of a subsidiary, apportionment of cost of acquisition of land and building amounting to Rs. 18.46 million was done based on estimates of directors instead of valuation by independent valuer. The above treatment not being in accordance with Accounting Standard AS-10 "Accounting or fixed assets" and AS-6 "Depreciation Accounting" the auditors has qualified their opinion for the current and previous year. The impact on profit for the year, reserves and surplus and fixed assets due to above deviations is not ascertainable.
- 3 During the year, the Company completed an Initial Public Offer (IPO) of 15,000,000 equity shares of Rs.10 each for cash at a price of Rs.110 each aggregating to Rs.1,650 million. The premium of Rs.100 per share, amounting to Rs.1,500 million from the allotment was credited to Securities premium account. The share issue expenses of Rs.93.69 millions incurred by the Company has been adjusted against the Security premium account.

Pursuant to the public issue, shares of the Company are listed on National Stock Exchange and Bombay Stock Exchange effective from 20 January 2011.

- 4 Utilisation of fund received through initial public offer (IPO):

(Rs. in million)

Sr. No.	Description	Amount to be financed through the issue proceeds	Funds Utilised upto 31/03/2011
i.	Setting up of a diamond processing unit at Gujarat Hira Bourse, SEZ, Ichchhapore, Surat	360.57	-
ii.	Setting up of a jewellery manufacturing unit at Mumbai	236.36	-
iii.	Setting up retail outlets	300.00	-
iv.	Brand development expenses	200.00	-
v.	Investment in capital of C. Mahendra BVBA	800.00	229.94
	Total	1,896.93	229.94
	Less: To be utilised form internal accruals	332.05	
	Net IPO proceeds to be utilised as per object of the issue	1,564.88	
	Issue related expenses	85.12	93.69
	Temporary investment in Bank Fixed deposits	-	1,326.37
	Total	1,650.00	1,650.00

- 5 The Company has only one business segment viz. Gems and Jewellery, which is being considered as the primary segment.
- 6 During the year the Group has disposed off its entire holding in Ciemme (LA) Inc., a subsidiary company and has made investments in C. Mahendra DMCC, a wholly owned subsidiary company.
- 7 During the quarter ended 31 March 2011, nine investor complaints were received and resolved. There were no investor complaint pending as at year end.
- 8 Previous year's figures have been regrouped and rearranged, wherever necessary.

For C. MAHENDRA EXPORTS LTD.




DIRECTOR

(Mahendra C. Shah)

STATEMENT OF ASSETS AND LIABILITIES AS PER CLAUSE 41 OF THE LISTING AGREEMENT

Sr. No.	Particulars	(Rs. in million)			
		Consolidated for the year ended		Standalone for the year ended	
		31/03/2011 Audited	31/03/2010 Audited	31/03/2011 Audited	31/03/2010 Audited
SOURCES OF FUNDS					
1	Shareholders' funds				
	a) Share capital	725.00	575.00	725.00	575.00
	b) Reserve & surplus	6,192.96	3,219.96	4,745.30	2,766.97
		6,917.96	3,794.96	5,470.30	3,341.97
2	Minority interest	17.59	26.08	-	-
3	Loan funds				
	a) Secured loans	9,289.31	9,316.40	8,409.82	8,217.18
	b) Unsecured loans	1,840.01	1,388.76	566.72	622.01
		11,129.32	10,705.16	8,976.54	8,839.19
4	Deferred tax liabilities (Net)	57.76	150.19	57.43	149.87
	Total funds employed	18,122.63	14,676.39	14,504.27	12,331.03
APPLICATION OF FUNDS					
1	Fixed assets	1,359.63	1,319.14	1,184.93	1,161.03
2	Investments	54.00	-	468.43	181.83
3	Deferred tax assets (net)	10.53	13.34	-	-
4	Current assets, loans and advances				
	a) Inventories	7,882.96	6,614.76	5,364.84	3,946.09
	b) Sundry debtors	11,886.62	10,801.03	9,650.95	9,560.01
	c) Cash and bank balances	1,889.70	465.16	1,794.21	183.94
	d) Other current assets	28.96	0.78	28.07	0.34
	e) Loans and advances	862.41	754.16	481.50	455.62
		22,550.65	18,635.89	17,319.57	14,146.00
5	Less: Current liabilities and provisions				
	a) Current liabilities	5,603.91	5,118.37	4,256.88	3,019.92
	b) Provisions	248.27	173.61	211.78	137.91
		5,852.18	5,291.98	4,468.66	3,157.83
	Net current assets (4 - 5)	16,698.47	13,343.91	12,850.91	10,988.17
	Total funds utilised	18,122.63	14,676.39	14,504.27	12,331.03

By order of Board of Directors


 Mahendra Shah
 Chairman

Place: Mumbai
 Date: 28th May 2011