



C. MAHENDRA EXPORTS LTD.

DIAMOND EXPORTERS, IMPORTERS & MANUFACTURERS

CMEL/MPB/CL31/2012-13

Date: 10.01.2013

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

Dear Sir / Madam

Ref: C. Mahendra Exports Limited

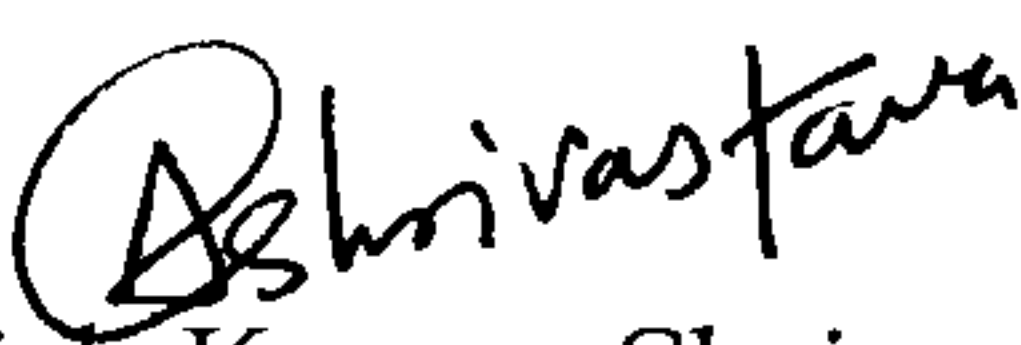
Sub: Minutes of the Announcement of Result of the Postal Ballot regarding
Special Resolution passed by members of the Company dated 05.01.2013.

Please find enclosed herewith minutes of the Announcement of results of the Postal Ballot dated 05.01.2013 of C. Mahendra Exports Ltd. at the Reg. office of the Company at Tower 'C', Office No. CC-6011, Bharat Diamond Bourse, Bandra Kurla Complex, Bandra (East), Mumbai -400051 as per the Clause 31 of the Listing Agreement regarding submission of proceedings of General Meetings.

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 Announcement of results of the Postal Ballot on 5th January, 2013 of C. Mahendra Exports Limited at the Registered Office of the Company at Tower 'C', Office No. CC-6011, Bharat Diamond Bourse, Bandra Kurla Complex, Bandra (East), Mumbai - 400051

The Postal Ballot Notice dated 01.12.2012, issued pursuant to Section 192A(2) of the Companies Act, 1956, read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011, and other applicable provisions if any for passing Special Resolution under section 81(1A) of the Companies Act, 1956, by postal ballot, was dispatched to the Members of the Company on 5th December, 2012.

Directors of the company, as authorized by the board at their meeting held on 1st December, 2012, approved the appointment of MS. Aparna Joshi, Aparna Paricharak & Associates, Practicing Company Secretaries, 403, Navnath Prasad, Ghantoli Devi Road, Noupada, Thane (west)-400602, as Scrutinizer to receive and scrutinize the completed postal ballot forms received from the Members and for conducting the Postal Ballot process in a fair and transparent manner. The Postal Ballot Forms and the self-addressed business reply envelopes were also sent for use of Members. The shareholders were requested to return the postal ballot forms duly completed along with the assent (for) or dissent (against), so as to reach the Registrar & Share Transfer Agent, M/s Link Intime (India) Pvt. Ltd., C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai 400078 before the close of working hours on or before 4th January, 2013 and they handed over all the postal ballot forms received by members to Ms. Aparna Joshi, Scrutinizer for completing postal ballot procedure.

After due scrutiny of all the postal ballot forms received by Ms. Aparna Joshi, Practicing Company Secretaries up to the close of working hours of 04.01.2013 (being the last date for receipt of postal ballot forms), Ms. Aparna Joshi, Practicing Company Secretaries submitted her report dated 5th January, 2013 as under:-

Resolution:- Special Resolution

Preferential Issue of Convertible Warrants under section 81(1A) of the Companies Act, 1956

Number of Postal Ballot received	134 Nos.
	Total No. of shares covered: 49,204,926
Total number of valid votes	23,193,664
Votes cast in favour of the Resolution	23,193,638
Votes cast against the Resolution	26
Requisite majority of votes for carrying the resolution as a Special Resolution (%)	75%
Majority of votes received in favour of the Resolution (%)	99.9999%
Number of invalid Postal Ballots	49
Number of invalid votes	26011262


CHAIRMAN'S INITIALS.

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Results for Resolution:-

For Preferential Issue of Convertible Warrants under section 81(1A) of the Companies Act, 1956, accordance with the existing SEBI Guidelines, necessary approvals, consents, permission and or sanctions of GOI and other statutory or regulatory authority, listing agreements with Stock Exchanges, is passed as a Special Resolution as the votes cast in favor of the resolution are not less than three times the number of votes cast against the resolution.

The Chairman, after receiving the Scrutinizer's Report, announced that the Resolution mentioned in the Postal Ballot Notice dated 1st December, 2012 was duly passed by the requisite majority and directed that the resolution be recorded in the minute book as recording the proceedings of general meetings of the Members.

The resolution duly approved by the Members is as under:

Resolution No. 1 as a Special Resolution

Preferential Issue of convertible warrants u/s 81(1A) of the Companies Act, 1956 accordance with the existing SEBI guidelines, necessary approvals, consents, permissions and or sanctions of GOI and other statutory or regulatory authority, listing agreement with Stock Exchanges.

"RESOLVED THAT consent of the members of the Company be and is hereby accorded pursuant to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (the 'Act') and in accordance with the existing Guidelines for Preferential Issue contained in Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 as amended (hereinafter referred to as 'the Guidelines') and other applicable guidelines/ regulations issued by SEBI and subject to necessary approvals, consents, permissions and or sanctions of the GOI and other statutory or regulatory authorities and other applicable laws and the provisions of MOA and AOA of the Company and the Listing Agreement entered into by the Company with the Stock Exchanges where the shares of the Company are listed and subject to such terms and conditions as may be prescribed or imposed by any of them while granting such approvals, consents, sanctions, permissions and agreed by the Board of Directors of the Company (hereinafter referred to as the Board), the Company may create, offer, issue and allot Warrants to M/s Bennett Coleman & Co. Ltd ("warrant holder") entitling the warrant holder(s) a right to apply for equity shares of the Company, for an aggregate consideration of Rs. 13,34,00,000/- (Rupees Thirteen Crores and Thirty Four lacs) on the following broad terms and conditions:

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1)	Subscription Price	Rs.3,33,50,000 being 25% of the exercise amount payable at the time of allotment of warrant.
2)	Time Period for exercise of warrants	18 months
3)	Exercise of warrants	(terms of exercise)
4)	No of warrants	1 (One)

FURTHER RESOLVED THAT the equity shares to be issued and allotted upon exercise of the right attached to the Warrants in accordance with the terms of the offer(s), shall rank, pari passu with the existing equity shares of the Company.

FURTHER RESOLVED THAT issue of warrants on a preferential basis, on such terms and conditions as the Board may in its absolute discretion may decide at the time of issue of such warrants and at anytime thereafter at such price or prices for the equity shares to be allotted upon exercise of option attached to the warrants including premium if any, as may be determined by the Board in accordance with the conditions specified in SEBI (ICDR) Regulations, 2009.

FURTHER RESOLVED THAT the Board be and is hereby authorized to issue and allot such number of Equity Shares as may be required to be issued and allotted upon exercise of option by the warrant holders and that the equity shares issued on conversion of the said warrants shall be subject to the Memorandum and Articles of Association of the Company and shall rank pari-passu in all respects including dividend with the existing fully paid equity shares of the Company.

FURTHER RESOLVED THAT the relevant date, in terms of Chapter VII of the SEBI (ICDR) Regulations for determination of minimum price for the issuance of warrants on a preferential allotment basis and conversion thereof into equity shares of Rs. 10 each shall be 06.12.2012.

FURTHER RESOLVED THAT the Board be and is hereby authorized to take necessary steps for listing of the above mentioned Equity Shares on the Stock Exchange where the Company's shares are listed as per the terms and conditions of the listing and other applicable guidelines, rules and regulations.

FURTHER RESOLVED THAT for the purpose of giving effect to the above Resolution, any one of Mr. Mahendra C. Shah, Mr. Champak K. Mehta and Mr. Sandeep M. Shah, Director of the Company be and is hereby authorized to do all such acts, deeds, matters and things and resolve any doubts or questions that may arise in the issue and allotment of warrants or on terms & conditions of warrants and equity shares conversion, to effect any modification(s) to the foregoing (including any modification to the terms of the Issue) in the best interest of the Company and its shareholders and to

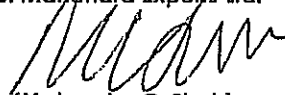

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execute all such writing(s) and instruments(s) as the Board may in its absolute discretion deem necessary or desirable and file all necessary e-forms with the Registrar of Companies (ROC)."

FURTHER RESOLVED THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution to any Director or Directors or to any Committee of directors or to any officer(s) of the Company to give effect to this resolution."

For C. Mahendra Exports Ltd.


(Mahendra C. Shah)
Chairman

Place: Mumbai

Date: 09.01.2013

EXPLANATORY STATEMENT:-

Annexure to Notice - Explanatory Statement under Section 173(2) of the Companies Act, 1956

Item Nos. 1

As the members are aware, your Company is exploring various opportunities for the all round growth of the Company. With a view to meet the capital expenditure and other funds requirements for the above purposes, the Company would be required to borrow funds from time to time by way of loans and/or issue of Bonds, Debentures, convertible share warrants or other securities.

Since the Company proposes to issue warrants to be converted into equity shares at a later date, as per the terms and conditions of the issue of the warrants to M/s Bennett Coleman & Co. Ltd, on preferential basis, which will result increase of paid-up share capital of the Company. The approval of members by way of special resolution is required under the provisions of section 81, 81(1A) of the Companies Act, 1956.

i) The mandatory disclosures under regulation 73 of SEBI (ICDR) Regulation 2009 are as under:

o) Object of the Preferential Issue:

The proceeds of the preferential offer are proposed to be used to meet capital expenditure for Company's businesses, to provide financial support to Subsidiaries/Associates by way of loans/investments, repayment/reduction of borrowings, general corporate purposes and maintain adequate liquidity for the future requirements in line with the growth strategy of the Company.


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- b) The proposal of the promoters, directors or key management personnel of the issuer to subscribe to the offer.

Directors of the issuer proposed the issue of convertible share warrants on preferential basis to M/s Bennett Coleman & Co. Ltd, and they have conveyed their intent to subscribe to the offer.

- c) The Shareholding Pattern of the issuer before and after the preferential issue.

Category code	Category of shareholder	Pre-issue Holding **		Post-issue Holding***	
		No. of Shares	% of Total Holding	No. of Shares	% of Total Holding
1	Indian				
(a)	Individuals/Hindu Undivided Family	45000000	75.0000	45000000	73.6244
(b)	Central Government/State Government(s)	0	0.0000	0	0.0000
(c)	Bodies Corporate	0	0.0000	0	0.0000
(d)	Financial Institutions / Banks	0	0.0000	0	0.0000
(e)	Any Other (specify)	0	0.0000	0	0.0000
	Sub Total (A)(1)	45000000	75.0000	45000000	73.6244
2	Foreign				
(a)	Individuals (Non-Resident Individuals/Foreign Individuals)	0	0.0000	0	0.0000
(b)	Bodies Corporate	0	0.0000	0	0.0000
(c)	Institutions	0	0.0000	0	0.0000
(d)	Qualified Foreign Investors	0	0.0000	0	0.0000
(e)	Any Other (specify)	0	0.0000	0	0.0000
	Sub Total (A)(2)	0	0.0000	0	0.0000
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	45000000	75.0000	45000000	73.6244
(B)	Public shareholding				
1	Institutions				



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(a)	Mutual Funds/UTI	0	0.0000	0	0.0000
(b)	Financial Institutions / Banks	0	0.0000	0	0.0000
(c)	Central Government/State Government(s)	0	0.0000	0	0.0000
(d)	Venture Capital Funds	0	0.0000	0	0.0000
(e)	Insurance Companies	0	0.0000	0	0.0000
(f)	Foreign Institutional Investors	7387581	12.3126	7387581	12.0868
(g)	Foreign Venture Capital Investors	0	0.0000	0	0.0000
(h)	Qualified Foreign Investors	0	0.0000	0	0.0000
(i)	Any Other (specify)	0	0.0000	0	0.0000
	Sub Total (B) (1)	7387581	12.3126	7387581	12.0868
2	Non-Institutions				
(a)	Bodies Corporate	6023791	10.0397	7144799	*11.6895
(b)	(i) Individuals - shareholders holding nominal share capital up to Rs 1 Lakh	527444	0.8791	527444	0.8629
	(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh	841725	1.4029	841725	1.3771
(c)	Qualified Foreign Investors	0	0.0000	0	0.0000
(d)	Any Other				
I	Non Resident Indians (Repatriation)	9505	0.0158	9505	0.0155
II	Non Resident Indians (Non Repatriation)	1793	0.0030	1793	0.0029
III	Foreign Companies	0	0.0000	0	0.0000
IV	Clearing Member	208161	0.3469	208161	0.3406
V	Directors / Relatives	0	0.0000	0	0.0000
VI	Trusts	0	0.0000	0	0.0000
	Sub Total (B)(2)	7612419	12.6874	8733427	14.2887
	Total Public Shareholding Public Group (B)=(B)(1)+(B)(2)	15000000	25.0000	16121008	26.3755



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	Total (A)+(B)	60000000	100	61121008	100.0000
(C)	Shares held by custodians and against which Depository Receipts have been issued				
i	Promoter and Promoter group	0	0.0000	0	0.0000
ii	Public	0	0.0000	0	0.0000
	Sub Total (C)	0	0	0	0
	GRAND TOTAL (A)+(B)+(C)	60000000	100.00	61121008	100.00

* Shareholding of body corporate after proposed conversion of warrants.

**the pre-issue shareholding as on 30th September, 2012.

*** the post issue shareholding is calculated assuming full conversion of warrants and subject to change upon transfer of shares by existing shareholders from time to time.

d) The time within which the preferential issue shall be completed;

The allotment of convertible share warrants will be completed within 15 days from the date of passing of the resolution. Provided however that if the allotment is pending on account of pendency of any approval from any regulatory authority the allotment would be completed within 15 days of receipt of such approval.

The warrant holders shall exercise their rights to convert the warrants into equity shares of the Company in one or more tranches, before the expiry of 18 months from the date of allotment of warrants or as per agreed terms & conditions.

e) the identity of the proposed allottees, the percentage of post preferential issue capital that may be held by them and change in control, if any, in the issuer consequent to the preferential issue;

S. No.	Name of the proposed allottees	No. of Equity Shares (Pre-allotment)	% of total paid up capital (Pre-allotment)	Proposed number of equity shares to be allotted on full conversion of warrants	% of total paid up capital post conversion *
1.	M/s Bennett Coleman & Co. Ltd	NIL	NIL	1121008	1.83%


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*Assuming warrant holder exercises their entitlement in full. The price at which shares to be issued on conversion of warrant will be finalized on completion of 17 months from date of allotment of warrants.

There will be no change in the management or control of the Company pursuant to preferential allotment.

- f) The Company hereby undertakes that it shall re-compute the price of the specified securities in terms of the provision of SEBI (ICDR) Regulation, where it is required to do so.
- g) If the amount payable on account of the re-computation of price is not paid within the time stipulated in these regulations, the specified securities shall continue to be locked-in till the time such amount is paid by the allottees.
- h) The price at which the warrants would be issued cannot be exactly determined before issue of this notice to the shareholders as it depends on the average of the market price prevailing in the preceding 2 weeks and 26 weeks basis relevant date being the date at the end of 17 months from date of allotment of warrants. The auditors' certificate required under clause 73(2) of the SEBI (ICDR) Regulations, 2009 will be made available for inspection at the Registered Office of the Company. The Auditors' Certificate will also be displayed on the Company's website.

II) Pricing of Preferential Allotment:

Pricing formula under the share subscription agreement of equity warrants is calculated in accordance with clause 74(1) of chapter VII of SEBI (ICDR) Regulations, 2009 and the above warrants will be issued and allotted/converted at a price which shall be higher of the following:

- a) The base Price of Rs. 119 (including premium of Rs. 109).

Or

- b) The price per share shall be equal to higher of the average of the weekly high and low quoted on the stock exchange during the 26 weeks basis relevant being the date at the end of 17 months from the date of allotment of warrants or the average of the weekly high and low during two weeks basis relevant date being the date at the end of 17 months from the date of allotment of warrants.

(Relevant date is 6th December, 2012 being 30 days prior to date of declaration of result of the postal ballot by the Company i. e 5th January, 2013 which is deemed to be the date of general meeting for passing the resolution in accordance with the section 192A of the Companies Act, 1956 read with the relevant rules thereunder.)

Since the Company listed with Bombay Stock Exchange Limited and National Stock Exchange of India Limited hence, stock exchanges for the purpose of the applicable regulations shall be BSE & NSE.



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III) Payment and Conversion Terms:

- a) Convertible Warrants shall be convertible at any time within 18 months from the date of allotment of convertible warrants at the option of the allottee in one or more tranches.
- b) 25% of the total value of warrants (advance payment) shall become payable on the date of their allotment. The balance is payable at the time of conversion of warrants into equity shares.
In case the conversion option is not exercised within a period of 18 months from the date of allotment, the Company will affect forfeiture of the application money. The warrants are converted at the option of the allottees on payment of the balance amount of the issue price.
- c) The said advance payment shall be adjusted against the price payable subsequently for acquiring the resultant shares by the warrant holder upon conversion of warrants.
- d) The warrant by itself, till converted into equity shares, does not give to the holder(s) thereof any rights of the shareholders of the Company.
- e) The equity shares issued as above shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari-passu in all respects including dividend with the existing fully paid up equity shares of the Company.

IV) Lock-In

The warrants to be allotted on preferential basis and the converted equity shares shall be subject to lock-in for such period from the date of allotment of such shares in accordance with the SEBI (ICDR) Regulations, 2009.

None of the directors of the Company are interested or deemed to be concerned or interested in the passing of this resolution as set out in the item no.1, to the extent of proposed issue of warrants to M/s Bennett Coleman & Co. Ltd is under consideration.

Your Directors recommend the special resolution as set out above for your approval.

None of the Directors of the Company is, in any way, concerned or interested in the said resolution.

Date: 09.01.2013

Place: Mumbai

For C. Mahendra Exports Ltd.

(Mahendra C. Shah)
Chairman

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