



C. MAHENDRA EXPORTS LTD.

DIAMOND EXPORTERS, IMPORTERS & MANUFACTURERS

CMEL/AGM 2013/LA 31(d)/2013-14

Date: 20.09.2013

To,
Listing Department,
The National Stock Exchange Limited
Exchange Plaza, Plot No. C-1, "G" Block
Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051

Sub: Copy of Proceedings of the 7th Annual General Meeting of the Company held on Monday, 16th September, 2013 as per Clause 31(d) of the Listing Agreement.

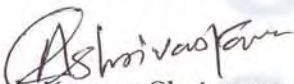
Dear Sir / Madam

Please find enclosed herewith the copy of the proceedings of the 7th Annual General Meeting of the Company held on Monday, 16th September, 2013 at 2.30 P.M. at Tunga International, B/11, MIDC Central Road, M.I.D.C. Andheri (E), Mumbai -400093 as per Clause 31(d) of the Listing Agreement.

Please acknowledge the receipt of the same.

Thanking you.

Yours Faithfully,
For C. Mahendra Exports Limited


(Ashish Kumar Shrivastava)
Company Secretary & Compliance Officer

Encl: As above

HELD AT _____ ON _____ TIME _____

MINUTES OF THE 7TH ANNUAL GENERAL MEETING OF THE MEMBERS OF
C. MAHENDRA EXPORTS LIMITED, HELD ON MONDAY, 16TH SEPTEMBER, 2013, AT
2:30 P.M. AT HOTEL TUNGA INTERNATIONAL B/11, MIDC CENTRAL ROAD, M.I.D.C.
ANDHERI (E), MUMBAI - 400 093.

PRESENT:

Mr. Mahendra C. Shah	-	Executive Chairman and Member
Mr. Champak K. Mehta	-	Managing Director and Member
Mr. Sandeep M. Shah	-	Executive Director and Member
Mr. K. C. Chowdhary	-	Independent Director
Mr. V. S. Hegde	-	Independent Director
Mr. P. N. Shah	-	Independent Director
Mr. Ashish Kumar Shrivastava	-	Company Secretary

INVITEE:

Mr. Babulal V. Virvadia	-	Chief Financial Officer (CFO)
Mr. R. H. Modi	-	Statutory Auditor

36 Members were present in person at the meeting.

Mr. K. C. Chowdhary, Independent Director who is chairman of the Audit Committee formed u/s 292A and clause 49 of the listing agreement attended the meeting.

Chairman:

Mr. Mahendra C. Shah took the chair and presided over the meeting.

Quorum:

The quorum of the meeting was confirmed by the Company Secretary and with the necessary quorum being present the Chairman declared the meeting to order.

Proxies

The Company Secretary further informed that **20 Nos.** of proxies were received by the Company.

Register of Directors' Shareholding:

The Company Secretary informed that the Register of Directors' shareholdings was open and accessible during continuance of the meeting as per Section 307(7) of the Companies Act, 1956.

CHAIRMAN'S INITIALS

HELD AT _____ ON _____ TIME _____

Proceedings:

The Company Secretary requested the Chairman to address the shareholders and the Chairman delivered his speech.

With the consent of the members present, the notice convening the Annual General Meeting circulated amongst the members, Directors Report and Audited Accounts were taken as read. The Company Secretary read the Auditors' Report.

ORDINARY BUSINESS:-**1. Adoption of Annual Accounts:**

Mr. Vinod Agarwal proposed the following resolution with respect to adoption of accounts as an Ordinary Resolution:

"RESOLVED THAT the Balance Sheet as at 31st March, 2013 and the Profit and Loss Account for the year ended on that date together with the Directors' and Auditors' Report thereon be and are hereby approved and adopted."

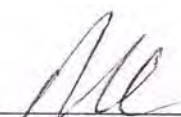
Mr. Hariram Chaudhary seconded the above resolution. The Company Secretary, then put the resolution to vote on a show of hands and the Chairman declared it as carried unanimously:

2. Declaration of Dividend

Mr. Yusuf Yunus Rangwala proposed the resolution as an Ordinary Resolution with respect to declare of 10% dividend (Rs. 1 per Equity Share of Rs. 10 each) on 1,50,00,000 Equity Shares to the 'Non-Promoter and Promoter Group' absorbing a sum of Rs. 1,50,00,000/- and 6% dividend (Rs. 0.60 per preference share of Rs. 10 each) on 1,25,00,000 6% Redeemable Preference Shares absorbing a sum of Rs. 75,00,000/- for the F. Y. 2012-13.

"RESOLVED THAT the consent of the members of the company be and is hereby accorded to declare of 10% dividend (Rs. 1 per Equity Share of Rs. 10 each) on 1,50,00,000 Equity Shares to the 'Non-Promoter and Promoter Group' absorbing a sum of Rs. 1,50,00,000/- and 6% dividend (Rs. 0.60 per preference share of Rs. 10 each) on 1,25,00,000 6% Redeemable Preference Shares absorbing a sum of Rs. 75,00,000/- for the F. Y. 2012-13 subject to the fulfillment of condition as envisaged under Rule 2 of the Companies (Declaration of Dividend out of Reserves) Rules 1975.

FURTHER RESOLVED THAT the 10% dividend of Rs 4,50,00,000 on 4,50,00,000 Equity Shares belongs to "Promoter and Promoter Group" of the Company be and is hereby voluntary waived from the total amount of dividend on equity shares with their consent and provision of Articles of Association of the Company in this regard.


CHAIRMAN'S INITIALS

HELD AT _____ ON _____ TIME _____

FURTHER RESOLVED THAT the dividend of Rs 1,50,00,000 on 1,50,00,000 Equity Shares (25% of total paid up equity share capital) to Non-Promoter and Promoter Group of the Company and 6% dividend of Rs 75,00,000 on 1,25,00,000 6% redeemable preference shares be and is hereby approved by the members of the Company.

RESOLVED FURTHER THAT anyone of Mr. Mahendra C. Shah, Mr. Champak K. Mehla and Mr. Sandeep M. Shah director of the Company be and is hereby authorized to take necessary steps, complete procedure and action as they may think expedient."

Mr. Bimal Kumar Agarwal seconded the above resolution. The Company Secretary, then put the resolution to vote on a show of hands and the Chairman declared it as carried unanimously:

3. Re-appointment of a director in place of Mr. Mahendra C. Shah, who retires by rotation and being eligible, offers himself for Re-appointment:

Mr. Dinesh G. Bhatia proposed the following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Mahendra C. Shah, director of the Company who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as the Director of the Company."

Mr. K. D. Mahajan seconded the resolution. The Company Secretary, then put the resolution to vote on a show of hands and the Chairman declared it as carried unanimously.

4. Re-appointment of a director in place of Mr. K. C. Chowdhary who retires by rotation and being eligible, offers himself for Re-appointment:

Mr. Vinod Agarwal proposed the following resolution as an ordinary resolution:

"RESOLVED THAT Mr. K. C. Chowdhary, director of the Company who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as the Director of the Company."

Mr. Kirti Shah seconded the resolution. The Company Secretary, then put the resolution to vote on a show of hands and the Chairman declared it as carried unanimously.

5. Appointment of Statutory Auditor:

Mr. Kirti Shah proposed the following resolution as an ordinary resolution:

"RESOLVED THAT M/s R. H. Modi & Co. (106486W), Chartered Accountants, 23, Ambalal Doshi Marg, Fountain, Mumbai - 400 023 be and are hereby re-appointed as the Statutory Auditors of the Company, to hold the office from the conclusion of this meeting, until the conclusion of the next Annual General

HELD AT _____ ON _____ TIME _____

Meeting on such remuneration as may be mutually agreed to between the Statutory Auditors and the Board."

Mr. Harsad Savani seconded the resolution. The Company Secretary, then put the resolution to vote on a show of hands and the Chairman declared it as carried unanimously.

SPECIAL BUSINESS:-

6. Alteration of Articles of Association under Section 31 of the Companies Act, 1956 and other applicable provisions of any other laws, if any to insert a new Article No. 231A in the section of Dividend and Capitalization of Reserves regarding waiver of dividend.

Mr. K. D. Mahajan proposed the following resolution as a Special Resolution:

"RESOLVED THAT consent of the members be and is hereby accorded under section 31 of the Companies Act, 1956 and other applicable provisions of any other laws, if any to insert a new Article No. 231A in the section of Dividend and Capitalization of Reserves regarding waiver of dividend.

FURTHER RESOLVED THAT Article No. 231A (Waiver of Dividend) of the Articles of Association of the Company be and is hereby inserted as follows:

"A distribution recipient's including 'promoter and promoter group' entitlement to a dividend payable in respect of shares is not waived unless:

- (a) the distribution recipient including 'promoter and promoter group' signs and delivers a document expressing the waiver of the distribution recipient's right to receive that dividend and
- (b) that waiver is accepted as such and acted on by the company"

FURTHER RESOLVED THAT anyone of Mr. Mahendra C. Shah, Mr. Champak K. Mehta and Mr. Sandeep M. Shah, Director of the Company be and is hereby authorized to file all necessary e-forms with the Registrar of Companies (ROC), and also to sign all necessary documents and do such other acts and deeds as may be necessary for giving effect to this resolution."

Mr. Bimal Kumar Agarwal seconded the resolution. The Company Secretary, then put the resolution to vote on a show of hands and the Chairman declared it as carried unanimously.

7. Change in utilization of IPO Proceeds

Mr. Dinesh G. Bhatia proposed the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of section 61 and other applicable provisions, if any of the Companies Act, 1956 subject to such other approvals,


CHAIRMAN'S INITIALS

HELD AT _____ ON _____ TIME _____

permissions, sanctions and consents that may be required from any authorities concerned, if any, the consent of the members be and is hereby accorded to the Board of directors to the revision in utilization of the part of the proceeds of the IPO amounting of Rs. 344.81 million raised by the Company through the Initial Public Offerings of its shares from those objects mentioned in the section "Object of the Issue" in the Prospectus dated 10.01.2011, inter alia to investment in capital of C. Mahendra BVBA amounting of Rs. 344.81 million, and utilize the funds set apart for the aforesaid object for working capital requirement of the company which will be in the best interest of the Company.

FURTHER RESOLVED THAT anyone of Mr. Mahendra C. Shah, Mr. Champak K. Mehta and Mr. Sandeep M. Shah, director of the Company be and are hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion, deem necessary, expedient, usual or proper to be in the best interest of the Company and file necessary form with the ROC."

Mr. Vinod Agarwal seconded the resolution. The Company Secretary, then put the resolution to vote on a show of hands and the Chairman declared it as carried unanimously.

ANNEXURE TO NOTICE - EXPLANATORY STATEMENT (Pursuant to Section 173(2) of the Companies Act, 1956)

Item No. 6

As the Promoter and Promoter Group has given their consent to voluntarily waive off from the total amount of dividend on equity shares due to low profit in the current year in comparison to previous year, hence in this regard relevant provision has to be made in the Articles of Association of the Company and change in Articles requires approval of shareholders by Special Resolution under section 31 of the Companies Act, 1956.

None of the directors of the Company is concerned or interested in this resolution, except to the extent of their shareholding in the Company.

The Board recommends the members to approve the aforesaid resolution

Item No. 7

During Financial year 2010-11, 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. 1650 million. The premium of Rs. 100 per share, amounting to Rs. 1500 million from the allotment was credited to securities premium account. The share issue expenses of Rs. 93.69 million incurred by the company have been adjusted against the Securities Premium Account. Pursuant to the public issue, shares of the Company are listed on Bombay Stock Exchange Limited and National Stock Exchange of India Limited with effect from 20.01.2011. The objects of the issue mentioned in the prospectus dated January 10, 2011 is as follows:


CHAIRMAN'S INITIALS

HELD AT _____ ON _____ TIME _____

S. No.	Description	Amount Rs. in million
1	Finance setting up of a diamond processing unit at Gujarat Hira Bourse, SEZ, Ichchhapore, Surat	360.57
2	Finance setting up of a jewellery manufacturing unit at Mumbai	236.36
3	Finance setting up retail outlets	300.00
4	Finance brand development expenses	200.00
5	Investment in capital of C. Mahendra BVBA	800.00
6	General corporate purposes	NIL
Total		1896.93

The means of finance (net of issue expenses) mentioned in the prospectus dated January 10, 2011 is as follows:

S. No.	Description	Amount Rs. in million
1	Net Proceeds	1564.88
2	Internal Accruals	332.05
Total		1896.93

Utilization of net proceeds of the Initial Public Offer (IPO) till 31.03.2013:
(Rs. in Million)

Sr. No.	Description	Amount to be financed through the issue proceeds	Funds Utilised upto 31/03/2013
	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	84.00
iv	Investment in capital of C. Mahendra BVBA	800.00	455.19
	Total	1,896.93	1,536.12
	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
	Temporary investment in Bank Fixed deposits	-	22.25
	Total	1,650.00	1,650.00

HELD AT _____ ON _____ TIME _____

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

At present, the Company has to avail working capital fund for its present activities from banks at a higher rate of interest as compared to the rate or return the company is fetching out of the investment. If the portion of the fund of IPO, to be used for working capital as stated hereinabove, is utilized as a working capital requirement of the Company, then the Company can save interest to a great extent. Such use of fund is beneficial to the Company in general and shareholders in particular. This is the utilization of fund for the object other than the object for which the same is raised, and therefore it needs the approval of the shareholders of the Company by Special Resolution.

Thus the revised objects and utilization shall be as follows:

S. No.	Objects as per the Prospectus dated January 10, 2011		S. No.	Revised Objects	
	Description	Amount Rs. in million		Description	Amount Rs. In million
1.	Finance setting up of a diamond processing unit at Gujarat Hira Bourse, SEZ, Ichchhapore, Surat	360.57	1.	Working Capital	696.93
2.	Finance setting up of a jewellery manufacturing unit at Mumbai	236.36			
3.	Finance setting up retail outlets	300.00	2.	Investment in our subsidiary Clemme Jewels Limited for setting up retail outlets	300.00
4.	Finance brand development expenses	200.00	3.	Finance brand development expenses	100.00
5.	Investment in capital of C. Mahendra BVBA	800.00	4.	Investment in capital of C. Mahendra BVBA	455.19
6.	General corporate purposes	Nil		Working Capital	344.81
	Total	1,896.93		Total	1,896.93



CHAIRMAN'S INITIALS

HELD AT _____ ON _____ TIME _____

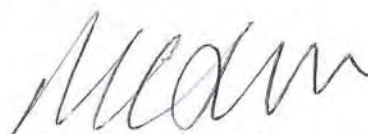
As stated in the prospectus, the management, in accordance with the policies established by the Board of directors, will have the flexibility in deploying the net proceeds received by us. Pending utilization for the purposes described above, we intend to invest the funds in high quality interest/dividend bearing liquid instruments including money market mutual funds and deposits with banks for the necessary duration and other fixed and variable return instrument.

None of the directors of the Company is concerned or interested in this resolution, except to the extent of their shareholding in the Company.

The Board recommends the members to approve the aforesaid resolution

Vote of Thanks

There being no other business to transact, the meeting concluded with a vote of thanks by Mr. V. S. Hegde, Independent director, to the chair.



(Mahendra C. Shah)
CHAIRMAN

Date: 19.09.2013

Place: Mumbai