

C. MAHENDRA EXPORTS LIMITED
(Regd. Office: Tower 'C', Office No. CC-6011, Bharat Diamond Bourse,
Bandra Kurla Complex, Bandra (East), Mumbai - 400 051)

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30 SEPTEMBER 2011

(Rs. in million)

| Sr. No. | Particulars | For the quarter ended | For the half year ended | For the year ended |
|---------|--|-----------------------|-------------------------|--------------------|
| | | 30/09/2011 | 30/09/2011 | 31/03/2011 |
| | | Unaudited | Unaudited | Audited |
| 1 | Income: | | | |
| | a) Net Sales / Income from Operations | 5,444.13 | 10,151.51 | 18,432.73 |
| | b) Other Operating Income | - | - | - |
| | Total (1) | 5,444.13 | 10,151.51 | 18,432.73 |
| 2 | Expenditure: | | | |
| | a) (Increase) / decrease in stock in trade | (1,356.88) | (1,011.28) | (1,433.31) |
| | b) Consumption of raw materials | 3,837.19 | 6,106.51 | 8,977.74 |
| | c) Purchase of finished good | 2,393.21 | 3,997.54 | 9,044.25 |
| | d) Employees' cost | 39.65 | 81.18 | 150.74 |
| | e) Depreciation / Amortisation | 28.40 | 49.60 | 88.66 |
| | f) Other expenses | 229.83 | 380.59 | 497.00 |
| | Total (2) | 5,171.40 | 9,604.14 | 17,325.08 |
| 3 | Profit from Operation before Other Income, Interest and Exceptional Items (1-2) | 272.73 | 547.37 | 1,107.65 |
| 4 | Other Income | 0.39 | 0.83 | 3.08 |
| 5 | Profit before Interest and Exceptional Items (3+4) | 273.12 | 548.20 | 1,110.73 |
| 6 | Interest (net) | 152.12 | 292.81 | 571.77 |
| 7 | Profit after Interest but before Exceptional Items (5-6) | 121.00 | 255.39 | 538.96 |
| 8 | Exceptional Items | - | - | - |
| 9 | Profit from Ordinary Activities before tax (7-8) | 121.00 | 255.39 | 538.96 |
| 10 | Tax Expenses: | | | |
| | - Current Tax | (19.10) | (52.10) | (77.00) |
| | - Mat Credit Entitlement | - | - | 18.00 |
| | - Deferred Tax (Expenses) / Benefits | 3.73 | 5.93 | 92.44 |
| | - Wealth tax | - | - | (0.35) |
| 11 | Net Profit from Ordinary Activities after tax (9-10) | 105.63 | 209.22 | 572.05 |
| 12 | Extra ordinary items | - | - | - |
| 13 | Net Profit for the period | 105.63 | 209.22 | 572.05 |
| 14 | Paid-up Equity Share Capital (Face Value of Rs.10 each) | 600.00 | 600.00 | 600.00 |
| 15 | Reserves excluding Revaluation Reserve | - | - | 4,745.30 |
| 16 | Earning per share (EPS) | | | |
| | Basic and diluted EPS before and after Extraordinary items (Rs.) | 1.72 | 3.41 | 11.70 |
| 17 | Public Shareholding | | | |
| | - Number of shares | 15,000,000 | 15,000,000 | 15,000,000 |
| | - Percentage of shareholding | 25.00% | 25.00% | 25.00% |
| 18 | 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 |
| | - Percentage of shares (as a % of the total shareholding of promoter and promoter group) | 100.00% | 100.00% | 100.00% |
| | - Percentage of shares (as a % of the total share capital of the Company) | 75.00% | 75.00% | 75.00% |



For C. MAHENDRA EXPORTS LTD.

Mahendra C. Shah
DIRECTOR
(Mahendra C. Shah)

Notes:

- 1 The above results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 14 November 2011.
 - 2 In accordance with the requirement of Clause 41 of the listing agreement with the stock exchange, the auditors have carried out a limited review of the aforesaid results for the quarter ended 30 September 2011. Since the Company was listed on 20 January 2011, the figures for corresponding quarter and half year ended 30 September 2010 are not available for comparison.
 - 3(a) The auditors has qualified their opinion for the current period 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 period / year, reserves and surplus and inventories, due to the above deviations is not ascertainable.
 - 3(b) The revaluation reserve on fixed assets of Rs.306.55 million prior to conversion of Partnership Firm M/s. C. Mahendra Exports 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 January 2007) have been carried in the books of the Company as cost. The above treatment not being in accordance with Accounting Standard (AS)-10 "Accounting for fixed assets" and AS-6 "Depreciation Accounting" the auditors has qualified their opinion for the current period and previous year. The impact on profit for the quarter / half year / year, reserves and surplus and fixed assets due to above deviations is not ascertainable.
 - 4 During the previous 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 millions. The premium of Rs.100 per share, amounting to Rs.1,500 millions 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.
- 5 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 30/09/2011 | Funds Utilised upto 31/03/2011 |
| | Objects of the issue # | | | |
| i | Working capital | 696.93 | - | - |
| ii | Investment in subsidiary Ciemme Jewels Limited for setting up retail outlets | 300.00 | - | - |
| iii | Brand development expenses | 100.00 | - | - |
| iv | Investment in capital of C. Mahendra BVBA | 800.00 | 455.19 | 229.94 |
| | Total | 1,896.93 | 455.19 | 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 | 91.63 | 93.69 |
| | Temporary investment in Bank Fixed deposits | - | 1,103.18 | 1,326.37 |
| | Total | 1,650.00 | 1,650.00 | 1,650.00 |

Revised vide special resolution passed in Annual General Meeting held on 16 September 2011.

- 6 The Company has only one business segment viz. Gems and Jewellery, which is being considered as the primary segment.
- 7 During the quarter ended 30 September 2011, two investor complaints were received and resolved. There were no investor complaint pending at the beginning and close of the quarter.
- 8 Previous year's figures have been regrouped and rearranged, wherever necessary.

By order of the Board of Directors
For C. Mahendra Exports Limited.


(Mahendra C. Shah)
Director, C. Mahendra Exports Limited.

Place: Mumbai
Date: 14 November 2011



C. MAHENDRA EXPORTS LIMITED
STATEMENT OF ASSETS & LIABILITIES

(Rs. in million)

| Particulars | As at 30/09/2011 (Unaudited) |
|---|---------------------------------|
| Shareholders' funds: | |
| (a) Capital | 725.00 |
| (b) Reserves and surplus | 4,956.58 |
| Loan funds | |
| (a) Secured loans | 8,986.64 |
| (b) Unsecured loans | 520.10 |
| Deferred tax liabilities (net) | 51.49 |
| Total | 15,239.81 |
| Fixed assets | 1,162.48 |
| Investments | 695.23 |
| Current assets, Loans and Advances | |
| (a) Inventories | 7,384.45 |
| (b) Sundry debtors | 10,905.38 |
| (c) Cash and bank balances | 1,776.69 |
| (d) Other current assets | 30.58 |
| (e) Loans & advances | 514.96 |
| | 20,612.06 |
| Less: Current liabilities & Provisions | |
| (a) Current liabilities | 6,964.45 |
| (b) Provisions | 265.51 |
| | 7,229.96 |
| Net Current Assets | 13,382.10 |
| Total | 15,239.81 |

Place : Mumbai
Date : 14 November 2011



By order of the Board of Directors
For C. Mahendra Exports Limited

(Mahendra C. Shah)
Director, C. Mahendra Exports Ltd.



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LIMITED REVIEW REPORT

The Board of Directors,
C. Mahendra Exports Limited
Tower 'C' Office No. CC-6011,
Bharat Diamond Bourse,
Bandra Kurla Complex,
Bandra (East), Mumbai – 400051.

1. We have reviewed the accompanying statement of unaudited financial results of C. Mahendra Exports Limited ('the Company') for the quarter and half year ended 30 September 2011 which have been initialed by us for identification purposes, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. 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 these statements based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2400-"Engagements to Review Financial Statements" 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 financial statements are free of material misstatement. A review is limited primarily to inquiries of the Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, *subject to non-compliance with Accounting Standard (AS)-2 "Valuation of Inventories" as explained in note 3(a) and Accounting Standard (AS)-10 "Accounting for Fixed Assets" and (AS)-6 "Depreciation Accounting", as explained in note 3(b) of the accompanying statement of unaudited financial results*, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with the applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement,' including the manner in which it is to be disclosed, or that it contains any material misstatement.

FOR SURESH SURANA & ASSOCIATES
Chartered Accountants
Firm Reg. No.: 121750W



(Nirmal Jain)
Partner
Membership No.: 34709
Place: Mumbai
Dated: 14 November 2011



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