



**C. MAHENDRA
EXPORTS LTD.**



DIAMOND EXPORTERS, IMPORTERS & MANUFACTURERS

Regd. Office: Tower 'C', Office No. CC-6011, 6th Floor, Bharat Diamond Bourse, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051.
Tel: +91-22-2675 4555 / 56 • Fax: +91-22-2675 4560 • Email: bkc@cmahendra.com • Website: www.cmahendra.com

CMEL/PB/2011-12

Date: 13.02.2012

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

Ref: C. Mahendra Exports Ltd.

Dear Sir / Madam

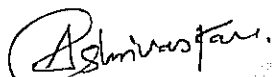
Sub: Intimation for Proposed Resolutions to be passed as Ordinary Resolutions by way of Postal Ballot pursuant to Section 192A of the Companies Act, 1956

Please find enclosed herewith notice for proposed resolutions have to be passed through Postal Ballot pursuant to section 192A of the Companies Act, 1956 considered & approved by the Board of directors of the company at their meeting held on 13th February, 2012 at 11.30 A. M.

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



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Tel.: +91-22-26725555 • Fax: +91-22-2675 4560 • Email : bkc@cmahendra.com

Dear Member,

Notice pursuant to Section 192A of the Companies Act, 1956

Notice is hereby given pursuant to Section 192A (2) of the Companies Act, 1956, read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011, that the resolutions appended below are proposed to be passed as Ordinary Resolutions by way of Postal Ballot.

Members' consent is requested for the proposals contained in the Resolutions appended below. The Explanatory Statement pertaining to the said Resolutions setting out the material facts and the reasons thereof are annexed hereto along with a Postal Ballot form (the "Form") for your consideration.

Item No. 1:

Authorization to Board of directors to borrow money up to Rs. 1800 Crores u/s 293(1)(d) of the Companies Act, 1956.

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-

"RESOLVED THAT in supersession of the resolution passed by the members of the Company at its Extra-Ordinary General Meeting held on 18th Day of July, 2008 pursuant to under section 293(1)(d) and all other applicable provisions of the Companies Act, 1956, and Articles of Association of the Company, the consent of the Company be and is hereby accorded pursuant to Clause (d) of Sub-section (1) of Section 293, section 192A(2) and other applicable provisions, if any, of the Companies Act, 1956, read with Companies (passing of the resolution by postal ballot) Rules, 2011 as on 30th May, 2011, to the Board of Directors of the Company for borrowing from time to time any sum or sums of monies, as it may considered fit for the business of the Company on such terms and conditions as it may deem fit and expedient in the interests of the Company, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up capital of the Company and its free reserves (that is to say, reserves not set apart for any specific purpose) provided that the maximum amount of monies so borrowed by the Company shall (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) and outstanding at any given point of time, not at any time exceed the sum of Rs. 1800 Crores (Rupees Eighteen Hundred Crores only)."

RESOLVED FURTHER THAT any one of Mr. Mahendra C. Shah, Mr. Champak K. Mehta and Mr. Sandeep M. Shah, Directors of the Company be and is hereby authorized to finalize with the respective lenders the security documents and such other agreements for creating or evidencing the creation of mortgage and/or charge as aforesaid, filing of necessary e-forms with the Registrar of Companies and to do all such other acts, deeds and things and resolve any matter as may be necessary for giving effect to this Resolution."

Item No. 2:

Authorization to the Board of directors to create mortgages/charges/hypothecation on all or any of the immovable and movable properties of the Company, both present and future under section 293(1)(a) of the Companies Act, 1956.

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-

"RESOLVED THAT pursuant to the provisions of Clause (a) of Sub-section (1) of Section 293 and other applicable provisions, if any, of the Companies Act, 1956, the consent of the Company be and is hereby accorded to the Directors of the Company for mortgaging and/or charging all or any of the present and/or future movable and/or immovable properties and assets and the whole or substantially the whole of the undertaking(s) of the Company, on such terms and conditions and in such form and manner, as the Directors may determine for the purpose of securing unto various lenders who have granted and/or who may hereafter grant to the Company, financial facilities in the nature of short term/long term loans, bridge loans, short term/long term secured Non-Convertible Debentures or other forms of secured financial facilities for an aggregate nominal value not exceeding Rs. 1800 Crores (Rupees Eighteen Hundred Crores only) for the purpose of securing the said financial facilities granted/ to be granted to the Company, together with interest, further interest, liquidated damages, costs, charges, expenses and other monies payable by the Company under the terms of the respective financial facilities.

RESOLVED FURTHER THAT any one of Mr. Mahendra C. Shah, Mr. Champak K. Mehta and Mr. Sandeep M. Shah, Directors of the Company be and is hereby authorized to finalize with the respective lenders the security documents and such other agreements for creating or evidencing the creation of mortgage and/or charge as aforesaid, filing of necessary e-forms with the Registrar of Companies and to do all such other acts, deeds and things and resolve any matter as may be necessary for giving effect to this Resolution."

By Order of the Board of Directors


(Mahendra C. Shah)
Chairman

Mumbai,
Dated: 13th February, 2012

NOTES:-

1. An explanatory statement as required under Section 173 of the Companies Act, 1956 in respect of the business specified above is annexed hereto.
2. In terms of Section 192A of the Companies Act, 1956 read with the Postal Ballot Rules, 2011 the items of business set out in the Notice above are sought to be passed by Postal Ballot.
3. The Board of Directors has appointed Ms. Aparna Joshi, Practicing Company Secretary, M/s Aparna Paricharak & Associates, 403, Navnath Prasad, Ghantali Devi Road, Naupada, Thane (West) – 400602 as the Scrutinizer for conducting the Postal Ballot voting process in accordance with the law and in a fair and transparent manner.
4. The shareholders are requested to carefully read the instructions printed in the attached Postal Ballot Form. The Postal Ballot Form, duly completed and signed should be returned in the enclosed self-addressed postage prepaid envelope directly to the Scrutinizer so as to reach the Scrutinizer before the close of working hours on or before 20th March, 2012. Any Postal Ballot Form received after 30 days of issuance of this notice shall be treated as if the reply from the shareholders has not been received.

5. The shareholders are requested to exercise their voting rights by using the attached Postal Ballot Form only. Voting Rights shall be reckoned on the paid up capital value of the shares registered in the name of shareholder (s) on 20th February, 2012. Only a member is entitled to vote and to fill Postal Ballot Form and send it to the Scrutinizer. No other form or photocopy of the form will be permitted.
6. The Scrutinizer will submit the report to the Chairman of the Company after completion of scrutiny of the Postal Ballot Forms.
7. The results of the Postal Ballot will be announced by the Chairman of the Company or by the Managing Director or any other Director on or before 22nd March, 2012 at the Registered Office of the Company at Tower 'C', Office No. CC-6011, Bharat Diamond Bourse, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051 and will also be published in newspapers.
8. The Special Resolution mentioned above shall be declared as passed if the number of votes cast in its favour are not less than three times the number of votes cast, if any, against the said Resolution.
9. The date of declaration of the Postal Ballot result will be taken to be the date of passing of the resolutions proposed by this Notice.
10. The right of voting by Postal Ballot shall not be exercised by a Proxy.
11. The Scrutinizer's decision on the validity of a postal ballot form shall be final.
12. The members who have not received Postal Ballot Form may apply to the Company and obtain a duplicate thereof.

EXPLANATORY STATEMENT:-

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

Item Nos. 1 & 2 :-

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 or other securities. As per section 293(1)(d) of the Companies Act 1956, borrowings (apart from temporary loans obtained from the Company's bankers in ordinary course of business) by the Board beyond the aggregate of the paid up capital of the company and its free reserve requires approval from the shareholders of the Company.

The members have in their Extra Ordinary General Meeting held on 18th July, 2008 authorized the Board of Directors to borrow funds from time to time up to an amount not exceeding Rs. 1200 Crores. As mentioned above the capital requirements of the Company are also growing up and the aforesaid limit is likely to be exhausted in near future, and hence the proposal for obtaining the consent of the members by way of Ordinary Resolution for increasing this limit of Rs. 1200 Crores to Rs.1800 Crores is made.

Further, the said borrowing/issue of securities may be required to be secured by way of mortgage/charge over all or any part of the movable and/or immovable properties of the Company and as per the provisions of Section 293(1)(a) of the Companies Act 1956, the mortgage or charge on all or any part of the moveable and/or immovable properties of the Company, may be deemed as the disposal of the whole, or substantially the whole, of the undertaking of the Company and hence requires the approval from the shareholders of the Company.

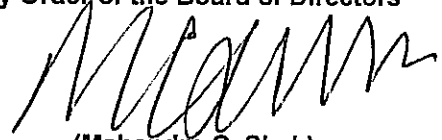
As per the provisions of the Section 192A of the Companies Act 1956 read with Companies (Passing of Resolution by Postal Ballot) Rules 2011, the above said approval under section 293(1)(a) is to be compulsorily obtained by way of sending postal ballots to the shareholders.

Accordingly the resolution u/s 293(1)(a) and the resolution u/s 293(1)(d), being connected therewith, are being proposed to seek your consent by way of postal ballot as per the requirements of section 192A of the Companies Act, 1956.

Your Directors recommend the resolutions 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.

By Order of the Board of Directors

A handwritten signature in black ink, appearing to read 'Mahendra C. Shah', written in a cursive style.

(Mahendra C. Shah)
Chairman

Mumbai,
Dated: 13th February, 2012



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POSTAL BALLOT FORM

1	Name (s) of Shareholder (s) (In block letters) including joint holders, (if any).	
2	Registered address of the Sole/First named Shareholder.	
3	Registered Folio No. /DP ID No./Client ID No. * (*Applicable to the Shareholders holding Shares in dematerialized form)	
4	No. of Shares held	

I / We hereby exercise my/our vote in respect of the Ordinary Resolutions to be passed through Postal Ballot for the business stated in the Notice of the Company by conveying my/our assent or dissent to the said resolution(s) by placing the tick (✓) mark at the appropriate box below:

S. No.	Description	No. of Shares	I / We assent to the Resolution (Vote in favour)	I / We dissent to the resolution (vote against)
1	Authorization to Board of directors to borrow money up to Rs. 1800 Crores u/s 293(1)(d) of the Companies Act, 1956.			
2	Authorization to the Board of directors to create Mortgages / charges / hypothecation on all or any of the immovable and movable properties of the Company, both present and future, under section 293(1)(a) of the Companies Act, 1956.			

Place:

Date:

(Signature of Shareholder(s))