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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.

We have reviewed the accompanying statement of unaudited financial results of C. Mahendra Exports Limited ('the Company') for the quarter and year ended 31 March 2012 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 neither been reviewed nor 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.

We conducted our review in accordance with the Standard on Review Engagement (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 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.

Attention is invited to note:

- a) note 3(a) of the accompanying statement of unaudited financial results regarding non-compliance with Accounting Standard (AS)-2 'Valuation of Inventories';
- b) note 3(b) of the accompanying statement of unaudited financial results regarding non-compliance with Accounting Standard (AS)-10 "Accounting for fixed assets" and AS-6 "Depreciation Accounting";



Suresh Surana & Associates

Chartered Accountants

Subject to above and based on our review conducted as stated above, 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 except as disclosed 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: 15 May 2012



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 AND YEAR ENDED 31 MARCH 2012

(Rs. in million)

Sr. No.	Particulars	3 months ended	Preceding 3 months ended	Year to date figures for current year ended	Previous year ended
		31/03/2012	31/12/2011	31/03/2012	31/03/2011
		Unaudited	Unaudited	Unaudited	Audited
1	Income from operations				
	a) Net sales / Income from operations	4,434.49	4,968.68	19,480.55	18,355.37
	b) Other operating income	7.95	5.36	87.44	77.38
	Total (1)	4,442.44	4,974.04	19,567.99	18,432.75
2	Expenses				
	(a) Cost of materials consumed/ sold	3,883.86	4,092.25	14,082.62	8,991.61
	(b) Purchases of stock-in-trade	1,181.12	1,112.74	6,291.40	9,044.25
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,078.16)	(744.41)	(2,833.85)	(1,433.31)
	(d) Employee benefits expense	28.17	28.89	138.04	150.74
	(e) Depreciation and amortisation expense	23.68	16.89	90.17	88.68
	(f) Other expenses	190.93	275.02	840.47	511.41
	Total (2)	4,229.60	4,781.18	18,608.86	17,353.38
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	212.84	192.86	959.14	1,079.37
4	Other income	(97.47)	184.17	526.36	177.67
5	Profit from ordinary activities before finance costs and Exceptional Items (3+4)	115.37	377.03	1,485.50	1,257.04
6	Finance costs	(21.39)	338.07	1,054.39	718.44
7	Profit from ordinary activities after finance costs but before Exceptional Items (5-6)	136.76	38.96	431.11	538.60
8	Exceptional Items	-	-	-	-
9	Profit from ordinary activities before tax (7-8)	136.76	38.96	431.11	538.60
10	Tax Expenses:				
	- Current Tax	24.10	(16.80)	(44.80)	(77.00)
	- Mat Credit Entitlement	19.80	-	19.60	18.00
	- Deferred Tax (Expenses) / Benefits	2.54	(0.44)	8.03	92.44
	- Prior year tax adjustments	0.11	-	0.11	(0.03)
11	Net Profit from ordinary activities after tax (9-10)	183.11	21.72	414.05	672.01
12	Extra ordinary items (net of tax expense)	-	-	-	-
13	Net Profit / (Loss) for the period (11 + 12)	183.11	21.72	414.05	672.01
14	Paid-up equity share capital (Face Value of Rs.10 each)	600.00	600.00	600.00	600.00
15	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	4,745.30
16	Earnings per share (of Rs. 10/- each) (not annualised):				
	(a) Basic	3.02	0.33	6.76	11.70
	(b) Diluted	3.02	0.33	6.76	11.70
17	Particulars of shareholding				
	Public Shareholding				
	- Number of shares	15,000,000	15,000,000	15,000,000	15,000,000
	- Percentage of shareholding	25.00%	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	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%	75.00%	75.00%	75.00%

Notes:

- The above results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 15 May 2012.
- 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 and year ended 31 March 2012. Since the Company was listed on 20 January 2011, the figures for corresponding quarter ended 31 March 2011 are not available for comparison.



For C. MAHENDRA EXPORTS LTD.

(Signature)
DIRECTOR

(Sandeep M. Shah)

- 3(a) The auditors has qualified their limited review report for the current period and audit opinion for the 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 / nine months / 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.91.63 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 31/03/2012	Funds Utilised upto 31/12/2011	Funds Utilised upto 31/03/2011
Objects of the issue #					
i	Working capital	696.93	696.93	-	-
ii	Investment in subsidiary Ciemme Jewels Limited for setting up retail outlets	300.00	* 300.00	-	-
iii	Brand development expenses	100.00	* 56.25	-	-
iv	Investment in capital of C. Mahendra BVBA	800.00	455.19	455.19	229.94
	Total	1,896.93	1,508.37	455.19	229.94
	Less: To be utilised from 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	91.63	93.69
	Temporary investment in Bank Fixed deposits	-	50.00	1,103.18	1,326.37
	Total	1,660.00	1,650.00	1,650.00	1,650.00

Revised vide special resolution passed in Annual General Meeting held on 18 September 2011.

* Represents advance given to Ciemme Jewels Limited for expenses incurred or to be incurred towards objects of the issue.

- 6 The Company has only one business segment viz. Gems and Jewellery, which is being considered as the primary segment.
- 7 No investor complaint was pending at the beginning and close of the quarter. No investor complaint was received during the quarter ended 31 March 2012.
- 8 Previous year's figures have been regrouped and rearranged, wherever necessary.

Place: Mumbai
Date: 15 May 2012



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

(Sandeep M. Shah)
Director