

Value Beyond Mining

# ANNUAL REPORT

## 2022-23



## REGISTERED OFFICE

Jeevan Udyog Bldg., 3<sup>rd</sup> Floor, 278, D. N. Road, Fort, Mumbai – 400 001.  
Tel No. : +91-22-66221700  
Fax No. : +91-22-22074452  
Website : [www.ashapura.com](http://www.ashapura.com)

## REGISTRAR & SHARE TRANSFER AGENT

M/s. Link Intime India Pvt. Ltd.  
C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083.  
Tel No. : +91-22-49186000  
Fax No.: +91-22-49186060  
E-mail : [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

## PLANT LOCATION

1. Village Baraya, Bhuj-Mundra Highway, Tal. Mundra, Kutch, Gujarat.
2. Village Paddhar, Taluka - Bhuj, Dist. Kutch, Gujarat.
3. Mamuara, Taluka - Bhuj, Dist. Kutch, Gujarat.
4. KINFRA Apparel Park, Menamkulam, Thiruvananthapuram, Kerala.

## SHAREHOLDERS' INFORMATION

The Company's Securities are listed on the following Stock Exchanges :

1. Bombay Stock Exchange Limited  
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.
2. National Stock Exchange of India Limited  
"Exchange Plaza", Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.

# ASHAPURA MINECHEM LIMITED

## BOARD OF DIRECTORS

- **Shri Chetan Shah**  
(DIN :- 00018960) **Executive Chairman**
- **Shri Hemul Shah**  
(DIN: 00058558) **Executive Director & Chief Executive Officer**
- **Shri Harish Motiwalla**  
(DIN :- 00029835) **Non-Executive, Independent Director  
Chairman – Audit Committee**
- **Shri Abhilash Munsif**  
(DIN :- 02773542) **Non-Executive, Independent Director**
- **Shri Pundarik Sanyal**  
(DIN :- 01773295) **Non-Executive, Independent Director**
- **Smt. Neeta Shah**  
(DIN :- 07134947) **Non-Executive, Independent (Woman) Director**
- **Smt. Himani Shah**  
(DIN: 02467277) **Non-Executive, Non-Independent Director**
- **Shri Sachin Polke**  
**Company Secretary & President (Corp Affairs)**
- **Shri Ashish Desai**  
**Chief Financial Officer**
- **M/s. PARK & Company**  
**Statutory Auditors**
- **Bank of Baroda & Bank of India**  
**Bankers**

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## NOTICE

NOTICE is hereby given that the 42<sup>nd</sup> Annual General Meeting of the Members of **ASHAPURA MINECHEM LIMITED** will be held on Friday, **29<sup>th</sup> September, 2023 at 3.30 pm** through Video Conferencing / other Audio Visual Means (VC/OAVM) to transact the following businesses:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company (including Consolidated Financial Statements) for the Financial Year ended 31<sup>st</sup> March, 2023, together with the Reports of the Board of Directors and Auditors thereon.
2. To re-appoint a director in place of Mr. Chetan Shah (DIN-00018960) who retires by rotation and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS:

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

**“RESOLVED THAT**, pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the shareholders of the Company be and is hereby accorded to ratify the remuneration of Rs.1,62,565/- (Rupees One Lakh Sixty-Two Thousand Five Hundred Sixty-Five only) per annum plus Goods and Service Tax (GST), to be paid to M/s. Priyank Vyas & Associates, Cost & Management Accountants, the Cost Auditor appointed by the Board of Directors on the recommendation of the Audit Committee, to conduct audit of the cost accounting records relating to the Company’s Products for the Financial Year 2023-2024.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

4. To Consider and if thought fit, to pass the following resolution **as a Special Resolution:**

#### **Re-appointment of Shri Hemul Shah as an Executive Director & Chief Executive Officer of the Company:**

**“RESOLVED THAT** in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and in terms of recommendations of the Nomination & Remuneration Committee and approval of the Board of Directors, the Company hereby accords its approval and consent for the re-appointment of Shri Hemul Shah as an Executive Director & Chief Executive Officer of the Company, for a further period of 2 years with effect from 16<sup>th</sup> February, 2024 till 15<sup>th</sup> February, 2026 on terms and conditions including remuneration as are set out in the Statement pursuant to Section 102 of the Companies Act, 2013 annexed to this Notice and which forms part of the Agreement between the Company & Shri Hemul Shah, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include the duly authorized Committee of the Board including the Nomination & Remuneration Committee) to alter and vary the terms and conditions of the said re-appointment, including the remuneration, subject to ceiling as specified in Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board or any Committee thereof be and is hereby authorized to do all such acts, deeds and things as it may in its absolute discretion think necessary, expedient or desirable; to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution and to seek such approval/consent from the concerned/appropriate authorities, as may be required in this regard.”

5. To Consider and if thought fit, to pass the following resolution **as an Ordinary Resolution:**

#### **To approve existing as well as new material related party transactions with M/s Ashapura Holdings UAE FZE:**

**“RESOLVED THAT** pursuant to provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended from time to time, the applicable provisions of the Companies Act, 2013 (“Act”) read with Rules made thereunder, other applicable laws/statutory provisions, if any, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), the Company’s Policy on Related Party Transactions and subject to such approval(s), consent(s), permission(s) as may be necessary from time to time and on the basis of approval and recommendation of the Audit Committee and the Board of Directors of the Company, the approval of the Members of the Company be and is hereby accorded for entering into and/or carrying out and/or continuing with existing contracts/arrangements/transactions or material modification(s) of earlier arrangements/transactions or as fresh and independent transaction(s) or otherwise (whether individually or series of transaction(s) taken together or otherwise), with M/s Ashapura Holdings UAE FZE , Step Down Subsidiary, a related party of the Company, as per the details set out in the explanatory statement annexed to this notice, notwithstanding the fact that the aggregate value of all these transaction(s), whether undertaken directly by the Company, may exceed the prescribed thresholds as per provisions of the SEBI Listing Regulations as applicable from time to time, provided, however, that the said contract(s)/arrangement(s)/ transaction(s) shall be carried out at an arm’s length basis and in the ordinary course of business of the Company.

# Ashapura Minechem Limited

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**RESOLVED FURTHER THAT** the aforesaid approval shall be valid for 1 year i.e. from the date of this Annual General Meeting till the conclusion of the 43<sup>rd</sup> Annual General Meeting of the Company to be held in the year 2024 in terms of the SEBI Listing Regulations and the circulars issued by the SEBI in this regard.

**RESOLVED FINALLY THAT** the Board or any Committee thereof be and is hereby severally authorised to execute all such agreements, documents, instruments and writings as deemed necessary, with power to alter and vary the terms and conditions of such contracts/ arrangements/ transactions, settle all questions, difficulties or doubts that may arise in this regard."

**By Order of the Board of Directors**

**SD/-  
SACHIN POLKE  
COMPANY SECRETARY &  
PRESIDENT (CORPORATE AFFAIRS)**

Mumbai, 10<sup>th</sup> August, 2023



## NOTES

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item Nos. 3 to 5 of the Notice, is annexed hereto. Further, the relevant details with respect to Item No. 2 & 4 pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM are also annexed.
2. Pursuant to the General Circular numbers 20/2020 dated May 5, 2020 read with General Circular nos. 14/2020 dated April 8, 2020; 17/2020 dated April 13, 2020 ; 02/2021 dated January 13, 2021; 19/2021 dated December 08, 2021; 21/2021 dated December 14, 2021, 02/2022 dated May 05, 2022 and 10/2022 dated December 28, 2022 issued by the Ministry of Corporate Affairs (MCA) and Circular number SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD 2/CIR/P/2022/62 dated May 13, 2022 and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 issued by the Securities and Exchange Board of India (SEBI) (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold Annual General Meeting ("AGM") through video conferencing (VC) or other audio visual means (OAVM), without the physical presence of members at a common venue and dispatch of Annual Report only in electronic mode. In compliance with the said Circulars, the AGM of the Company is being held through VC/OAVM.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Institutional/Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to bhattivrendra1945@yahoo.co.in with a copy marked to cosec@ashapura.com.
5. Pursuant to Section 91, Company's Transfer Books will remain closed from 23rd September, 2023 (Saturday) to 29th September, 2023 (Friday) (both days inclusive)).

### **ELECTRONIC DISPATCH OF ANNUAL REPORT AND PROCESS FOR REGISTRATION OF EMAIL ID FOR OBTAINING COPY OF ANNUAL REPORT**

6. In compliance with the said requirements of the MCA Circulars, electronic copy of the Notice along with the Annual Report for the Financial Year ended 31st March, 2023 have been sent only to those members whose e- mail ids are registered with the Company or the Registrar and Share Transfer Agent or the Depository Participants(s) through electronic means and no physical copy of the Notice has been sent by the Company to any member.
7. Those shareholders who have not yet registered / updated their email address / Contact details are requested to get them registered / updated by following the procedure given below:

Physical Holding	Please Send a request to the Registrar and Share Transfer Agents of the Company at <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a> along with Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card).
Demat Holding	Please contact your Depository Participant (DP) and register your email address and bank account details in your demat account, as per the process advised by your DP.

8. If there is any change in the e-mail ID already registered with the Company, members are requested to immediately notify such change to the Company or its RTA in respect of shares held in physical form and to DPs in respect of shares held in electronic form.
9. The Notice has also been hosted on the website of the Company [www.ashapura.com](http://www.ashapura.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).
10. In compliance with the said Circulars, the Company has also published a public notice by way of an advertisement made dated 5th September, 2023 in Free Press Journal and Navashakti both having a wide circulation in Mumbai, inter alia, advising the members whose e-mail ids and bank Account details are not registered with the Company, its Registrar and Share Transfer Agent (RTA) or Depository Participant(s) (DPs), as the case may be, to register their e-mail ids with them.

### **GENERAL INSTRUCTIONS AND PROCEDURE FOR JOINING THE AGM THROUGH VC / OAVM**

11. The Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for conducting Annual General Meeting through electronic means, as the authorized e-voting's agency.
12. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned hereafter. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

13. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

**THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:**

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020, May 05, 2020, January 13, 2021, December 08, 2021, December 14, 2021, May 05, 2022 and 28th December, 2022, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

**THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:**

- (i) The voting period begins on 26th September, 2023 (Tuesday) at 9.00 a.m. and end on 28th September, 2023 (Thursday) at 5.00 p.m. During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 22nd September, 2023 (Friday) may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders. In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-voting facility

Pursuant to aforesaid SEBI Circulars, Login method for e-voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<p>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi / Easiest are requested to visit cdsi website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; select New System Myeasi Tab.</p> <p>2) After successful login the Easi / Easiest user will be able to see the e-voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-voting page of the e-voting service provider for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>4) Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN No. from e-voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a>. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and also able to directly access the system of all e-voting Service providers.</p>





<p>Individual Shareholders holding securities in demat mode with <b>NSDL</b></p>	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on "Access to e-voting" under e-voting services and you will be able to see e-voting page. Click on company name or e-voting service provider name and you will be re-directed to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting</p>
<p>Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b></p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
<p>Individual Shareholders holding securities in Demat mode with <b>CDSL</b></p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 1800225533.</p>
<p>Individual Shareholders holding securities in Demat mode with <b>NSDL</b></p>	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30 .</p>

(v) Login method for e-voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

# Ashapura Minechem Limited

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)  Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.  If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [cossec@ashapura.com](mailto:cossec@ashapura.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

## **INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.



5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 3 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at company email id. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 3 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at company email id. These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES:**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 1800225533

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 1800225533

14. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 22nd September, 2023 (Friday) may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com or cosec@ashapura.com.
15. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM.
16. Shri Virendra Bhatt, Practicing Company Secretary (Membership No. 1157) has been appointed as the Scrutinizer to scrutinize the voting at the AGM and remote e-voting process in a fair and transparent manner.

**PROCEDURE FOR INSPECTION OF DOCUMENTS:**

17. All the documents referred to in the accompanying Notice and Explanatory Statements, shall be available for inspection through electronic mode, basis the request being sent on cosec@ashapura.com.
18. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. Members seeking to inspect such documents can send an email to cosec@ashapura.com.

**OTHER INSTRUCTIONS :**

19. As per the provisions of Section 72 of the Companies Act and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website www.ashapura.com. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to the Company/RTA in case the shares are held in physical form.
20. The Ministry of Corporate Affairs (MCA) has adopted/implemented "Green Initiative in Corporate Governance" allowing paperless compliances by Companies through electronic mode. The Companies are now permitted to send various notices/documents to its shareholders through electronic mode to the registered email addresses of the shareholders.

# Ashapura Minechem Limited

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To support this green initiative and to receive communication from the Company through electronic mode, members who have not registered their e-mail addresses and holding shares in physical form are requested to contact the Company's Registrar & Share Transfer Agent and register their e-mail ID and Members holding shares in dematerialised form are requested to contact their Depository Participant (DP). Members may please note that notices, annual reports, etc. will also be available on the Company's website viz. [www.ashapura.com](http://www.ashapura.com).

21. Pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated 3rd November, 2021, SEBI has mandated all the listed companies to record the PAN, Nomination, KYC data and Bank Account details of first holder. Accordingly, Members are requested to update their Nomination and KYC details on RTA's Website viz. [www.linkintime.co.in](http://www.linkintime.co.in).

Members holding shares in physical form are therefore, requested to submit their PAN and Bank Account Details to the Company's RTA, viz. M/s. Link Intime India Pvt. Ltd., by sending self-attested copy of PAN Card along with self-attested legible copy of Aadhar/passport/utility bill (not older than 3 months) and Original cancelled cheque leaf containing the Bank A/c No., Bank Name, type of account, IFSC Code, MICR Code and the name of the shareholder printed on the cheque leaf.

In cases wherein the cancelled cheque leaf does NOT contain the shareholder's name printed on it, Members are requested to submit the Original cancelled cheque leaf along with legible copy of the bank passbook / bank statement specifying the KYC details of the registered shareholder such as the name, address, bank account number etc. duly attested by the Officer of the same Bank with his signature, name, employee code, designation, bank seal & address stamp, phone no. and date of attestation.

22. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
23. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same.
24. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.ashapura.com](http://www.ashapura.com) and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com) immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited & the National Stock Exchange of India Limited.

**By Order of the Board of Directors**

**SD/-  
SACHIN POLKE  
COMPANY SECRETARY &  
PRESIDENT (CORPORATE AFFAIRS)**

**Mumbai, 10<sup>th</sup> August, 2023**

**Registered Office:**

Jeevan Udyog Building,  
3<sup>rd</sup> Floor, 278,  
Dr. D. N. Road, Fort,  
Mumbai – 400 001  
CIN: L14108MH1982PLC026396



## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

### Item No. 3.

In accordance with the provisions of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint a cost auditor to conduct an audit of the cost records of Company for the Financial Year 2023-2024 and the remuneration payable to him has to be ratified/approved by the members of the Company.

Accordingly, as recommended by the Audit Committee, the Board has appointed Priyank Vyas & Associates, Cost & Management Accountants, as the Cost Auditor of the Company, for the Financial Year 2023-2024 on a remuneration of Rs.1,62,565/- (Rupees One Lakh Sixty Two Thousand Five Hundred Sixty Five only) per annum plus Goods and Service Tax (GST), for conducting the cost audit. The remuneration fixed for the cost auditor is required to be ratified by the Members, as provided under Rule 14 (a) (ii) of the Companies (Audit and Auditors) Rules, 2014.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out in the Notice for ratification of the remuneration payable to the Cost Auditors.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the resolution set out at Item No. 3 for the approval of members to be passed as an Ordinary Resolution.

### Item No 4:

The Board of Directors, on recommendation of Nomination and Remuneration Committee, at its meeting held on 10th August, 2022, has re-appointed Shri Hemul Shah (DIN: 00058558) as an Executive Director and Chief Executive Officer (CEO) w.e.f. 16th February, 2023, for a period of 1 year. Accordingly, his tenure ends on 15th February, 2024.

Considering, his expertise and profound knowledge in the mining industry, the Board has in its meeting dated 10<sup>th</sup> August, 2023 decided to extend his tenure by further period of 2 years as an Executive Director and Chief Executive Officer (CEO) of the Company w.e.f 16<sup>th</sup> February, 2024 to 15<sup>th</sup> February, 2026 on such terms and conditions that forms part of the agreement, the key excerpts of same are reproduced below and which are subject matter of Member's approval.

Accordingly, the approval of the Members through Special Resolution pursuant to Sections 196, 197, 198, 203 read with Schedule V of the Companies Act, 2013 as amended from time to time is now sought for the re-appointment of Shri Hemul Shah as the Executive Director & CEO of the Company for the period starting from 16th February, 2024.

a.	Salary	:	Upto Rs. 80,00,000/- (Rupees Eighty Lakhs only) p.a., with authority to the Board to sanction increments, subject to the overall limits and the provisions of the Companies Act, 2013.
b.	Perquisites & other Allowances	:	Perquisites & other allowances shall be paid in addition to the Salary as per the policy of the Company but within the overall limit, if any, prescribed under the Companies Act, 2013, as amended from time to time. He shall also be entitled to receive the following: - a) Contribution to Provident Fund, Superannuation Fund and Gratuity as per the rules of the Company. b) Encashment of leave at the end of tenure.

The above details may be treated as an abstract of terms under the provisions of the Companies Act, 2013.

The specified information required under Section II of Part II of the Schedule V of the Companies Act, 2013, while seeking approval/consent of the shareholders, for Payment of Remuneration to Shri Hemul Shah, Executive Director and CEO, is listed out below:

I	General Information :	
1.	Nature of Industry	Mining and Mineral Processing Industry
2.	Date or expected date of commencement of commercial production	19 <sup>th</sup> February, 1982
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable

## Ashapura Minechem Limited

4.	Financial performance based on given indicators:		<b>(Rs. in Lakhs)</b>
			<b>2021-2022</b>
			<b>2022-2023</b>
	Paid up Capital		1,829.72
	Reserves & Surplus		1,827.49
	Revenue from Operations		59,815.12
	Other Income		2,647.23
	Total Expenditure		(64,027.77)
	Exceptional Items		-
	Profit before Taxation		(1,565.42)
Tax Expenses including Deferred Tax		-	
Profit after Taxation		(1,565.42)	
Managerial Remuneration (Total)		138.33	
			164.34
5.	Foreign investments or collaborators, if any	The holdings of Foreign Portfolio Investor (Corporate), Foreign Institutional Investors and NRIs Repatriable as on 31st March, 2023 is 17.66% of the equity share capital.	
<b>II Information about the Appointee :</b>			
1.	Background details	Shri Hemul Shah is a Commerce Graduate. He has been associated with the Ashapura Group at different levels for more than 3 decades. He has strong business acumen, strategic intelligence, execution abilities and also has rich experience in Planning, Operational and General Management.	
2.	Past remuneration	Details has been mentioned in Corporate Governance Report	
3.	Recognition or awards	-	
4.	Job profile and his suitability	Being an Executive Director and CEO, he is entrusted with the responsibility of overall supervision and day to day management of the affairs of the Company, subject to superintendence and directions of the Board of Directors of the Company.	
5.	Remuneration proposed	As stated in the explanatory statement above.	
6.	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	The remuneration proposed to be paid to Shri Hemul Shah has been determined after taking into consideration the current state of affairs; financial performance of the Company viz-a-viz his experience & expertise in the business of the Company.	
7.	Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any	Shri Hemul Shah has no pecuniary relationship with the Company except for the proposed remuneration paid to him as an Executive Director and CEO of the Company. Shri Hemul Shah is not related to any of the Managerial Personnel of the Company.	
<b>III Other Information:</b>			
1.	Reasons of loss or inadequate profits	During the financial year the Company's operating and development expenses exceeded its revenue which resulted into loss at standalone level. Loss may also be attributable to commodity cycles, environmental risk, certain relative difficulties in industry, both in india and overseas, with additional pressure on the world economy. The more detailed explanation is provided in Director's report and Management Discussion & Analysis.	
2.	Steps taken or proposed to be taken for improvement & expected increase in productivity and profits in measurable terms	The Company is actively working towards augmenting its revenues and is also endeavoring to explore inventive concepts & theories to improve the quality of its products; target & seize opportunities both at domestic & international market for better stability, expansion & payback for the Company.	
<b>IV. Disclosures:</b>			
The elements of remuneration to be paid to Shri Hemul shah are as stated in explanatory statement above.			

Further, pursuant to provisions of Section 203 of the Companies Act, 2013, he shall be recognized as Key Managerial Personnel (KMP) of the Company.

In view of above and pursuant to provisions of Section 196 of the Companies Act, 2013, approval of the shareholders is sought for his re-appointment as an Executive Director and CEO of the Company, on terms & conditions of his appointment and remuneration that forms part of the agreement executed by and between the Company and Shri Hemul Shah.



The aggregate of the remuneration and perquisites/benefits, including contributions towards Provident Fund, Superannuation Fund and Gratuity Fund, payable to the Managerial Personnel of the Company taken together, shall be in compliance with the Companies Act, 2013, or any amendment thereto or modification thereof.

The copy of the agreement containing terms & conditions of the re-appointment between the Company and Shri Hemul Shah is available for inspection as stated in the notice above.

Shri Hemul Shah is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as an Executive Director and CEO of the Company. Brief Profile of Shri Hemul Shah as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Notice.

Shri Hemul Shah is concerned or interested in the said resolution as set out in Item No. 4 of the accompanying Notice.

Save and except the above, none of the Directors, Key Managerial Personnel of the Company and their relatives is/are, in any way, concerned or interested financially or otherwise in the said resolution, except to the extent of their shareholding in the Company, if any.

The Board of Directors of your Company accordingly recommend the Resolution as set out in Item No. 4 accompanying the Notice for the approval of Shareholders of the Company as a Special Resolution.

#### Item No 5 :

Pursuant to the amended Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the threshold limit for determination of material Related Party Transactions is the lower of Rs.1,000 crores (Rupees One thousand crores) or 10% (ten percent) of the annual consolidated turnover of the listed entity as per the last Audited Financial Statements of the listed entity and such material related party transactions exceeding the limits, would require prior approval of Members by means of an ordinary resolution.

The related party transactions as mentioned below, in the aggregate, are expected to cross the applicable materiality thresholds. Accordingly, as per the SEBI Listing Regulations, prior approval of the Members is being sought for all such arrangements / transactions to be undertaken by the Company. All the transactions to be entered with related party would be in the ordinary course of business and on an arm's length basis.

The Company proposes to enter into transactions with its related party as mentioned in Resolutions mentioned in item no. 5 of the Notice, as per the terms and conditions as mutually agreed between the parties. The Audit Committee of the Company has granted omnibus approval for the said related party transactions at its meeting held on 9th February, 2023 and has noted that although the proposed related party transactions are in the ordinary course of business of the Company and shall be entered into on an arm's length basis, they may, in aggregate, cross the applicable materiality thresholds as mentioned above.

Accordingly, as per the SEBI Listing Regulations, prior approval of the Members is being sought for entering into and/or carrying out and/or continuing with existing contracts/arrangements/transactions or material modification(s) of earlier arrangements/transactions or as fresh and independent transaction(s) or otherwise (whether individually or series of transaction(s) taken together or otherwise) undertaken or to be undertaken by the Company and that shall be valid for one year i.e. from the date of this Annual General Meeting till the conclusion of the 43<sup>rd</sup> Annual General Meeting of the Company to be held in the year 2024.

Details required under Regulation 23 of SEBI Listing Regulations read with SEBI Circular dated 22<sup>nd</sup> November, 2021 is provided herewith:

#### Information pertaining to Item No 5:

1	Name of the Related Party	M/S Ashapura Holdings UAE FZE
2	Type of transaction	Purchase of goods, Sale of goods, rendering of services and receiving of services, leasing; any transfer of resources/services/obligations and such other transactions mentioned in the Companies Act, 2013.
3	Material terms and particulars of the proposed transaction	Material terms and conditions are based on the contracts which inter alia include the rates which are based on prevailing market price and commercial terms as on the date of entering into the contract.
4	Nature of Relationship with the Company including nature of its concern or interest (financial or otherwise)	Step Down Subsidiary of the Company
5	Tenure of the proposed transaction (particular tenure shall be specified)	The Approval Shall be valid for one year i.e. from the date of this Annual General Meeting till the conclusion of the 43 <sup>rd</sup> Annual General Meeting of the Company to be held in the year 2024.
6	Value of the proposed transaction	Rs. 300 Crores (Approx)
7	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided)	In excess of 10% of the annual consolidated turnover of the Company as per the last Audited Financial Statements.

## Ashapura Minechem Limited

8	Whether the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary	NA
a)	details of the source of funds in connection with the proposed transaction;	-
b)	where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments, - nature of indebtedness; - cost of funds; and - tenure;	-
c)	applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security;	-
d)	the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT.	-
9)	Justification as to why the RPT is in the interest of the listed entity	Arrangement is commercially beneficial and logistically convenient.
10)	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the shareholders;	NA
11)	Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis;	-
12)	Any other information relevant or important for the members to take a decision on the proposed transaction.	-
13)	Name of the Director or Key Managerial Personnel, who is related	Shri Chetan Shah, Shri Hemul Shah, Smt. Himani Shah

The said transaction(s)/contract(s)/arrangement(s) have been recommended by the Audit Committee and Board of Directors of the Company for consideration and approval by the Members.

It is pertinent to note that no related party shall vote to approve this Resolution whether the entity is a related party to the particular transaction or not.

None of the Directors or Key Managerial Personnel of the Company or its respective relatives, other than as mentioned above, is concerned or interested, in the resolutions.

**By Order of the Board of Directors**

**Sd/-  
SACHIN POLKE  
COMPANY SECRETARY &  
PRESIDENT (CORPORATE AFFAIRS)**

**Mumbai, 10<sup>th</sup> August, 2023**

**Registered Office:**  
Jeevan Udyog Building,  
3<sup>rd</sup> Floor, 278,  
Dr. D. N. Road, Fort,  
Mumbai – 400 001  
CIN: L14108MH1982PLC026396

E & OE regretted





**'Annexure - A'**  
**Details of Director(s) seeking Appointment/Re-appointment at the forthcoming Annual General Meeting**  
(Pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015)

Name of Director	Shri Chetan Shah	Shri Hemul Shah
Date of Birth	28/01/1955	04/01/1961
Qualification	Commerce Graduate	Commerce Graduate
Brief Profile & Expertise in specific functional areas	He has been associated with the Ashapura Group for more than 4 decades. Under his guidance and tutelage, the Ashapura Group has metamorphosed from a single product – single location company into a multi-mineral solutions conglomerate spread over 8 countries across the globe offering more than 120 products. He has varied experience in the mining industry and is responsible for the overall management of Ashapura Group.	He has been associated with the Ashapura Group at different levels for more than 3 decades. He has strong business acumen, strategic intelligence, execution abilities and also has rich experience in Planning, Operational and General Management.
Directorship in other Public Companies	<ol style="list-style-type: none"> <li>1. Ashapura Claytech Ltd</li> <li>2. Ashapura Industrial Finance Ltd</li> <li>3. Ashapura Aluminium Ltd</li> <li>4. Bombay Minerals Limited (BML)</li> <li>5. Ashapura International Limited (AIL)</li> <li>6. Ashapura Perfoclay Limited</li> </ol>	<ol style="list-style-type: none"> <li>1. Orient Ceratech Limited (OCL) (Formerly known as Orient Abrasives Limited)</li> <li>2. Ashapura Claytech Limited</li> <li>3. Ashapura International Limited</li> <li>4. Prashansa Ceramics Limited</li> <li>5. Bombay Minerals Limited</li> <li>6. Ashapura Industrial Finance Limited</li> <li>7. Ashapura Aluminium Limited</li> </ol>
Chairmanship / Membership of the Committees of the Board*	Membership SRC – Ashapura Minechem Limited (AML)	Chairmanship SRC - OCL, ACM- BML, ACM - AIL Membership SRC - AML ACM - OCL
No. of shares held in the Company as on 31.03.2023	1,35,93,814 Equity Shares	1,007 Equity Shares

\* Represents Membership and Chairmanship of Indian Public Companies of the Audit Committee (AC) and the Stakeholders Relationship Committee (SRC).

# Ashapura Minechem Limited

## DIRECTORS' REPORT

To  
The Members,

Your Directors are pleased to present the 42<sup>nd</sup> Annual Report of the Company together with the Audited Financial Statements (Standalone & Consolidated) for the year ended 31<sup>st</sup> March, 2023.

### 1. FINANCIAL RESULTS AND PERFORMANCE:

(Rs. In Lakhs)

Particulars	Standalone		Consolidated	
	2022-2023	2021-2022	2022-2023	2021-2022
<b>Net Sales / Income from Operations</b>	<b>22,269.17</b>	<b>59,815.11</b>	<b>183,084.84</b>	127,784.31
Less: Total Expenditure	<b>25,314.58</b>	62,075.74	<b>172,260.24</b>	123,390.80
<b>Profit / (Loss) from Operations before Dep., Other Income and Exceptional Items</b>	<b>(3,045.41)</b>	(2,260.63)	<b>10,824.60</b>	4,393.51
Less: Depreciation	<b>1,538.35</b>	1,952.03	<b>7,256.36</b>	5,812.84
<b>Profit / (Loss) from Operations before Other Income and Exceptional Items</b>	<b>(4,583.76)</b>	(4,212.66)	<b>3568.24</b>	(1,419.32)
Add: Other Income	<b>4,001.41</b>	2,647.24	<b>8,612.37</b>	9,559.76
<b>Profit/(Loss) before Exceptional Items, share of net profit of investments accounted for using the equity method and Tax</b>	<b>(582.35)</b>	(1,565.42)	<b>12180.61</b>	8,140.45
Share of net profit of Joint Ventures & associates accounted for using the equity method	-	-	<b>1,765.61</b>	1,638.71
<b>Profit/(Loss) before exceptional items</b>	<b>(582.35)</b>	(1,565.42)	<b>13,946.22</b>	9,779.16
Add: Exceptional Items	-	-	-	-
<b>Profit / (Loss) before tax</b>	<b>(582.35)</b>	(1,565.42)	<b>13,946.22</b>	9,779.16
Tax Expenses				
Current Tax	-	-	<b>2,385.53</b>	1,361.87
Earlier Year's Tax	<b>118.77</b>	-	<b>578.02</b>	91.53
Deferred Tax	-	-	<b>9.32</b>	(327.48)
<b>Profit/(Loss) after tax</b>	<b>(701.12)</b>	-	<b>10,973.35</b>	8,653.24
Profit attributable to non-controlling interest	-	-	(727.29)	1.50
<b>Profit/(Loss) for the year</b>	<b>(701.12)</b>	(1,565.42)	<b>10,973.35</b>	8,653.24

#### a) Performance of the company & Future Outlook:

At Standalone level, the Income from Operations and other income stood at Rs. 26,271 lakhs and that the total expenses stood at Rs. 26,853 Lakhs which resulted into loss of Rs. 701.12 Lakhs During the Financial Year, the Company's operating and development expenses exceeded its revenues which led to negative bottomline. However, the Company is actually working towards augmenting its revenues.

At Consolidated level, the Income from Operations and other income stood at Rs. 1,91,697 Lakhs as against Rs.1,37,344 Lakhs for the previous financial year ended 31<sup>st</sup> March, 2022 and that total expenses stood at Rs. 1,79,517 Lakhs which resulted into Net profit. As compared to the previous financial year, on a consolidated basis, the Company's total revenue in FY 2022-23 increased by 40 %, whereas the Profit After Tax for FY 2022-23 was Rs. 10,973 Lakhs versus a profit Rs. 8,653 Lakhs in the previous financial year. The net increase in profit after tax is approximately 27%. All business segments of the company have largely performed well resulting in higher revenues and profits for the company on a consolidated basis.

The outlook for FY 2023-24 is set to be positive on account of two more Bauxite mines becoming operational in Guinea from the second half of the financial year, which would enable the company to export higher volumes.

The Company shall continue its constant endeavour to move up the value chain by introducing a new line of animal feed products which are value-added from quality Bentonite. Furthermore, the Company's Kaolin products are consolidating its position in the overseas market making up for the supply that has been lost because of the turmoil in Ukraine.



## 2. SIGNIFICANT EVENTS DURING THE FY 2022-23 AND TILL THE DATE OF REPORT:

### A) Allotment of Warrants to Mr Manan Shah & M/S Ashapura Industrial Finance Limited:

The Company has issued & allotted 40,40,000 Convertible Warrants @ Rs. 95.96 per Warrant, Convertible into Equity Shares of Rs. 2 each to Mr Manan Shah & M/s Ashapura Industrial Finance Limited on 14<sup>th</sup> February, 2023. Consequently, the corporate action was executed and the warrants were credited to the allottees on 9<sup>th</sup> March, 2023. The said warrants were issued with an option to convert it to equity.

Brief Particulars of the issue are given below:

Name of Security	Convertible Warrants
Date of Issue and Allotment	14 <sup>th</sup> February 2023
Number of warrants	40,40,000
Method of allotment	Preferential Issue
Name of Allottees	1. Mr Manan Shah 2. M/S Ashapura Industrial Finance Limited
Issue Price	Rs. 95.96 (Rupees Ninety Five Ninety Six Paise) per warrant
Maturity Date	Any time after the date of allotment but on or before the expiry of 18 (eighteen) months
Amount raised	25% of the consideration has been collected upfront from the holders of the warrants
Terms and conditions	<ul style="list-style-type: none"> <li>Subject to lock-in as per SEBI Regulations.</li> <li>Warrants shall not be sold, transferred, hypothecated or encumbered in any manner during the period of lock-in provided under SEBI (ICDR).</li> <li>Warrants shall be issued only in dematerialized form.</li> <li>In case Warrant Holder do not exercise Warrants within the Warrant Exercise Period, the Warrants shall lapse and the amount paid shall stand forfeited by the Company</li> <li>The Warrants by itself until converted into Equity Shares, do not give to the Warrant Holder any special voting rights in the Company in respect of such Warrants.</li> </ul>

### B) Increase in the limits for extending loans, making investments and providing guarantees or security under section 186 of the Companies Act, 2013:

The Company, in order to support & supplement ongoing and/or future financial and operational commitments/requirements / exigencies of the Company and/or its subsidiaries/step down subsidiaries/associate companies/group companies, has been making investments in, giving loans and guarantees to and providing securities in connection with loans to various persons and bodies corporate (including its subsidiary) from time to time, in compliance with the applicable provisions of the Act.

Section 186 (2) of the Companies Act 2013 provides that where the giving of any loan or guarantee or providing any security or the acquisition as provided under Section 186(2) of the Act, exceeds the limits specified therein, prior approval of shareholders by means of a Special Resolution is required to be passed at a general meeting. Since the Aggregate amount of the loans and investments so far made, along with the loans, investments and guarantees to be made / provided by the Company in the near future, may exceed the limits prescribed under the provision of section 186 (2) of the Companies Act, 2013, shareholders' approval were sought to enhance the limit upto Rs. 300 Cr over and above the limit Spcified under section 186 of the companies Act, 2013. Shareholders approved the said resolution on 1<sup>st</sup> February 2023 and the result of which declared on 2<sup>nd</sup> February 2023.

### C) Sale/transfer of chamotte plant of the company:

After the end of Financial Year 2022-2023, the Company in terms of section 180(1)(a) of the Companies Act, 2013, sought shareholders' approval by way of postal ballot for sale/transfer of Chamotte Plant of the Company to an Associate Company i.e. Orient Ceratech Limited (formerly known as Orient Abrasives Limited). Shareholders approved the said resolution on 25<sup>th</sup> May 2023 and the result of which was declared on 26<sup>th</sup> May, 2023.

Brief Particulars of the transactions are given below:

Particulars	Remarks
Name of the related party	Orient Ceratech Limited
Name of the Director or Key Managerial Personnel who is related, if any	Shri Chetan Shah & Smt. Himani Shah and Shri Hemul Shah, being common Director
Nature of relationship	Associate Company
Nature, material terms, monetary value and the above transaction for purchase of land and particulars of the contract or arrangement	Transaction Amount: - Rs. 21 Crores Other material terms as mutually decided and agreed by the parties.

## 3. DIVIDEND:

The Board of Directors does not recommend any Dividend for the Financial Year 2022-23 considering the losses during the year.

The Company has its Dividend Distribution Policy which has been approved by the Board of Directors. The said policy is uploaded on the website of the Company at <https://www.ashapura.com/investor-corner.php>.

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## 4. TRANSFER TO RESERVES:

During the financial year under review, no amount has been transferred to the General Reserve.

## 5. IEPF:

Pursuant to the applicable provisions of the Companies Act, 2013, read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, Dividends that are unpaid/unclaimed for a period of seven years are required to be transferred to the Investor Education and Protection Fund administered by the Central Government. Your Company has initiated the process of transferring the balance lying with the unpaid/unclaimed dividend accounts, in accordance with the above provisions.

## 6. SHARE CAPITAL:

The paid-up Equity Share Capital as on 31<sup>st</sup> March, 2023 was Rs. 1,829.72 lakhs.

Further, the Company did not grant stock options or sweat equity shares to employees. The details of the shareholding of the Directors as on 31<sup>st</sup> March, 2023 are as mentioned below:

Name	No. of Shares	% of Holdings
Shri Chetan N. Shah	13,593,814	14.85
Smt. Himani Shah	142,980	0.1563
Shri Harish Motiwalla	500	0.0005
Shri Hemul Shah	1007	0.0011

## 7. DEPOSITS:

Your Company has not accepted any amount as deposits within the meaning of provisions of "Chapter V – Acceptance of Deposits by Companies" of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

## 8. DIRECTORS & KEY MANAGERIAL PERSONNEL:

The composition of the Board of Directors of the Company as on 31<sup>st</sup> March 2023 is as below.

Sr. No.	Name of Director	Designation	DIN
1	Shri Chetan Shah	Executive Chairman	00018960
2	Shri Hemul Shah	Executive Director & CEO	00058558
3	Smt. Himani Shah	Non-Executive Director	02467277
4	Shri Harish Motiwalla	Non-Executive, Independent Director	00029835
5	Shri Abhilash Munsif	Non-Executive, Independent Director	02773542
6	Shri Pundarik Sanyal	Non-Executive, Independent Director	01773295
7	Smt. Neeta Shah	Non-Executive, Independent Director	07134947

### a) Retirement by Rotation:

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of your Company, Mr. Chetan Shah (DIN-00018960), retires by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment.

The details as required under the provisions of the Companies Act and Listing Regulations are provided in the Notice convening the ensuing Annual General Meeting wherever required.

### b) Declaration by Independent Directors:

- The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under the provisions of section 149(6) of the Companies Act, 2013 read with schedules & rules issued thereunder as well as regulation 16 of the Listing Regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force). The same shall be available for inspection upon request by Shareholders.
- The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act.

### c) Re-appointment of Shri Hemul Shah, as an Executive Director and Chief Executive Officer:

The Board of Directors at its meeting held on 10<sup>th</sup> August 2022, on the recommendation of Nomination and Remuneration Committee, appointed Shri Hemul Shah (00058558) as an Executive Director and CEO w.e.f. 16<sup>th</sup> February, 2023. His tenure ends on 15<sup>th</sup> February 2024 according to the agreed terms.



The Nomination & Remuneration Committee has recommended his re-appointment considering his long association with the Company; varied experience in planning, execution abilities and strategic intelligence. Accordingly, the Board of Directors at its meeting held on 10<sup>th</sup> August, 2023, proposed that he should be re-appointed as an Executive Director and Chief Executive Officer (CEO) of the company for a further period of one year.

A Special resolution seeking approval of the shareholders for his re-appointment as an Executive Director and CEO of the Company forms part of the Notice convening 42<sup>nd</sup> Annual General Meeting. The relevant details of Shri Hemul Shah as required pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations are furnished in the Notice of the 42<sup>st</sup> Annual General Meeting.

**d) Board's opinion regarding Integrity, Expertise and Experience (including the proficiency) of the Independent Directors appointed during the year:**

The Board is of the opinion that the Independent Directors appointed during the year under review are person(s) of integrity and possess core skills/expertise/competencies (including the proficiency) as identified by the Board of Directors as required in the context of Company's business(es) and sector(s) for the Company to function effectively.

**e) Appointment of Key Managerial Personnel (KMP):**

- a. From the date of appointment of Shri Chetan Shah as an Executive Chairman w.e.f. 24<sup>th</sup> October, 2019, he is forthwith considered as a Key Managerial Personnel (KMP) of the Company.
- b. From the date of appointment of Shri Hemul Shah as an Executive Director & CEO w.e.f. 16<sup>th</sup> February, 2020, he is forthwith considered as a KMP of the Company.
- c. In accordance with the provisions of Sections 2(51) and 203 of the Companies Act, 2013, Shri Ashish Desai as CFO and Shri Sachin Polke, Company Secretary & President (Corporate Affairs) are recognized as the KMP of the Company.
- d. In addition, the following Executives of your Company have been recognized as whole-time Key Managerial Personnel to perform such duties/functions as may be assigned to them under their prescribed designation and/or generally and specifically assigned to them by the Board of Directors and/or its Committee from time to time:

Shri Sandeep Deshpande - Group Head - Human Resources & Administration

**9. DISCLOSURES RELATING TO SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES:**

**a) Business Performance & overview of principal Subsidiaries & Joint Venture Companies:**

**Ashapura International Limited (AIL):**

The Company's revenue decreased by 9% from Rs. 55,880 lakhs in FY 2021-22 to Rs.50,832 lakhs in FY 2022-23 however the Profit After Tax increased by 7% from Rs. 3,497 lakhs in FY 2021-22 to Rs. 3,742 lakhs in FY 2022-23.

Although there was a marginal decrease in the revenue, the Company achieved better profitability & margins on account of a shift towards value added product sales.

**Bombay Minerals Limited (BML):**

The Company's revenue in FY 2022-23 was Rs. 11,121 lakhs, 23% higher than the revenue of Rs. 9,046 lakhs in FY 2021-22. The Profit After Tax in FY 2022-23 was Rs. 425 lakhs versus a loss of Rs. 1,003 lakhs in FY 2021-22.

The Company has had some success in tapping alternate sources of raw material which has allowed it to scale up its operations as compared to the previous year.

**Ashapura Perfoclay Ltd. (APL):**

The Company's revenue in FY 2022-23 increased by about 5% to Rs. 36,431 Lakhs as compared to the previous financial year, whereas the profit after tax was Rs. 2,904 lakhs i.e. 11% higher than the previous financial year.

The Company continued to maintain its leadership position in the domestic market despite the macro headwinds and the competition from low-cost domestic producers. It posted a healthy 12.6% growth Y-O-Y basis. A lot of initiatives have been undertaken by the Company to develop cost effective and more efficient grades.

**Other Overseas Subsidiaries:**

The other overseas subsidiaries and joint ventures of the Company on the whole exhibited an increase in revenues. The Company's step-down subsidiary in Guinea has shown reasonable growth as compared to the previous year.

**b) Companies which have become and ceased to be subsidiary, associate and/or joint venture:**

During the year under review, Orient Advanced Material FZE became associate of the Company through indirect acquisition/transfer of shares by the company's associate company. Further, Ashapura Acticlay SDN BHD (Was of company's step down an subsidiary ceased to be Associate Company during the year under review.

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## c) Material Subsidiaries:

As required under Regulations 16(1)(c) and 46 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 (Listing Regulations), the Board of Directors have approved the Policy for determining Material Subsidiaries. The details of the Policy are available on the Company's website at [www.ashapura.com/investor-corner.php](http://www.ashapura.com/investor-corner.php)

## 10. CONSOLIDATED FINANCIAL STATEMENTS:

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013, the Consolidated Financial Statements of the Company and its subsidiaries & associates, have been prepared in accordance with the Indian Accounting Standards, which forms part of this Annual Report. Further, pursuant to the provisions of the said section, a statement containing salient features of the Financial Statements of the Company's subsidiaries and associate companies (in Form AOC-1) is given in this Annual Report.

In accordance with Section 136 of the Companies Act, 2013, the Audited Financial Statements including Consolidated Financial Statements, Financial Statements of subsidiaries and all other documents required to be attached to this Report have been uploaded on the website of the Company at [www.ashapura.com/investor-corner.php](http://www.ashapura.com/investor-corner.php).

## 11. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN 31<sup>ST</sup> MARCH, 2023 AND 10<sup>TH</sup> AUGUST 2023 (DATE OF THE REPORT):

Other than as stated elsewhere in this report, there are no material changes and commitments affecting the financial position of the Company between the end of the current financial year and the date of this report.

## 12. SIGNIFICANT AND MATERIAL ORDERS BY THE REGULATIONS:

Other than as stated elsewhere in this report, during the year under review, the Company has not received any significant or material order passed by any regulatory authority, court or tribunals which shall affect the going concern status of the Company.

## 13. MEETINGS OF THE BOARD:

The Board of the Company comprised of seven Directors as on 31<sup>st</sup> March, 2023. During the year, 5 meetings of the Board of Directors were held. The details of meetings held and attended by each Director are detailed in the Corporate Governance Report, which forms part of this Annual Report.

The maximum time gap between two Board meetings was not more than four months.

## 14. COMMITTEES:

The composition of committees constituted by Board along with changes, if any, forms part of the Corporate Governance Report, which forms part of this Annual report.

## 15. DIRECTOR'S RESPONSIBILITY STATEMENT:

In pursuance of Section 134(5) of the Companies Act, 2013 read with the rules made there under, including any enactment or re-enactment thereon, the Directors hereby confirm that:

- a. in the preparation of the annual accounts, the applicable Indian Accounting Standards had been followed along with proper explanation relating to material departures;
- b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;
- c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the directors had prepared the annual accounts on a going concern basis;
- e. the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 16. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:

The information required under Section 197(12) of the Companies Act, 2013, read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is set out in "Annexure - A" to this Report.

Further, the statement containing particulars of employees in terms of section 197(12) of the Companies Act, 2013, read with rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate statement and that forms part of the Annual Report.



Considering the provisions to section 136 of the Companies Act, 2013, the Annual Report, excluding the aforesaid statement required to be given under rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is being sent to the shareholders of the Company and others entitled thereto. The said statement is available for inspection of members will be available electronically for inspection. Members seeking to inspect such documents can send an email to [cosec@ashapura.com](mailto:cosec@ashapura.com).

#### **17. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED:**

Particulars of loans given, investments made, guarantees given and securities provided in accordance with the provisions of Section 186 of the Companies Act, 2013, are given in the Notes to Financial Statements (Please refer to Note no. 5 & 6).

#### **18. DISCLOSURES ON POLICIES ADOPTED BY THE COMPANY:**

##### **a) Nomination & Remuneration Policy:**

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, the Board of Directors, based on the recommendations of the Nomination & Remuneration Committee, adopted a Policy for selection and appointment of Directors, Key Managerial Personnel & Senior Management and for determining their remunerations, qualifications, positive attributes and independence of Directors. The policy also ensures that the relationship of remuneration to performance is clear so as to meet appropriate performance benchmark.

The Policy on Nomination & Remuneration is available on the website of the Company viz. [www.ashapura.com/investor-corner.php](http://www.ashapura.com/investor-corner.php). The details about the Nomination & Remuneration Committee and payment of remuneration to the Directors are provided in the Report on Corporate Governance which forms part of this Annual Report.

##### **b) Performance Evaluation Policy and Annual Performance Evaluation:**

The Board of Directors adopted the performance evaluation policy with an objective of evaluating the performance of the each and every Director of the Board, Committees of the Board including the performance of the Board as a whole, which would contribute significantly to performance improvements at all the three levels i.e. the organizational, the board and the individual director level, which in turn would help in increased accountability, better decision making, enhanced communication and more efficient Board operations.

Accordingly, pursuant to the provisions of Companies Act, 2013, Listing Regulations and Performance Evaluation Policy of the Company, the Board of Directors, in consultation with the Nomination & Remuneration Committee and Independent Directors, carried out & analysed the annual performance evaluation of all the Directors, the Board as a whole and its Committees.

The annual performance evaluation was carried out based on detailed questionnaires drafted in accordance with the guidance note issued by SEBI. The performance of the individual Directors was evaluated after seeking inputs from all the Directors other than the one who is being evaluated. The evaluation was based on the criteria such as Director's knowledge and understanding of their role, Company's vision and mission, Director's commitment, qualification, skill and experience, assertiveness in communication, etc.

The performance of the Board was evaluated on the basis of various criteria such as composition of the Board, information flow to the board, matters addressed in the meeting, strategic issues, roles and functions of the Board, relationship with the management, engagement with the Board and external stakeholders and other development areas.

The performance of the Committees was evaluated after seeking the inputs of committee members on the criteria such as understanding the terms of reference, Committee composition, Independence, contributions to Board's decisions etc.

Further, the performance of Chairman & Executive Director were evaluated on certain additional parameters depending upon their roles and responsibilities such as leadership, relationship with stakeholders, execution of business plans, risk management, development of plans and policies in alignment with the vision and mission of the Company etc.

Similarly, criteria for evaluation of Independent Directors include effective deployment of knowledge and expertise, willingness to devote time and efforts towards his/her role, high ethical standards, adherence to applicable codes and policies, effective participation etc.

The Independent Directors had met separately on 27<sup>th</sup> March, 2023 and discussed, inter-alia, the performance of the Chairman, Executive Director & Chief Executive Officer of the Company and the Board as a whole. The Nomination and Remuneration Committee has also carried out evaluation of every Director's performance.

The Board evaluation report on performance of each individual Director and the Board as a whole was placed before the Board of Directors for appropriate analysis and confirmation. Based on the annual performance evaluation, the Board expressed its satisfaction with the performance evaluation process.

##### **c) Corporate Social Responsibility Policy:**

The Company has adopted the Corporate Social Responsibility (CSR) Policy in accordance with the provisions of Section 135 and Schedule VII of the Companies Act, 2013. The CSR Policy lays down the guiding principles for social welfare programs/projects for the benefit of different segments of the society, especially the deprived, under-privileged and differently abled persons. The Policy is available on the website of the Company viz. [www.ashapura.com/investor-corner.php](http://www.ashapura.com/investor-corner.php). The Composition of the CSR Committee is given in the Report on Corporate Governance

The company does not satisfy any of the conditions laid down under Section 135(1) of the Companies Act, 2013 during F.Y.2021-22 (being the immediately preceding F.Y), consequently, it was not mandatory for the Company to spend on CSR for F.Y.2022-23. However, at the group level the company has undertaken various CSR initiatives. Further, a detailed report is attached as "Annexure D" to this report.

# Ashapura Minechem Limited

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## **d) Vigil Mechanism - Whistle Blower Policy:**

The Company has vigil mechanism named a Whistle Blower Policy, in compliance with the provisions of Section 177 of the Companies Act, 2013 and Listing Regulations, wherein the employees/directors can report the instances of unethical behaviour, actual or suspected fraud, mismanagement or any violation of the Code of Conduct and/or laws applicable to the Company and seek redressal. This mechanism provides appropriate protection to a genuine Whistle.

The said Policy is available on the website of the Company viz. [www.ashapura.com/investorcorner.php](http://www.ashapura.com/investorcorner.php). During the year under review, no complaint has been received under the Whistle Blower Policy (Vigil Mechanism).

## **e) Risk Management Policy:**

A well-defined risk-management framework is integral to our business strategy. Company has an independent and dedicated Risk Management Committee to identify, manage and mitigate business risks. The team has a risk Management policy and processes for risk evaluation and measurement, whereas business units focus on developing and implementing mitigation measures, while taking controlled risks. Specific risk approaches are in place for financial and non-financial businesses. Risk management, internal controls and assurance processes are embedded into all activities of the Company.

The board in its meeting held on 12<sup>th</sup> August 2021 has duly constituted the Risk Management Committee and approved the below-mentioned policy.

The above mentioned Policy is available on the website of the Company viz. [www.ashapura.com/investorcorner.php](http://www.ashapura.com/investorcorner.php)

## **f) Prevention of Sexual Harassment at Workplace:**

The Company has zero tolerance for sexual harassment of women at workplace and has adopted a Policy for prevention, prohibition and redressal of sexual harassment at workplace, in terms of provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder and constituted Internal Complaint Committee (ICC) for safe working environment where all employees treat each other with courtesy, dignity and respect, irrespective of their gender, race, caste, creed, religion, place of origin, sexual orientation, disability, economic status or position in the hierarchy.

The ICC which has been constituted as per the policy in this regard's, provides a forum to employees to lodge Complaints, if any, therewith for appropriate redressal.

During the year, no complaint was lodged with the ICC nor any such instance was reported and the management is happy to take the same on record. The said Policy is available on the website of the Company viz. [www.ashapura.com/investor-corner.php](http://www.ashapura.com/investor-corner.php).

## **g) Related Party Transactions Policy:**

Pursuant to the applicable provisions of the Companies Act, 2013 and Listing Regulations, the Company has in place the Policy on Related Party Transactions and the same is uploaded on Company's website at [www.ashapura.com/investor-corner.php](http://www.ashapura.com/investor-corner.php). This policy deals with the review and approval of related party transactions.

All transactions with related parties are approved by the Audit Committee prior to entering into any kind of transactions. The Audit Committee has after obtaining approval of the Board of Directors, laid down the criteria for granting omnibus approval for transactions which are repetitive in nature and entered in the ordinary course of business and at an arm's length basis which also forms part of the Policy. The said omnibus approval is granted for one financial year at a time. Moreover to monitor due compliance, all related party transactions are placed before the Audit Committee & the Board on a quarterly basis, specifying the nature, value and terms & conditions of the transactions for their review and confirmation.

During the year under review, all the transactions entered pursuant to the contracts and arrangements with related parties under Section 188 (1) of the Companies Act, 2013 in were on arm's length basis and in the ordinary course of business. Further, no material Related Party transactions, as per the materiality threshold mentioned in the related party policy of the Company were entered during the year by the company. Accordingly, the disclosure of RPT as required under section 134 (3)(h) of the Company Act, 2013, in form AOC-2 is not applicable.

The Policy on Materiality of Related Party Transactions and dealing with Related Party Transactions was revised in line with the amendment in SEBI (LODR) 2015 and the same is available on the Company's website.

The details of related party transaction are disclosed in the notes to Financial Statements. (Note No. 37)

## **19. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS**

Refer Report on Corporate Governance para on Familiarisation Programme.

## **20. AUDIT COMMITTEE:**

The Company has in place an Audit Committee in terms of the requirements of the Companies Act, 2013 read with the rules made thereunder and Regulation 18 of the Listing Regulations. Detailed information pertaining to the Audit Committee including its composition, meeting, etc. has been provided in the Corporate Governance Report, which forms part of this Annual Report.





## **21. AUDITORS AND AUDITORS' REPORT:**

### **A. Statutory Auditors:**

M/s. P A R K & Co., Chartered Accountants were appointed as the Statutory Auditors of the Company to hold office till the conclusion of Annual General Meeting to be held in the year 2027. M/s. P A R K & Co., have confirmed their eligibility and qualification required under Section 139, 141 and other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

The Auditors' Report for the financial year ended 31st March, 2023 on the financial statements (standalone & consolidated) of the Company forms part of this Annual Report.

The Notes to the financial statements referred in the Auditors' Report are self-explanatory. There are no qualifications or reservations or adverse remarks given by Statutory Auditors of the Company and therefore do not call for any comments under Section 134 of the Act.

### **B. Cost Auditors:**

Pursuant to the provisions of Section 148 of the Companies Act, 2013, M/s Priyank Vyas and Associates, Cost Accountants were appointed as the Cost Auditors of the Company to conduct audit of the Company's Cost Accounting Records in respect of the products of the Company for the financial year 2023-2024 at the remuneration of Rs.1,62,565 per annum plus Goods and Service Tax (GST).

Your Company has received consent from , M/s Priyank Vyas and Associates , to act as the Cost Auditors of your Company for the Financial Year 2023-2024 along with a certificate confirming their independence. As per the provisions of the Companies Act, 2013, a resolution seeking approval of the Shareholders for the remuneration payable to the Cost Auditors forms part of the Notice convening Annual General Meeting.

The Company has maintained the cost accounts and records in accordance with Section 148 of the Companies Act, 2013 and Rules framed thereunder. The Cost Audit Report for the Financial Year 2021-2022 was filed with the Ministry of Corporate Affairs on 07-09-2022.

### **C. Secretarial Auditors:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, your Company had engaged the services of Shri Virendra Bhatt, Company Secretary in Practice to undertake the Secretarial Audit of the Company for the Financial Year ended 31<sup>st</sup> March, 2023.

The Secretarial Audit Report in Form No.: MR – 3 for the Financial Year ended 31<sup>st</sup> March, 2023 is annexed with this report as "Annexure - B".

There are no qualifications or reservations or adverse remarks given by Secretarial Auditors of the Company and therefore do not call for any comments under Section 134 of the Act.

## **22. FRAUDS REPORTED BY AUDITOR**

During the year under review, no instance of fraud in the Company was reported by the Auditors.

## **23. INTERNAL (FINANCIAL) CONTROL SYSTEM & THEIR ADEQUACY:**

The Company has an adequate Internal Control System commensurate with the size, scale and nature of its operation. The Audit Committee reviews the adequacy and effectiveness of Internal Control System. The Company continues to improve the present internal control systems by implementation of appropriate policy and processes evaluated based on the recommendation of Internal Auditors.

The Company had appointed M/s. Atul HVM & Associates LLP, Chartered Accountants as its Internal Auditors for Financial Year 2022-2023 which carried out the periodic audit as per the Scope of Work approved by the Audit Committee. The Audit Committee of the Board of Directors of the Company periodically reviews the Internal Audit Reports submitted by the Internal Auditors. Internal Audit observations and corrective action taken by the Management are presented to the Audit Committee. The status of implementation of the recommendations are reviewed by the Audit Committee on a regular basis and concerns, if any, are reported to the Board. The Company is taking due action to ensure that the Internal Control is strengthened in all the areas of operations.

Besides this, the Company has also implemented 'SAP' Systems, an advanced IT business solution platform, to achieve standardized operations that ensures seamless data and information flow. This would further ensure ease in working environment & style and shall enable the Company to be in line with the best global practices.

## **24. COMPLIANCE WITH SECRETARIAL STANDARDS:**

The Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India on:

1. Meetings of the Board of Directors
2. General Meetings
3. Reports of the Board of Directors

# Ashapura Minechem Limited

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## **25. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Companies Act, 2013, are provided in "Annexure - C" to this Report.

## **26. EXTRACT OF ANNUAL RETURN:**

Further, in accordance with the provisions of Section 92(3) of the Companies Act, 2013, the copy of Annual Return of the Company is available on its website at [www.ashapura.com/investor-corner.php](http://www.ashapura.com/investor-corner.php)

## **27. CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

A report on 'Corporate Governance' along with the Certificate from M/s. P A R K & Co., Chartered Accountants regarding its compliance and 'Management Discussion and Analysis' Report as stipulated under Regulation 34 of the Listing Regulations are set out separately which forms part of this Report.

## **28. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT:**

The Business Responsibility and Sustainability Report for the year ended 31<sup>st</sup> March, 2023 as stipulated under Regulation 34 of the SEBI Listing Regulations is set out separately which forms part of this Report.

## **29. NO APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR UNDER REVIEW.**

## **30. THERE WERE NO ONE-TIME SETTLEMENTS WITH BANKS OR FINANCIAL INSTITUTIONS DURING THE YEAR UNDER REVIEW.**

## **31. ACKNOWLEDGEMENT:**

Your Directors wish to express their appreciation for the assistance and co-operation received from the financial institutions, banks, employees, investors, customers, members & shareholders and all other business associates for the continuous support given by them to the Company and their confidence in its management during the year under review and look forward for their contributed support in future.

**For and on Behalf of the Board of Directors**

Sd/-  
**CHETAN SHAH**  
**EXECUTIVE CHAIRMAN**  
**(DIN: 00018960)**

Sd/-  
**HEMUL SHAH**  
**EXECUTIVE DIRECTOR & CEO**  
**(DIN: 00058558)**

**Place : Mumbai**  
**Date : 10<sup>th</sup> August 2023**

E. & O.E. are regretted



"ANNEXURE – A"

**INFORMATION UNDER SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 FOR THE FY 2022-2023.**

a) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year :

Chairman : 37.20 times  
Whole-time Director & CEO : 24.81 times

**NOTE:**

- i) "median" means the numerical value separating the higher half of a population from the lower half and the median of a finite list of numbers may be found by arranging all the observations from lowest value to highest value and picking the middle one
- ii) If there is an even number of observations, the median shall be the average of the two middle values
- b) the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year : 16.76%
- c) the percentage increase in the median remuneration of employees in the financial year: 3.4 %
- d) the number of permanent employees on the rolls of company: 439 (Previous year 396)
- e) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Overall Increased in salary : 19.34%  
Increase in salary for Managerial person : 12.72%  
Increase in salary for other than Managerial person : 20.42%

**NOTE:**

- i) The Managerial Personnel include the other Whole Time Key Managerial Personnel recognized by the Board of Directors of the Company.
- ii) Overall increase in salary of 19.34% as on 31.03.2023
- f) Affirmation that the remuneration is as per the remuneration policy of the company.

It is affirmed that the remuneration paid to Directors, Key Managerial Personnel (KMP) and other employees is as per the remuneration policy of the Company.

**For ASHAPURA MINECHEM LIMITED**

Sd/-  
**CHETAN SHAH**  
EXECUTIVE CHAIRMAN  
(DIN: 00018960)

Sd/-  
**HEMUL SHAH**  
EXECUTIVE DIRECTOR & CEO  
(DIN: 00058558)

**Place: Mumbai**  
**Date: 10<sup>th</sup> August, 2023**

Form No.: MR-3

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.: 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
Ashapura Minechem Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by the Ashapura Minechem Limited (hereinafter called "the Company"). The Secretarial Audit was conducted in a manner that provides me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's statutory registers, minute books, forms and returns filed with the Registrar of Companies ('the ROC'), soft copy of the various records sent over mail as provided by the Company and other relevant records maintained by the Company and also the information provided by the Company, its Officers and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2023 ("audit period"), prima facie complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the statutory registers, minute books, forms and returns filed with the ROC and other relevant records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment - applicable only to the extent of Foreign Direct Investments and Overseas Direct Investment;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

Though the following laws are prescribed in the format of Secretarial Audit Report by the Government, the same were not applicable to the Company for the financial year ended 31<sup>st</sup> March, 2023:-

- (a) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - (b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
  - (c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
  - (d) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
  - (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (vi) I further report that, based on the Compliance Report of various Laws submitted by Department Heads of the Company, I am of the opinion that the Company has prima facie proper system to comply with the applicable laws.
  - (vii) I have also examined compliance with the applicable clauses of the following and I am of the opinion that the Company has prima facie complied with the applicable provisions:
    - (a) Secretarial Standards 1 and 2 issued by the Institute of Company Secretaries of India.
    - (b) The Listing agreements entered into by the Company with the Stock Exchanges read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the audit period, I am of the opinion that the Company has prima facie complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned.



I further report that:-

1. I have not examined the Financial Statements, Financial books and related financial Act like Income Tax, Sales Tax, Value Added Tax, Goods and Services Tax, ESIC, Provident Fund, Professional Tax, Foreign Currency Transactions, Related Party Transactions, including reconciliation of Bank Statements etc., For these matters, I rely on the report of statutory auditor's and their observations, if any, and notes on accounts in Financial Statement for the year ended 31<sup>st</sup> March, 2023.
2. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were prima facie carried out in compliance with the provisions of the Act.
3. As per the information provided, the company has prima facie given adequate notice to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on agenda items before the Meeting and for meaningful participation at the Meeting.
4. I was informed and I observed from the minutes of the Board and Committee Meetings that all the decisions at the Meetings were prima facie carried out unanimously.
5. There are prima facie adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines subject to observations and qualifications, if any made by the Statutory Auditors in their report.
6. The management is responsible for compliances of all Statutory laws as Applicable. This also includes maintenance of statutory registers/files required by the concerned authorities and internal control of the concerned department.
7. During the audit period, the Company has allotted 40,40,000 Convertible Warrants on preferential basis on 14<sup>th</sup> February, 2023.
8. I further report that during the audit period, there were no instances of:
  - i. Public/ Rights / debentures / sweat equity etc.;
  - ii. Issue of equity shares under Employee Stock Option Scheme;
  - iii. Redemption / Buy- back of securities;
  - iv. Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013 which would have major bearing on the Company's affairs;
  - v. Merger / Amalgamation / Reconstruction etc.;
  - vi. Foreign Technical Collaborations.

I further report that:

1. Maintenance of Secretarial record is the responsibility of the Management of the Company. My responsibility is to express an opinion on these Secretarial Records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. Where ever required, I have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
4. I have not verified the correctness and appropriateness of financial records and Books of Accounts of Company.
5. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor the efficacy or effectiveness with which the Management has conducted the affairs of the company.
7. Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some Misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.

**Date: 10<sup>th</sup> August, 2023**  
**Place: Mumbai**

**Virendra G. Bhatt**  
**Practising Company Secretary**  
**ACS No.: 1157 / COP No.: 124 Peer Review Cert. No.: 1439/ 2021**  
**UDIN: A001157E000777328**

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

### A. CONSERVATION OF ENERGY:

#### a. Energy Conservation measures taken:

1. Use of Solar energy in terms of light and power using Turbo Fans and Transparent sheets installation. Its use in hot section, obviate the need of power consumption and provide natural ventilation.
2. Installation of Regulators and Variable Frequency Drive (VFD) in equipment's such as Bead Mill, rotatory glass bead furnace and Roller Mill.
3. Introduction of different types of process equipment such as vibro and screw feeder replace manual feeding of material.
4. Installation of smart sensors and related automation for optimum use of power components such as bulbs, tube light and fans in many critical and non-critical areas.
5. Regular check-up of the working of electrical components and ensure the replacement of starter and switches by MCB saves cost and energy.
6. Reduced energy consumption by Optimized the AC usage, which in all over the IKC premises.
7. Introduce the appropriate equipment's such as hammer crusher and ultra-fine mill achieve required fineness for hard materials sizing - save time and energy.
8. Modified/installed the machinery/equipment of required capacities i.e. Granulator, Pulverizer, Ball Mill, Jaw Crusher, Filter Press and grinding mills.
9. Maintained Power Factor from 88 to 91, by introduction of capacitor and periodic maintenance of power sources such as transformer, generator, etc.
10. Inventories and maintenance of the Air Condition/Cooling units to follow the preventive maintenance procedures.
11. Assessment and Implementation of preventive maintenance plan and workout troubleshooting record reduces energy consumption and breakdown maintenance cost too.

#### b. Impact of above measures:

All above mentioned steps in power saving measures are imminent. It leave a big impact on overall power consumptions, in spite of high cost per unit of power from grid.



## B. TECHNOLOGY ABSORPTION:

	2021-22	2022-23
1. Efforts made towards technological absorption.	<p><b>1) Specialty Mineral Products</b></p> <ul style="list-style-type: none"> <li>a. Development of Clay Based Phosphorus removal degumming Aid from Edible oil as an alternate of Phosphoric Acid.</li> <li>b. Development of Clay based 3MCPD Removal adsorbent and performance validation from the Crude Palm Oil.</li> <li>c. Upgradation of Inferior grade Bentonite for Bleaching Clay through the additive and process modification.</li> <li>d. Improvement of Net Acidity, Surface Area, and Pore Volume of ACTAL product by using Inorganic and Clay additive.</li> <li>e. Improvement of Loose Bulk Density of BTX product by Mechanical process and Fractionation.</li> <li>f. Development of White and Bright Opacifier for Pharma, Cosmetic, Paint etc as an alternate of TiO<sub>2</sub>.</li> <li>g. Development of Pharma Grade Purified Bentonite with Pb &lt;2ppm, and As &lt;1ppm content by Beneficiation and Purification.</li> <li>h. Development of Direct Compressive grade Calcium Carbonate for Pharmaceutical Industry to make a direct tablet.</li> <li>i. Study to improve the Foam Value of Soap nut Powder by natural means.</li> <li>j. Study to optimize the extraction process of Natural Herbal Extract to improve the Quality and Yield.</li> <li>k. Study to improve the stability of Juices like Aloe vera, Amal, Wheatgrass etc without chemical preservative.</li> <li>l. Study to extract the proteins from Soybean, Peas, and other protein rich source.</li> <li>m. Plant level manufacturing of ISP – 20/40 and 30/50 using lean grade bauxite material of 10000 psi proppant.</li> <li>n. Development of Light-weight proppant – 20/40 (7500 psi) by using available clay and Bauxite material</li> <li>o. Study of Binders/Additives – Organic/Inorganic lab level and conducted plant level trials to reduce the temperature and improve the strength.</li> <li>p. Development of tabular form of Mg-Al spinel aggregates and the performance in castable.</li> <li>q. Development of HFST aggregates (non-spherical form) using extrusion, briquetting and tablet method.</li> <li>r. Fused Calcium Aluminate flux development using low grade raw materials.</li> </ul>	<p><b>1) Specialty Mineral Products</b></p> <ul style="list-style-type: none"> <li>a. Development of water-based Paints – Interior/Exterior with special features or properties.</li> <li>b. Development of replacement of TiO<sub>2</sub> for Paint and plastic application.</li> <li>c. Bleaching clay product with low Chloride content for edible oil purification.</li> <li>d. Development of Phosphorous removal adsorbent used for palm oil purification.</li> <li>e. High-purity Bentonite development for Pharma application.</li> <li>f. Identification, process optimisation and specification cease out of raw bentonite for high Net Acidity value.</li> <li>g. New Product development using minerals such as Bentonite, Pumice, Calcite for cosmetic and Herbal application.</li> <li>h. Development of Bleaching Clay provide low MCPD value and its performance validation.</li> <li>i. Development of Premier and Economy grade primer for construction application.</li> <li>k. Development of Artic X product as replacement of TiO<sub>2</sub>.</li> <li>j. Mineral based viscosity modifier (acidic / alkaline pH) work in neutral, saline and alcoholic condition of water.</li> </ul> <p><b>2) Industrial Functional &amp; White Mineral.</b></p> <ul style="list-style-type: none"> <li>a. Development of high strength cementitious grout i.e. more than 100 MPa strength.</li> <li>b. Multi-purpose single tile-adhesive with binding properties with Wood and concrete tile.</li> <li>c. Development of various color grout with sparkling features.</li> <li>d. High thickness and high strength putty development for new construction practices i.e. plaster cum putty.</li> <li>e. SOP development for casting rate using Ball Clay.</li> <li>f. Color based impurity i.e. Iron and Titania – an evaluation study of various sources of Quartz.</li> <li>g. Frac-sand (Silica) resource development from various mines for Oil/gas exploration.</li> <li>h. Color aggregates development for road marking applications.</li> <li>i. Development of high fineness kaolin i. e. 4 – 6, micron size using Jet milling process.</li> <li>j. Pilot scale study of high-density kaolin product using spray drier process.</li> <li>k. Scale up study of developed - Rainbow color Cat litter at commercial scale.</li> </ul>

	<p><b>2) Industrial Functional &amp; White Mineral.</b></p> <p>a. Beneficiation study of Kaolin for Iron reduction.</p> <p>b. Study of very fine Kaolin with micron size using decanter/ centrifuge technique.</p> <p>c. Development of Sealing Bentonite for grouting application with enhance impermeability and strength.</p> <p>d. Exploration, evaluation and Testing of Rajasthan Ball clay for Ceramic application.</p> <p>e. Construction grade silica sand – Testing of parameters/ properties of Silica sand.</p> <p>f. Optimization and Suitability study of Quartz for Ferrosilicon application.</p> <p>g. Leachability study of Titanium from Titania-Sand and Illuminite.</p> <p>h. Development of Non-shrink Grout for construction application.</p> <p>i. Development and performance evaluation of Geo-polymer concrete and also determine the usability bottlenecks for its scaleup and commercialization aspect.</p> <p>j. Development and evaluation of Epoxy resin tile grout for Building Material Application.</p> <p>k. Study on the evaluation and suitability of Bentonite for Nuclear waste disposal application.</p> <p>l. Beneficiation study of Bauxite for making sintered/ Fused products.</p> <p>m. Upgradation of Kutchh Kaolin from B-Grade to A-Grade by introduction of various processing-steps and properties enhancement i.e. whiteness and brightness.</p> <p>n. Plant level study and optimization of process of making Color Cat-litter.</p> <p>o. Glue development for compressed wood pallet.</p> <p>p. Characterization and evaluation of various types of Ball Clay, Bauxite, Silica, Iron Ore, etc. for mineral and mines exploration.</p> <p><b>3) Water Treatment and Catalysis development</b></p> <p>a. Development of phosphate adsorbent from spent acid – an Industrial by product.</p> <p>b. Performance evaluation study for Ammonia removal using in-house developed Zeolites-4A.</p> <p>c. Scale up the technology of Iron removal at Pilot Scale and establishment of 20 Kl / day work on gravity filtration setup in R&amp;D-premises.</p> <p>d. Development of high performance and effective water impurities removal media using Iron and alumina rich minerals and spent acid such as Ferrihydrite, treated minerals, etc.</p>	<p>l. Developed of epoxy resin tile grout.</p> <p>m. Development of High Purity Alumina (HPA) - 3N.</p> <p>n. Development of r-GO with high surface area – 350 to 400 m<sup>2</sup>/gm.</p> <p>o. Improvement of optical properties of Kaolin using 3.5 Tesla magnetic and validate its commercial viability.</p> <p><b>3) Advanced Ceramic &amp; Castable</b></p> <p>a. Development of various color pigments useful for ceramic application.</p> <p>b. Development of Glass beads for road safety.</p> <p>c. Lab level study of Barium Ferrite material for magnet application.</p> <p>d. Development of Ceramic Sand for Foundry applications such as Injection molding and Sand Casting.</p> <p>e. Study for development of Ultra High Strength Proppant (UHSP) at lab level.</p> <p>f. Study and manufacturing of High and Intermediate strength proppant study using lean grade bauxite at plant level.</p> <p>g. Study of High strength ceramic grain for Castable development.</p> <p>h. Finer grade Ceramic Sand development for Zirconia replacement in foundry application.</p> <p>i. Development of calcium silicate board using energy intensive method.</p> <p>j. Intermediate and High – Strength proppant development using low alumina raw bauxite.</p> <p>k. Study and explore the possibility of making proppant using low temperature treated raw bauxite.</p> <p>l. Use of low melting metal oxides in developing - White and Brown fused alumina.</p> <p><b>4) Technology Adsorption Centre</b></p> <p>a. Optimization of operational parameters of various grinding mills and define the output efficiency at standard operation condition.</p> <p>b. Scalable production of Activated Bauxite is established with SOP.</p> <p>c. Various types of water treatment products are manufactured at Technology Adsorption Center.</p> <p>d. Installation and commissioning of various equipment/ machinery such as glass bead rotatory tube furnace, ultra fine mill, high capacity pulverizer, Jet Mill Spray drier, etc.</p> <p><b>5) Accreditation &amp; Recognition:</b></p> <p>a. Desktop audit completion with extension of NABL scope for additional water testing parameters – 38 Nos.</p> <p>b. Reports preparation and submission to DSIR for period of 2022-23.</p>
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<p>e. Development of Salt tablet for regeneration of Resin used for removal of Hardness.</p> <p>f. Soluble Silica removal study from water and established its method of analysis.</p> <p>g. Preparation &amp; characterization of Cordierite used as substrate for catalysis application.</p> <p>h. Development of value-added products such as low temperature ceramics, coagulant, pH-adjuster, aluminium sulphate, etc using spent acid – An industrial by-product.</p> <p>i. Adsorbent media development for Hardness removal and its performance evaluation study using column study.</p> <p>j. Environmental study laboratory establishment along with - NABL accreditation for water testing.</p> <p><b>4) Technology Absorption Center</b></p> <p>a. Scale up of the product development and process optimization in Technology Absorption Center (TAC) save cost, energy and time and make the company self-reliant in terms of scale up and SOPs finalization process.</p> <p>b. Grindability study of the various crushing units (with various minerals) is assessed per metric ton.</p> <p>c. Implemented maintenance plant for equipment/ machinery as per the schedule on scheduled periodic calendar.</p> <p>d. Installation of optimum capacity machinery i.e. Jaw Crusher and roller crusher unit to cater the trial order and SOPs optimization.</p> <p>e. Establishment of pilot setups for study helps to understand the bottle necks in ceasing out the plant level SOPs.</p> <p><b>5) Accreditation &amp; Recognition:</b></p> <p>a. National Accreditation Board for Testing &amp; Calibration (NABL) - renewal completed successfully &amp; accreditation is valid for 2 years (till 26.04.2024). Additional 30 parameters were included for water analysis accreditation process.</p> <p>b. DSIR intermittent report submitted for yearly extension for year 2022-23 (Period – 2022-25)</p> <p>c. 5S – certification process implementation done followed standard work practices and maintained.</p> <p>d. Training completed for ISO/IEC 17025: 2017 and completed with NABL - certification process.</p> <p>e. Conceptually adapted cross functional audits among departments and self-audit methodology is adapted at plant and units. Also introduces standard - method of testing at QC laboratories.</p> <p>f. To create awareness on Safety and Waste management – Presentation and Field training given to the staff. Maintained all safety &amp; Hazards norms for Fire, Electrical &amp; Chemicals.</p>	<p>c. Filed Publication and Patent at National/International level.</p> <p>d. Initiated the various training for Mineral and Products parameters, Operational and QC excellence under Ashapura Learning Forum</p> <p><b>6) Other Activities:</b></p> <p>a. Extension of Refractory laboratory testing laboratory and add testing facilities for ceramic sand used for foundry application.</p> <p>b. Establishment of Paint Testing Laboratory with small scale R&amp;D lab setup for paint synthesis.</p> <p>c. A separate, sections as Heating Zone and Crushing Zone are established.</p> <p>d. Extension of water treatment facilities from 12 k to 20 k liters per day capacity for in-house consumption.</p> <p>e. Developed green belt in open land within the premises.</p> <p>f. NABL scope expanded for water parameters.</p>
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# Ashapura Minechem Limited

	<p><b>6. Other Activities:</b></p> <ul style="list-style-type: none"> <li>a. Extended the testing capabilities for Organic compound/Coal analysis by introduction of new Facilities such as HPLC, CHNS &amp; Microwave Digestor.</li> <li>b. Introduction of new Instrument/equipment facilities to enhance the testing capacity in process laboratory.</li> <li>c. Separate Section for High temperature equipments i.e. Furnaces, Autoclave &amp; Driers.</li> <li>d. Increases the Safety, Health &amp; Environment friendly system at work place.</li> <li>e. Environmental monitoring laboratory establishment along with - NABL accreditation for water testing.</li> <li>f. Plantation work promoted to increase the green area development within premises.</li> </ul>	
<p>2. Benefits derived like product improvement, cost reduction, product development, import substitution etc.</p>	<ul style="list-style-type: none"> <li>a. In-house development of pilot plant setups for Bleaching Clay and BTX grade catalysis to validate product performance at pilot scale and cease out the plant SOP.</li> <li>b. Cost reduction and Waste minimization done by utilization of lean-grade raw materials/rejects in making ceramic materials.</li> <li>c. Pilot scale trials and small- scale production of adsorbent and catalysis obviate the need of imported product.</li> <li>d. Generated Internal reference Material (IRMs) obviate the need of Certified reference Materials (CRMs) reduces the import requirement and saves the cost also.</li> <li>e. Refractory aggregates product development and manufacturing at plant through sintering/fusion method saves energy.</li> <li>f. Engineered Building product development and manufacturing at plant scale for construction industries.</li> <li>g. To cater the packaging need of all the material Pellet manufacturing plant indigenously and extend its supply to other companies.</li> </ul>	<ul style="list-style-type: none"> <li>a. Various trials at R&amp;D and Plant – provide break-through for value added product development in sintered and fused product range.</li> <li>b. Utilization of lean grade raw material not only reduces the inventory but also save cost and natural resources.</li> <li>c. SOP development with pilot trials at Technology Adsorption Center (TAC) save cost in terms of energy, time, and cost.</li> <li>d. Internal training and development program enhanced the technical competency of Quality and R&amp;D staff.</li> <li>e. A range of new product development ceramic, refractory and building construction enhance the overall product portfolio and generated business.</li> <li>f. Niche products in road marking and making applications open up chance of new window for future.</li> </ul> <p>Expansion of new analytical and processing facility support to characterize the new materials for successful implementation of research projects.</p>
<p>3. In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished:</p> <ul style="list-style-type: none"> <li>a. Details of technology imported</li> <li>b. Year of import</li> <li>c. Whether the technology been fully absorbed</li> <li>d. If not fully absorbed, areas where absorption has not taken place, and the reasons, therefore.</li> </ul>	<p>Indigenously dealt with technical requirement in terms of Projects and Testing.</p> <p>No technology has been imported in the last 3 years.</p>	<p>No technology has been imported in the last 3 years.</p>

**C. EXPENDITURE ON RESEARCH & DEVELOPMENT:**

	<b>2021-22 (Rs. In Lakhs)</b>	<b>2022-23 (Rs. In Lakhs)</b>
a) Capital	90.50	62.53
b) Recurring	437.70	508.92
c) Depreciation and Amortization	96.14	111.60
d) Total	624.34	683.05
e) Total R&D Expenditure as a Percentage of total turnover	1.04%	3.07%

**D. FOREIGN EXCHANGE EARNING OUTGO:**

	<b>2021-22 (Rs. In Lakhs)</b>	<b>2022-23 (Rs. In Lakhs)</b>
a. Foreign Exchange earned in terms of actual inflows during the year(F.O.B.)	33,056.63	10,015.33
b. Foreign Exchange outgo during the year in terms of actual outflows	39,743.61	1,999.13

For and on Behalf of Board of Directors

Sd/-  
**CHETAN SHAH**  
EXECUTIVE CHAIRMAN  
(DIN: 00018960)

Sd/-  
**HEMUL SHAH**  
EXECUTIVE DIRECTOR & CEO  
(DIN: 00058558)

Place: Mumbai  
Date: 10<sup>th</sup> August, 2023

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES (AS PER SECTION 135 OF THE COMPANIES ACT, 2013)

The Corporate Social Responsibility "CSR" Committee of the Company was constituted on 14th October, 2014 in terms of provisions of Section 135 of the Companies Act, 2013 (the Act) read with the Companies (Corporate Social Responsibility), Rules 2014 (the Rules).

### 1. Brief outline on CSR Policy of the Company:

The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

Pursuant to Section 135 of the Act and the Rules framed thereunder it was a mandatory commitment for a corporate to contribute and operate in an economically, socially and environmentally sustainable manner and also establish a Corporate Social Responsibility Policy ('CSR Policy') with an 'Aim and Objective' and guiding principles for selection, implementation, and monitoring of the activities and a Committee to track the transactions relating to CSR initiatives. Hence, it is a continuing commitment for a Company to perform ethically and contribute to economic development of the society. CSR, therefore, is not a mere philanthropic activity but also comprises of activities that require a Company to integrate social, environmental and ethical concerns into the Company's vision and mission through such activities.

### 2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri Harish Motiwalla (Chairman)	Non-Executive, Independent	1	1
2	Shri Chetan Shah	Executive Chairman	1	1
3	Shri Pundarik Sanyal	Non-Executive, Independent	1	1

### 3. The web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

The Link to the website is <https://www.ashapura.com>

### 4. The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

Not applicable to the Company as the obligation on the contribution to CSR activities is less than Rs. 10 crores.

### 5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year :-

Sr. No	Financial Year	Amount Available For Set off	Amt. Set off in financial year, if any	Balance Amt.
1	22-23	12.12 Lakhs	0	12.12 Lakhs

### 6. Average net profit of the company as per section 135 (5) :- Rs. 17,003 lakhs

### 7. Total amount spent during the year 2022-2023:- NA

a. Two percent of average net profit of the company as per section 135(5) :- NA

b. Surplus arising out of the CSR projects or programmes or activities of the previous financial years. :- NIL

c. Amount required to be set off for the financial year, if any :- Rs. 12.12 lakhs

d. Total CSR obligation for the financial year:- NIL

### 8.

#### a. CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
NA	NA		NA		

#### b. Details of CSR amount spent against ongoing projects for the financial year: NA

#### c. Details of CSR amount spent against other than ongoing projects for the financial year:

The company does not satisfy any of the conditions laid down under Section 135(1) of the Companies Act, 2013 during F.Y.2021-22 (being the immediately preceding F.Y), consequently, it was not mandatory for the Company to spend on CSR for F.Y.2022-23. However, at the group level the company has undertaken various CSR initiatives.



- d. Amount spent in Administrative Overheads: N.A.
- e. Amount spent on Impact Assessment, if applicable: N.A.
- f. Total amount spent for the Financial Year: N.A
- g. Excess amount for set off, if any:

Sr. No.	Particulars	Amount (Rs. in Lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	NA
(ii)	Total amount spent for the Financial Year	NA
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NA
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NA
(v)	Amount available for set off over three succeeding financial years [(iii)-(iv)]	12.12

- 9.
- a. Details of Unspent CSR amount for the preceding three financial years: NA
- b. Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):NA
10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details):- NA
- a. Date of creation or acquisition of the capital asset(s).
- b. Amount of CSR spent for creation or acquisition of capital asset.
- c. Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- d. Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):- NA

For and on Behalf of the Board of Directors

Sd/-  
CHETAN SHAH  
EXECUTIVE CHAIRMAN  
(DIN: 00018960)

Sd/-  
HEMUL SHAH  
EXECUTIVE DIRECTOR & CEO  
(DIN: 00058558)

Date: 10<sup>TH</sup> August, 2023  
Place: Mumbai

# Ashapura Minechem Limited

## REPORT ON CORPORATE GOVERNANCE

### 1. ASHAPURA'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

Corporate Governance covers a set of principles, process and systems to be followed by Directors, Management and Employees of the Company for increasing the shareholders' value, keeping in view interest of other stakeholders. While adhering to the above, your Company is committed to integrity, accountability, transparency and compliance with laws and in dealings with the Government, customers, suppliers, employees and other stakeholders. The Corporate Governance framework at Ashapura is followed seriously and in spirit. It ensures timely disclosures of all mandatory & reportable events, based on performance/activities undertaken by the Management under the guidance of the Board of Directors of the Company and is committed to meet the aspirations of all the Stakeholders be it Shareholders, Employees, Suppliers, Customers, Investors, Banks, Government and Community at large.

The Company is in compliance with the requirements stipulated under the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 ("Listing Regulations"). The Company presents the Report on Corporate Governance for the financial year ended 31<sup>st</sup> March, 2023 in compliance with Regulation 34(3) read with Schedule V of the Listing Regulations.

### 2. BOARD OF DIRECTORS:

#### A. Composition and category of Board of Directors:

The composition of the Board of Directors was in conformity with the provisions of Section 149 of the Companies Act, 2013 and Regulation 17 of the Listing Regulations during the period under review. The strength of the Board of Directors as on 31<sup>st</sup> March, 2023 consisted of Seven (7) Directors which apart from Executive Chairman being a Promoter-Director, comprised of One (1) Executive Director, One (1) Non-Executive Non-Independent Woman Director and Four (4) Non-Executive Independent Directors (including One Independent Woman Director). The Board meets the requirement of not less than half of the Board being Independent Directors, the Chairman being Executive Promoter Director.

The Company has obtained the requisite disclosures from the Directors in respect of their Directorships and Memberships in Committees of other Companies.

Key Information pertaining to Directors as on 31<sup>st</sup> March, 2023 is given below:

Name	DIN	Category of Directors	Attendance at		No. of Directorships in other companies <sup>1</sup>	No. of Committee Positions held in Indian Public Limited Companies <sup>2</sup>	
			Board Meetings	Last AGM held on 29 <sup>th</sup> Sept, 2022		Member	Chairman
Shri Chetan Shah <sup>3</sup>	00018960	E.C	5	Yes	7	2	-
Shri Hemul Shah <sup>4</sup>	00058558	E.D & CEO	4	Yes	8	5	3
Shri Harish Motiwalla	00029835	I.N.E.D	4	Yes	6	9	5
Shri Abhilash Munsif	02773542	I.N.E.D	5	Yes	1	2	-
Shri Pundarik Sanyal	01773295	I.N.E.D	5	Yes	4	6	2
Smt. Himani Shah	02467277	N.E.D	4	Yes	-	-	-
Smt. Neeta Shah	07134947	I.N.E.D	3	Yes	1	-	-

E.C. : Executive Chairperson; E.D. : Executive Director; N.E.D. : Non-Executive Director; I.N.E.D: Independent Non-Executive Director , CEO: Chief Executive Officer

- 1 Excludes directorships in Private Limited Companies, LLPs, Foreign Companies, Companies incorporated under Section 8 of the Companies Act, 2013 and Alternate Directorships.
- 2 Represents only Membership and Chairmanship of Indian Public Limited Companies of the Audit Committee and the Stakeholders' Relationship Committee including Ashapura Minechem Limited.
- 3 Shri. Chetan Shah was re-appointed as an Executive Chairman for a period of 3 years w.e.f. 24<sup>th</sup> October, 2022 in the Annual General Meeting held on 29<sup>th</sup> September, 2022.
- 4 Shri Hemul Shah was re-appointed as an Executive Director & CEO for a period of 1 year w.e.f. 16<sup>th</sup> February, 2023 in the Annual General Meeting held on 29<sup>th</sup> September, 2022.



As required under Para C(2) of Schedule V to the Listing Regulations, based on the latest disclosures received by the Company, following are the number of other directorships and the names of the listed entities where the Directors of the Company are also a Director and the category of their directorships therein:

Name of Directors	Directorships and its category in listed entities other than the Company	
Shri Chetan Shah	Nil	Not Applicable
Shri Hemul Shah	Orient Ceratech Limited (Formerly known as Orient Abrasives Limited)	Non-Executive, Non-Independent Director
Smt. Himani Shah	Nil	Not Applicable
Shri Harish Motiwalla	Multibase India Limited	Independent Director
	Excel Industries Limited	Independent Director
	Orient Ceratech Limited (Formerly known as Orient Abrasives Limited)	Independent Director
	Hitech Corporation Limited	Independent Director
Shri Abhilash Munsif	Nil	Not Applicable
Shri Pundarik Sanyal	Asit C Mehta Financial Services Limited	Independent Director
Smt. Neeta Shah	Orient Ceratech Limited (Formerly known as Orient Abrasives Limited)	Independent Director

#### B. Inter-se relationships among Directors:

None of the Directors of the Company have any inter-se relationships except Smt. Himani Shah who is a daughter of Shri Chetan Shah, Chairman of the Company.

#### C. Number of shares held by Non-Executive Directors:

The details of number of shares held by the Non-Executive Directors as on 31<sup>st</sup> March, 2023 is given below:

Name	Designation	Number of Shares Held
Shri Harish Motiwalla	I.N.E.D	500
Smt. Himani Shah	N.E.D	1,42,980

#### D. Board Meetings:

The Board met Five (5) times during the Financial Year 2022-2023 on 30<sup>th</sup> May, 2022, 10<sup>th</sup> August, 2022, 14<sup>th</sup> November, 2022, 02<sup>nd</sup> January, 2023 and 09<sup>th</sup> February, 2023 and that the time elapsed between any two consecutive meetings did not exceed 120 days. The necessary quorum was present for all the meetings.

#### E. Core Skills / Expertise / Competencies:

The Board as on 31<sup>st</sup> March, 2023 comprises of qualified members who bring in the required skills, competence and expertise that allow them to make effective contributions to the Board and its Committees.

The table below summarizes the list of core skills, expertise, competencies identified by the Board as required in the context of the Company's business and as possessed by individual members of the Board.

Each Director may possess varied combinations of skills/ expertise within the described set of parameters and it is not necessary that all Directors possess all skills/ expertise listed therein.

Expertise in	Description	Name of the Directors
<b>Mining Industry expertise and experience</b>	Knowledge and experience of Mining industry structure, manufacturing, operations and Research & Development activities	Shri Chetan Shah, Shri Hemul Shah
<b>Business Management &amp; Leadership</b>	Knowledge and experience in corporate strategy, planning, risk Management and business Sustainability.  Leadership experience in advisory and supervising corporate management.	Shri Chetan Shah, Shri Hemul Shah, Smt. Himani Shah
<b>Sales &amp; Marketing</b>	Expert Knowledge & experience in Selling and Marketing.	Shri Chetan Shah, Shri Hemul Shah, Smt. Himani Shah
<b>Financial Management</b>	Expert knowledge and understanding in Accounts, Finance, Banking, Auditing and Financial Control.	Shri Chetan Shah, Shri Hemul Shah, Shri Harish Motiwalla, Shri Abhilash Munsif, Shri Pundarik Sanyal

# Ashapura Minechem Limited

<b>Legal Compliances</b>	Knowledge in the field of law and legal compliance Management.	Shri Hemul Shah, Shri Harish Motiwalla
<b>Corporate Governance</b>	Experience in developing good governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long term effective stakeholder engagements and driving corporate ethics and values.	Shri Chetan Shah, Shri Hemul Shah, Shri Harish Motiwalla, Shri Abhilash Munsif, Shri Pundarik Sanyal, Smt. Neeta Shah
<b>Global Business Development</b>	Expertise in global business development, operation and strategy.	Shri Chetan Shah, Shri Hemul Shah, Shri Abhilash Munsif, Shri Pundarik Sanyal
<b>Corporate Social Responsibility</b>	Experience and knowledge in the matters of Corporate Social Responsibility including environment protection and social development.	Shri Chetan Shah, Shri Hemul Shah, Shri Harish Motiwalla, Shri Abhilash Munsif, Shri Pundarik Sanyal, Smt. Neeta Shah

## F. Independent Directors:

- a. The Company has received necessary declarations from the Independent Directors of the Company, confirming that they meet the criteria of independence as prescribed. Further, in the opinion of the Board, Independent Directors fulfil the conditions specified in the Listing Regulations and are independent of the Management.
- b. During the year, the Independent Directors separately met on 27<sup>TH</sup> March, 2023 without the attendance of Non-Independent Directors and Management Personnel of the Company. The meeting was held with the objective of reviewing the performance of Non-Independent Directors, the Board as a whole and the Chairman of the Company. The Independent Directors also assessed the quality, quantity and timeliness of flow of information between the Management of the Company and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties.

## c. Familiarization Program of Independent Directors:

Whenever any new Independent Director is appointed, he/she is made familiar to the business and its operations through familiarization programs enabling them to familiarize and get acquainted with operational performance and forward going business formulations/strategies, so as to gain a better understanding of their roles, rights and responsibilities for the purpose of providing appropriate assistance, counselling & directions in order to achieve growth of the Company, the details of which are available on the website of the Company at [www.ashapura.com](http://www.ashapura.com).

As a part of such program, the Independent Directors have an opportunity to interact with Management Personnel and are provided with all the relevant information and documents required and/or sought by them enabling them to have a good understanding of the Company, its business model and various operations.

## d. CEO/CFO Certification:

A Compliance Certificate, pursuant to the provisions of Regulation 17(8) of the Listing Regulations read with Part B of Schedule II thereunder, duly signed by Shri Hemul Shah, CEO & Shri Ashish Desai, CFO in respect of the financial year ended 31<sup>st</sup> March, 2023 was taken on record by the Board of Directors of the Company.

## e. Code of Conduct:

The Company has adopted Ashapura's Code of Conduct for the Board Members, Senior Management and all employees above Officers level and the same has been posted on the website of the Company at [www.ashapura.com](http://www.ashapura.com). The duties of the Independent Directors as laid down in the Companies Act, 2013 have been framed separately and forms part of Ashapura's Code of Conduct.

A declaration from the CEO that all Board members and senior management personnel have affirmed compliance with the Code of Conduct for the financial year ended 31<sup>st</sup> March, 2023, forms part of the Annual Report.

The Company is in due compliance of all the provisions of Regulation 17 of the Listing Regulations for the Financial Year 2022-2023.

## 3. COMMITTEE(S) OF BOARD OF DIRECTORS:

The following Committee(s) were constituted by the Board of Directors, the basic structure of which is detailed herein below:

### A. AUDIT COMMITTEE:

The Board has constituted a qualified and independent Audit Committee in line with the provisions of Regulation 18 of the Listing Regulations, read with Section 177 of the Companies Act, 2013 and is in due compliance of all the provisions stated therein.

#### a. Terms of Reference:

The terms of reference of the Audit Committee are in line with the regulatory requirements which amongst others are specified herein below:

- oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;





- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  1. Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  2. Changes, if any, in accounting policies and practices and reasons for the same;
  3. Major accounting entries involving estimates based on the exercise of judgment by management;
  4. Significant adjustments made in the financial statements arising out of audit findings;
  5. Compliance with listing and other legal requirements relating to financial statements;
  6. Disclosure of any related party transactions;
  7. Modified opinion(s) in the draft audit report;
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors if any;
- To review the functioning of the whistle blower mechanism;
- Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the audit committee;
- Reviewing the utilization of loans and/ or advances from/investment by the Company in its subsidiaries exceeding rupees 100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
- To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.

**b. Composition:**

As on 31<sup>st</sup> March, 2023, the Audit Committee comprised of Three (3) Independent Directors. The members of the Audit Committee are eminent professionals and financially literate. The composition of the Audit Committee and the details of meetings attended by its members are given below:

Name	Category	Number of meetings Attended
Shri Harish Motiwalla (Chairman)	I.N.E.D	4
Shri Abhilash Munsif	I.N.E.D	5
Shri Pundarik Sanyal	I.N.E.D	5

Shri Harish Motiwalla, the Chairman of the Audit Committee was present at the 41<sup>st</sup> Annual General Meeting of the Company held on 29<sup>th</sup> September, 2022.

The CFO, the representative of Statutory Auditors and the Internal Auditors are the regular invitees to the Audit Committee Meetings.

Shri Sachin Polke, Company Secretary & President (Corporate Affairs) acts as the Secretary to the Audit Committee.

**c. Meetings:**

During the year under review, the Audit Committee met Five (5) times on 30<sup>th</sup> May, 2022, 10<sup>th</sup> August, 2022, 14<sup>th</sup> November, 2022, 02<sup>nd</sup> January, 2023 and 09<sup>th</sup> February, 2023 and that the time elapsed between any two consecutive meetings did not exceed 120 days. The necessary quorum was present for all the meetings.

# Ashapura Minechem Limited

## **B. NOMINATION AND REMUNERATION COMMITTEE:**

The Board has constituted the Nomination and Remuneration Committee in line with the provisions of Regulation 19 of the Listing Regulations read with Section 178 of the Companies Act, 2013 and is in compliance of all the provisions stated therein.

### **a. Terms of Reference:**

The terms of reference of the Nomination and Remuneration Committee are in line with the regulatory requirements which among other are specified herein below:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- For every appointment of an Independent Director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description.

For the purpose of identifying suitable candidates, the Committee may:

1. use the services of external agencies, if required;
  2. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  3. consider the time commitments of the candidates.
- Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
  - Devising a policy on diversity of Board of Directors;
  - Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
  - Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
  - Recommend to the board, all remuneration, in whatever form, payable to senior management.

### **b. Composition:**

As on 31<sup>st</sup> March, 2023, the Nomination & Remuneration Committee comprised of three (3) Directors. The composition of the Nomination & Remuneration Committee and the details of meetings attended by its members are appearing hereinafter:

<b>Name</b>	<b>Category</b>	<b>Number of meetings Attended</b>
Shri Harish Motiwalla (Chairman)	I.N.E.D	2
Shri Abhilash Munsif	I.N.E.D	2
Shri Pundarik Sanyal	I.N.E.D	2

### **c. Meetings:**

During the year under review, Two (2) meetings of the Nomination and Remuneration Committee were held on 10<sup>th</sup> August, 2022 and 27<sup>th</sup> March, 2023.

### **d. Performance Evaluation:**

Pursuant to applicable provisions of the Companies Act, 2013 and the Listing Regulations, the Board, in consultation with its Nomination & Remuneration Committee, has carried out the annual performance evaluation of its own performance, as well as the evaluation of the working of its Committees.

As a part of the nomination & remuneration policy, a structured questionnaire for evaluation was prepared after taking into consideration various aspects depending on the category of Director, Board & Committee, whose performance is to be evaluated. Accordingly, the annual performance evaluation of the Board, its Committees and each Director was carried out for the financial year 2022-2023 by Independent Directors at their separate Meeting held on 27<sup>th</sup> March, 2023, as also by the Nomination & Remuneration Committee and the same was analyzed & confirmed by the Board of Directors.

Details of methodology adopted for performance evaluation of Directors including that of the Board as a whole and its Committee have been provided in the Board's Report.

### **e. Remuneration of Directors:**

The Non-Executive Directors have no pecuniary relationship or transactions with the Company in their personal capacity except that the Sitting Fees is paid for attending the Board Meetings, Audit Committee Meetings & Nomination and Remuneration Committee Meetings (detailed herein below) as recommended by the Board pursuant to the provisions of the Companies Act, 2013 and rules framed thereunder. Besides payment of sitting fees, no other fees/compensation /commission is paid to the Non-Executive Directors.



The details of sitting fees paid to Non-Executive Directors for the year ended 31<sup>st</sup> March, 2023 are as under:

(Amount in Rs.)

Name	Board Meetings	Audit Committee Meetings	Nomination & Remuneration Committee Meetings
Shri Harish Motiwalla	2,00,000/-	2,00,000/-	50,000/-
Shri Abhilash Munsif	2,50,000/-	2,50,000/-	50,000/-
Shri Pundarik Sanyal	2,50,000/-	2,50,000/-	50,000/-
Smt. Neeta Shah	1,50,000/-	-	-
Smt. Himani Shah	2,00,000/-	-	-

The criteria of making payments to Non-Executive Directors is covered in Nomination and Remuneration Policy.

The details of Remuneration paid to Executive Director for the year ended 31<sup>st</sup> March, 2023 are as under:

Name	Salaries & Perquisites including allowance	Tenure as per agreement upto	Notice period
Shri Chetan Shah	Rs. 1,25,00,000/-	23 <sup>rd</sup> October, 2025	3 months
Shri Hemul Shah	Rs. 80,00,000 /-	15 <sup>th</sup> February, 2024	3 months

The Company does not have stock option scheme for grant of stock options either to the Executive Directors or employees.

#### C. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Board has constituted the Stakeholders' Relationship Committee in line with the provisions of Regulation 20 of the Listing Regulations, read with Section 178 of the Companies Act, 2013 and is in due compliance of all the provisions stated therein.

##### a. Terms of Reference:

The terms of reference of the Stakeholders' Relationship Committee are in line with the regulatory requirements which among other are specified herein below:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

##### b. Composition:

As on 31<sup>st</sup> March, 2023, the Stakeholders' Relationship Committee comprised of three (3) Directors. The composition of the Stakeholders' Relationship Committee and the details of meetings attended by its members are given below:

Name	Category	Number of meetings Attended
Shri Pundarik Sanyal (Chairman)	I.N.E.D	2
Shri Chetan Shah	E.C	2
Shri Hemul Shah	E.D & CEO	2

##### c. Meetings:

During the year under review, the members of the Stakeholders' Relationship Committee met two (2) times on 14<sup>th</sup> September, 2022 and 2<sup>nd</sup> January 2023.

##### d. Name, Designation and Address of Compliance Officer:

Shri Sachin Polke, Company Secretary & President acts as the Compliance Officer and is available at 'Ashapura Minechem Limited', Jeevan Udyog Building, 3<sup>rd</sup> Floor, 278, D. N. Road, Fort, Mumbai – 400 001.

##### e. Details of investor complaints received and redressed during the financial year 2022-2023 are as follows:

Opening balance	Received during the year	Resolved during the year	Closing balance
NIL	NIL	NIL	NIL

# Ashapura Minechem Limited

## D. RISK MANAGEMENT COMMITTEE:

The Board has constituted the Risk Management Committee in line with the provisions of Regulation 21 of the Listing Regulations, read with Section 178 of the Companies Act, 2013 and is in due compliance of all the provisions stated therein.

### a. Terms of Reference:

The terms of reference of the Risk Management Committee are in line with the regulatory requirements which among other are specified herein below:

- To formulate a detailed risk management policy which shall include:
  - a) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - b) Measures for risk mitigation including systems and processes for internal control of identified risks.
  - c) Business continuity plan.
    - To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
    - To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
    - To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
    - To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
    - The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

### b. Composition:

As on 31<sup>st</sup> March, 2023, the Risk Management Committee comprised of four (4) Members. The composition of the Risk Management Committee and the details of meetings attended by its members are given below:

Name	Category	Number of meetings Attended
Shri Hemul Shah (Chairman)	E.D & CEO	2
Shri Harish Motiwalla	I.N.E.D	2
Shri Pundarik Sanyal	I.N.E.D	2
Shri Ashish Desai	CFO	2

### c. Meetings:

During the year under review, the members of the Risk Management Committee met two (2) times on 10<sup>th</sup> August, 2022 and 03<sup>rd</sup> February, 2023.

## E. COMMITTEE OF DIRECTORS:

The Board has constituted the Committee of Directors in line with the provisions of the Listing Regulations, read with relevant sections of the Companies Act, 2013 and is in due compliance of all the provisions stated therein.

### a. Terms of Reference:

The terms of reference of the Committee of Directors are as follows:

- Reviewing various day to day administrative, operational and finance matters requiring urgent decisions.
- Availing/making of loans, raising of funds, giving of corporate guarantees/securities considering the limits and provisions as specified in the Companies Act, 2013.
- To consider and approve intrinsic & time bound policy decisions such as investment/ disinvestment in other body corporate(s)/firm(s), leasing/disposing off the Company's assets within the group & such other decisions where time is of essence and that the said decisions are placed before the Board of Directors for ratification.
- Such other matters as may be delegated by the Board to the Committee pursuant to the provisions of the Companies Act, 2013 and such other Acts.

**b. Composition:**

As on 31<sup>st</sup> March, 2023, the Committee of Directors comprised of four (4) Directors. The Composition of the Committee of Board of Directors and the particulars of attendance of the Committee Members are as follows:

Name	Category	No. of Meetings Attended
Shri Chetan Shah (Chairman)	E.C	7
Shri Hemul Shah	E.D & CEO	6
Shri Harish Motiwalla	I.N.E.D	7
Smt. Himani Shah*	N.E.D	1
Shri. Pundarik Sanyal <sup>#</sup>	I.N.E.D	6

\* Smt. Himani Shah ceased to be a Member of the Committee w.e.f. 30<sup>th</sup> May, 2022.

<sup>#</sup> Shri Pundarik Sanyal was co-opted as Member of Committee w.e.f. 30<sup>th</sup> May, 2022.

**c. Meetings:**

During the year under review, Seven (7) meetings of the Committee of Directors were held on 25<sup>th</sup> April, 2022, 30<sup>th</sup> June, 2022, 14<sup>th</sup> September, 2022, 02<sup>nd</sup> December, 2022, 20<sup>th</sup> January, 2023, 14<sup>th</sup> February, 2023 and 24<sup>th</sup> March, 2023.

**F. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:**

The Corporate Social Responsibility (CSR) Committee of the Company is constituted in line with the provisions of Section 135 of the Companies Act, 2013 and is in due compliance of all the provisions stated therein.

**a. Terms of reference:**

- Formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy indicating the activities to be undertaken by the Company after taking into consideration Schedule VII of the Act.
- Recommend the amount of expenditure to be incurred on the activities referred above.
- Monitor the CSR activities of the Company from time to time.
- To finalize the budget for CSR expenditure and recommend the same to the Board for approval considering the applicable rules/regulations.

**b. Composition:**

The composition of the CSR Committee and details of the meetings attended by its members during the year under review are given below:

Name	Category	No. of Meetings Attended
Shri Harish Motiwalla (Chairman)	I.N.E.D	1
Shri Chetan Shah	E.C	1
Shri Pundarik Sanyal	I.N.E.D	1

**c. Meetings:**

During the year under review, One (1) meeting of the CSR Committee was held on 09<sup>th</sup> February, 2023.

**4. GENERAL BODY MEETINGS:**

Details of Annual General Meetings (AGMs) held during the last three years, are as follows:

Financial Year	Date	Time	Location	Special Resolution Passed
2021-2022	29 <sup>th</sup> Sept, 2022	12:30 p.m.	Video Conferencing	Yes
2020-2021	29 <sup>th</sup> Sept, 2021	12:00 p.m.	Video Conferencing	No
2019-2020	30 <sup>th</sup> Dec, 2020	3.00 p.m.	Video Conferencing	Yes

# Ashapura Minechem Limited

Details of Special Resolutions passed in the previous three Annual General Meetings:

Date of AGM	Special Resolution Details
29 <sup>th</sup> September, 2022	<ul style="list-style-type: none"> <li>➤ Re-appointment of Shri Chetan Shah (DIN: 00018960) as an Executive Chairman of the Company</li> <li>➤ Re-appointment of Shri Hemul Shah (DIN: 00058558) as an Executive Director &amp; Chief Executive Officer of the Company</li> </ul>
29 <sup>th</sup> September, 2021	<ul style="list-style-type: none"> <li>➤ No Special Resolution was passed</li> </ul>
30 <sup>th</sup> December, 2020	<ul style="list-style-type: none"> <li>➤ Appointment of Shri Hemul Shah (DIN: 00058558) as an Executive Director &amp; CEO</li> <li>➤ Re-appointment of Shri Pundarik Sanyal (DIN:01773295) as Non-Executive, Independent Director of the Company for the second term</li> <li>➤ Reclassification of the Authorized Share Capital of the Company</li> </ul>

## Details of Special Resolution passed during the year through postal ballot:

During the financial year ended 31<sup>st</sup> March, 2023, 2 (two) Special Resolutions were passed through postal ballot for below mentioned matters:

1. Issue of Convertible Warrants on preferential basis
2. Enhance the limits for extending loans, making investments and providing guarantees or security under section 186 of the Companies Act, 2013.

The details of voting are as follows:

Resolution	Percentage of number of valid votes cast in assent	Percentage of number of valid votes cast in dissent
Issue of Convertible Warrants on preferential basis	99.7231	0.2609
Enhance the limits for extending loans, making investments and providing guarantees or security under section 186 of the Companies Act, 2013.	99.9892	0.0108

## Procedure followed for Postal Ballot:

The Board at its meeting held on 02<sup>nd</sup> January, 2023, had approved the Notice of Postal Ballot / E-Voting for passing of special resolution to obtain approval of shareholders for Issue of Convertible Warrants on preferential basis and enhance the limits for extending loans, making investments and providing guarantees or security under Section 186 of the Companies Act, 2013.

## Person Conducting the Postal Ballot Exercise:

Shri Chetan Shah, Executive Chairman, Shri Sachin Polke, Company Secretary & Compliance Officer were appointed as persons responsible for the entire postal ballot / e-voting process. Shri Virendra Bhatt (ACS No. 1157, COP No. 124), Practicing Company Secretary was appointed as the Scrutinizer for conducting the postal ballot / e-voting process in a fair and transparent manner.

## Procedure followed:

1. In compliance with the Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Section 108, 110 and other applicable provisions of the Companies Act, 2013, read with the rules made thereunder, the Company provided electronic voting facility to all its members, to enable them to cast their votes through electronic means only (remote e- voting). The Company engaged the services of Central Depository Services (India) Limited (CDSL) for the purpose of providing e-voting facility.
2. The Company emailed the postal ballot notice dated 03<sup>rd</sup> January, 2023 containing draft resolutions together with the explanatory statements to the members whose names appeared in the register of members / list of beneficiaries as on cut-off date i.e. Saturday, 31<sup>st</sup> December, 2022. The Company also published a notice in the newspaper declaring the details of completion of dispatch on 04<sup>th</sup> January, 2023 as mandated under the Act and applicable rules.
3. The Company emailed Corrigendum to the postal ballot notice on 12<sup>th</sup> January, 2023 and also published the corrigendum to the postal ballot notice in the newspaper on 13<sup>th</sup> January, 2023 as mandated under the Act and applicable rules.
4. Ministry of Corporate Affairs ("MCA") vide it's General Circular Nos. 14/2020 dated 8<sup>th</sup> April, 2020, 17/2020 dated 13<sup>th</sup> April, 2020, 39/2020 dated 31<sup>st</sup> December, 2020, 10/2020 dated 23<sup>rd</sup> June, 2021, 20/2021 dated 8<sup>th</sup> December, 2021, 3/ 2022 dated 5<sup>th</sup> May, 2022 and 11/2022 dated 28<sup>th</sup> December, 2022 provided relaxation with the requirement of providing physical copies of the Notice, postal ballot forms and pre-paid Business Reply Envelopes to Members on account of the threats posed by the COVID-19 pandemic. Therefore, members were requested to provide their assent or dissent through e-voting only.
5. The Scrutinizer submitted his report on 01<sup>st</sup> February, 2023, after the completion of scrutiny.



6. The results of the postal ballot were announced by the Company Secretary, being duly authorised by the Chairman of the Company on 02<sup>nd</sup> February, 2023. The last date specified for closure of e-voting i.e. 01<sup>st</sup> February, 2023, was taken as the date of passing the resolution.

The result of the postal ballot along with the scrutinizer's report was displayed at the registered office of the Company, hosted at the Company's website at [www.ashapura.com](http://www.ashapura.com) and on the website of CDSL and was also communicated to the Stock Exchanges.

Apart from the above announcement of the results, the postal Ballot resolution was passed after the end of the financial year 22-23, the details there of given in Directors Report. Further there is no other proposal for passing any special Resolution through postal Bullet before ensuing Annual General Meeting.

#### 5. MEANS OF COMMUNICATION:

The quarterly, half yearly and annual financial results	Published in one English daily newspaper in 'Business Standard' and one Marathi newspaper in 'Sakal or Navshakti'
Any Website, where displayed	<a href="https://www.ashapura.com">https://www.ashapura.com</a>
Whether it also displays official news release	The Management issues press release as and when necessary on <a href="https://www.ashapura.com">https://www.ashapura.com</a> and on both the stock exchanges
Presentations made to institutional investors or to the analysts	-

All other statutory information as may be prescribed under the Companies Act, 2013 and/or Listing Regulations are displayed on the website of the Company.

#### 6. DETAILS OF SENIOR MANAGEMENT PERSONNEL:

SEBI Vide its notification dated 14<sup>th</sup> June 2023 has mandated listed companies to provide particulars of senior management including the changes there in since the close of the Previous Financial Year. Your company is having following officers in senior management position in the Company.

Name	Designation	Date of joining in the Company	Date of Cessation / Change along with details
Shri Chetan Shah	E.C	24 <sup>th</sup> October, 2019	-
Shri Hemul Shah	E.D & CEO	16 <sup>th</sup> February, 2020	-
Shri Ashish Desai	CFO	13 <sup>th</sup> July, 2010	-
Shri Sachin Polke	Company Secretary & President (Corporate Affairs)	15 <sup>th</sup> September, 1999	-
Shri Sandeep Deshpande	Group Head HR-Human Resource & Administration	1 <sup>st</sup> November 2021	-

Further in terms of regulation 30A of the listing regulation there are no such agreements which are required to be disclosed in the Annual Report.

#### 7. GENERAL SHAREHOLDER INFORMATION:

<b>Annual General Meeting:</b>	29 <sup>th</sup> September, 2023 at 3.30 p.m. through Video Conferencing (VC) / other Audio Visual Means (OAVM)
<b>Financial Year:</b>	1 <sup>st</sup> April, 2022 to 31 <sup>st</sup> March, 2023
<b>Date of Book Closure:</b>	23 <sup>rd</sup> September, 2023 (Saturday) to 29 <sup>th</sup> September, 2023 (Friday) (Both days inclusive)
<b>Record Date for Dividend:</b>	NA
<b>Dividend Payment Date:</b>	NA
<b>Listing Details:</b>	Equity Shares are listed on the following Stock Exchanges: 1. BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001. 2. National Stock Exchange of India Limited, "Exchange Plaza", Bandra Kurla Complex, Bandra (East), Mumbai – 400051. The Annual Listing Fees for the year 2022-2023 has been paid to the said Stock Exchanges.
<b>Stock Code:</b>	BSE Ltd. - 527001 National Stock Exchange of India Ltd. - ASHAPURMIN
<b>ISIN Number:</b>	INE348A01023
<b>Corporate Identification Number (CIN):</b>	L14108MH1982PLC026396
<b>Registrar and Share Transfer Agent:</b>	M/s. Link Intime India Pvt. Ltd. C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai-400 083

# Ashapura Minechem Limited

<b>Share Transfer System:</b>	<p>The Board-level Stakeholders' Relationship Committee examines and redresses investors' grievances. The status of investors' grievances and share transfers are reported to the Board.</p> <p>As mandated by SEBI, securities of the Company can be transferred /traded only in dematerialised form. Further, SEBI vide its circular dated January 25, 2022, mandated that all service requests for issue of duplicate certificate, claim from unclaimed suspense account, renewal/ exchange of securities certificate, endorsement, subdivision/splitting/consolidation of certificate, transmission and transposition which were allowed in physical form should be processed in dematerialised form only. The necessary forms for the above request are available on the website of the Company.</p> <p>Shareholders holding shares in physical form are advised to avail the facility of dematerialisation.</p> <p>Shareholders should communicate with Link Intime India Private Limited, the Company's Registrars &amp; Share Transfer Agent at <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a> quoting their folio number or Depository Participant ID and Client ID number, for any queries relating to their securities.</p> <p>The average time taken for processing and registration of relodged share transfer requests is less than 15 days. The Stakeholders Relationship Committee considers the transfer proposals generally on a weekly basis.</p>																		
<b>Distribution of Shareholding &amp; Category-wise distribution:</b>	Refer Table A & B																		
<b>Dematerialization of shares and liquidity:</b>	<p>As on 31<sup>st</sup> March, 2023, 99.77% of the paid-up share capital (face value of Equity Shares of Rs. 2 each) is held in Demat form with NSDL and CDSL.</p> <table border="1"> <thead> <tr> <th>Mode</th> <th>No. of equity shares</th> <th>% to the Total Share Capital</th> </tr> </thead> <tbody> <tr> <td>Physical</td> <td>207493</td> <td>0.23%</td> </tr> <tr> <td>Electronic:</td> <td></td> <td></td> </tr> <tr> <td>(A) NSDL</td> <td>51113059</td> <td>55.87 %</td> </tr> <tr> <td>(B) CDSL</td> <td>40165546</td> <td>43.90%</td> </tr> <tr> <td><b>TOTAL</b></td> <td><b>91486098</b></td> <td><b>100.00%</b></td> </tr> </tbody> </table>	Mode	No. of equity shares	% to the Total Share Capital	Physical	207493	0.23%	Electronic:			(A) NSDL	51113059	55.87 %	(B) CDSL	40165546	43.90%	<b>TOTAL</b>	<b>91486098</b>	<b>100.00%</b>
Mode	No. of equity shares	% to the Total Share Capital																	
Physical	207493	0.23%																	
Electronic:																			
(A) NSDL	51113059	55.87 %																	
(B) CDSL	40165546	43.90%																	
<b>TOTAL</b>	<b>91486098</b>	<b>100.00%</b>																	
<b>Outstanding GDR / ADR / Warrants or any Convertible Instruments and their likely impact on Equity:</b>	NIL																		
<b>Plant Locations:</b>	<ol style="list-style-type: none"> <li>Village Baraya, Bhuj-Mundra Highway, Tal. Mundra, Kutch, Gujarat.</li> <li>Village Paddhar, Taluka - Bhuj, Dist. Kutch, Gujarat.</li> <li>Mamuara, Taluka - Bhuj, Dist. Kutch, Gujarat.</li> <li>KINFRA Apparel Park, Menamkulam, Thiruvananthapuram, Kerala.</li> </ol>																		
<b>Address for Correspondence:</b>	<p>The Company's Registrar and Share Transfer Agent viz. M/s Link Intime India Pvt. Ltd. provides all shareholder related services.</p> <p>Any query relating to shares and requests for transactions such as transfers, transmissions and nomination facilities, duplicate share certificates, change of address and also dematerialization of shares may please be taken up with:</p> <p>M/s. Link Intime India Pvt. Ltd. C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083 Tel.: +91-22-49186000 Fax: +91-22-49186060. E-mail: <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a></p>																		

## 8. OTHER DISCLOSURES:

- The Company has formulated a policy on dealing with Related Party Transactions and has been uploaded on the website of the Company at <http://www.ashapura.com/investor-corner.php>. The Board of Directors has entrusted responsibility on the Audit Committee to grant omnibus approval for the transactions which are repetitive in nature and to confirm that they meet the criteria of having entered into ordinary course of business and at arm's length basis. Related party transactions have been disclosed under Note 37 the Accounts for the year under review. A Statement in summary form of transactions with related parties in the ordinary course of business are placed periodically before the Audit Committee/Board for review and approval. None of the transactions with any related parties were in conflict with the Company's interest.
- The Company has duly complied with all the requirements of the provisions of the Listing Regulations, as well as other relevant regulations and guidelines of SEBI, as issued from time to time and applicable to the Company during last three years except for late submission of Annual Report under Regulation 34 for financial year ended 31<sup>st</sup> March, 2014 and for delayed submission of scrutiners report under regulation 44(3) for postal ballot held in February, 2020. Consequently, Bombay Stock Exchange imposed penalty for delaying in such appointment. The Company paid the same on 25<sup>th</sup> January, 2023.
- In line with Regulation 22 of the Listing Regulations and Section 177 of the Act, Whistle Blower Policy/ Vigil Mechanism has been formulated for Directors and employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The mechanism provides for adequate safeguard against victimization of Director(s)/employee(s) who avail the mechanism, by providing for direct access to the Chairman of the Audit Committee in exceptional cases. No person has been denied access to the Chairman of the Audit Committee. The Policy is available on the Company's website <http://www.ashapura.com/investor-corner.php>.





During the year under review, no complaint has been received under the Vigil Mechanism /Whistle Blower Policy.

d. Details of Compliance with Mandatory requirements and adoption of Non - Mandatory Requirements.

- The Company has complied with mandatory requirements under SEBI (LODR) Regulations, 2015.
- Disclosure with regard to discretionary requirements as specified in Part E of Schedule II to the SEBI (LODR) Regulations, 2015 is as under:

Sr. No	Discretionary Requirement	Discretionary Requirement - to the extent adopted
1	The Board : A Non-Executive Chairperson may be entitled to maintain a chairperson's office at the Company's expense and also allowed reimbursement of expenses incurred in the performance of his/her duties.	The Company has an Executive Chairperson.
2	Shareholder Rights : A half yearly declaration of Financial performance including summary of the significant events in last six months may be sent to each household of shareholders.	As the half yearly results are published in English newspapers having wide circulation all over India and in a Marathi newspaper (having circulation in Mumbai), the same are not sent to the shareholders of the Company. Annual audited financial results are taken on record by the Board and then published in newspapers as aforesaid and also communicated to the shareholders through the Annual report. Further the financial results and significant events, if any, are communicated by the Company to the Stock Exchange and are also uploaded on its website i.e. www.ashapura.com
3	Modified opinion(s) in audit report	The Company is in the regime of unqualified financial statements.
4	Separate posts of Chairperson and the Managing Director or the Chief Executive Officer	The Company has appointed separate persons to the post of Chairperson and Chief Executive Officer. The Board of Directors and Shareholders had unanimously approved an Executive Director to be the Chairperson of the Company.
5	Reporting of Internal Auditor	The Internal Auditor reports directly to the Audit Committee and attends the Audit Committee meetings and interacts directly with the Audit Committee members.

- e. The Company has in place a Code of Conduct for Prevention of Insider Trading and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information to regulate, monitor and report trading by Insiders as prescribed under SEBI (Prohibition of Insider Trading) Regulations, 2015, as approved by the Board of Directors.
- f. Details of Utilization of Funds raised through Preferential Allotment: - During the year under review company had raised funds through preferential allotment of 40,40,000 Convertible warrants at Rs. 95.96 per warrant to be converted into Equity Shares to Mr. Manan Shah and M/s Ashapura Industrial Finance Limited. Out of the total proceed the Company has received 25% of the price per warrant on allotment which were utilised by the Company for general corporate purpose i.e. to cater the need of working capital requirement of the company as a part of financial strategy.
- g. In terms of Regulation 16 of the Listing Regulations, the Company has in place a policy on Determining Material Subsidiary, approved by the Board and the same has been displayed on the Company's website at <http://www.ashapura.com/investor-corner.php>.
- h. Pursuant to regulation 24A, the secretarial Audit report of Company's material unlisted subsidiaries incorporated in India has been attached as Annexure I & II.
- i. Certificate from Company Secretary in Practice on Non-Disqualification of Directors of the Company:  
A Certificate has been received from Shri Virendra Bhatt, Practicing Company Secretary, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such Statutory Authority. The said certificate has been attached.
- j. Fees Paid to Statutory Auditors:  
The details of fees paid by the Company to the Statutory Auditor is mentioned in Note No. 28 of the Standalone Financial Statements.
- k. Disclosures in Relation to Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013:  
The details have been disclosed in the Directors Report forming part of this Annual Report.
- l. Disclosure regarding any 'Loans and Advances' in the nature of loans to firms/companies in which directors are interested by the Company or any of it's subsidiaries is mentioned in Note no 6

# Ashapura Minechem Limited

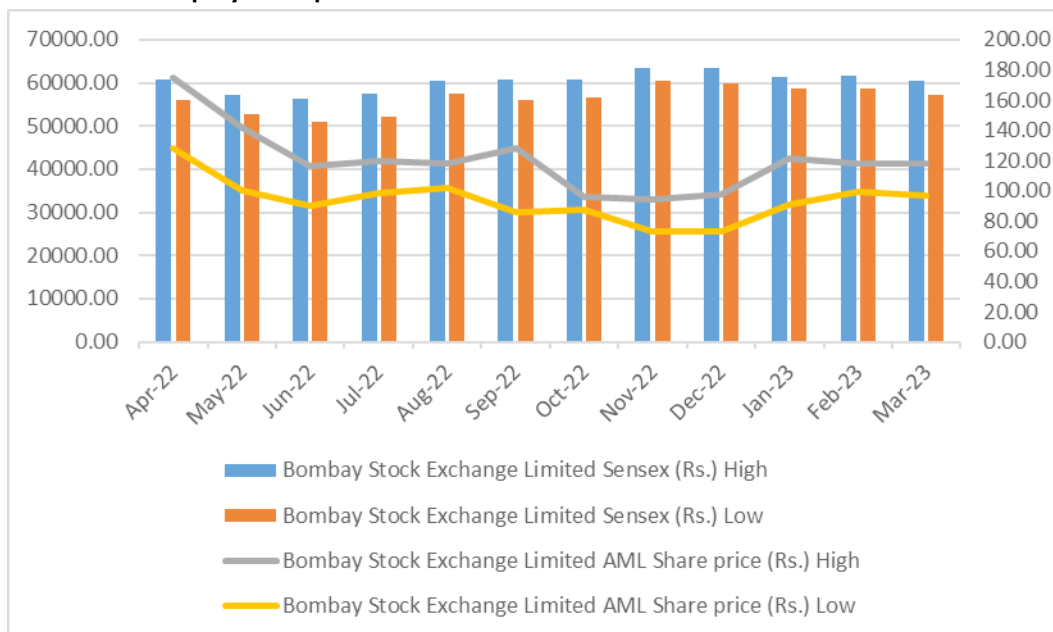
m. Details of Material Subsidiaries:

Sr. No.	Name of Material Subsidiary	Date of Incorporation	Place of Incorporation	Name of Statutory Auditor	Date of Appointment of Statutory Auditor
1.	Ashapura International Limited	18/12/1989	Mumbai	Sanghavi & Co.	26-09-2019
2.	Bombay Minerals Limited	24/01/1953	Ahemdabad	Sanghavi & Co.	28-09-2019

Market Price data:

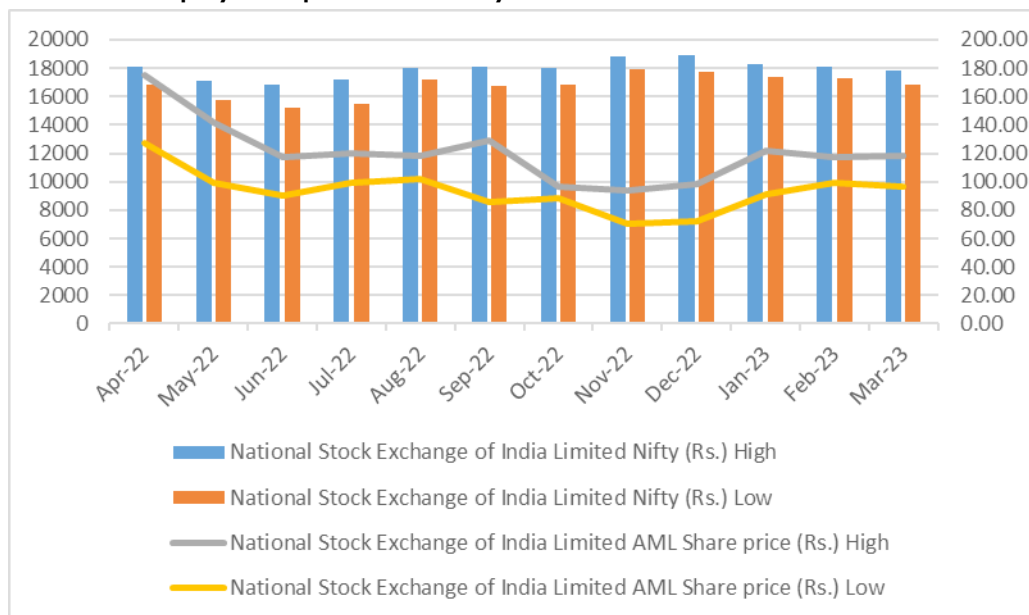
Period	Bombay Stock Exchange Limited				National Stock Exchange of India Limited			
	Sensex (Rs.)		AML Share price (Rs.)		Nifty (Rs.)		AML Share price (Rs.)	
	High	Low	High	Low	High	Low	High	Low
Apr-22	60845.10	56009.07	175.00	127.95	18114.65	16824.70	175.25	127.55
May-22	57184.21	52632.48	141.75	100.05	17132.85	15735.75	141.80	99.70
Jun-22	56432.65	50921.22	116.30	89.95	16793.85	15183.40	117.00	90.00
Jul-22	57619.27	52094.25	119.85	98.40	17172.80	15511.05	119.75	99.00
Aug-22	60411.20	57367.47	118.00	102.00	17992.20	17154.80	117.95	101.80
Sep-22	60676.12	56147.23	128.45	85.85	18096.15	16747.70	129.40	85.70
Oct-22	60786.70	56683.40	96.35	87.75	18022.80	16855.55	96.35	88.10
Nov-22	63303.01	60425.47	94.05	72.70	18816.05	17959.20	93.50	70.80
Dec-22	63583.07	59754.10	98.00	72.70	18887.60	17774.25	98.00	72.20
Jan-23	61343.96	58699.20	121.00	90.95	18251.95	17405.55	122.00	90.95
Feb-23	61682.25	58795.97	117.95	99.50	18134.75	17255.20	117.75	99.10
Mar-23	60498.48	57084.91	118.00	96.80	17799.95	16828.35	118.10	96.65

Share Performance of the Company in comparison to BSE Sensex





### Share Performance of the Company in comparison to NSE Nifty:



### 9. COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS:

The Company has complied with all the mandatory requirements as contained in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### 10. UNCLAIMED SUSPENSE DEMAT ACCOUNT:

In accordance with the Regulation 39 of the Listing Regulations, the Company has Unclaimed Suspense Demat Account with Stock Holding Corporation of India Limited and whenever any request for said unclaimed shares are received, equity shares either in electronic or physical forms are issued to the claimant concerned after debiting said Demat Account.

Particulars	No. of Shareholders	No. of Shares
Aggregate number of Shareholders and the outstanding shares in the suspense account lying as on 1 <sup>st</sup> April, 2022	38	37000
Shareholders who approached the Company for transfer of shares from suspense account during the year	NIL	NIL
Shareholders to whom shares were transferred from the suspense account during the year	NIL	NIL
Shares transferred to Demat Account of IEPF Authority during the year	NIL	NIL
Aggregate number of Shareholders and the outstanding shares in the suspense account lying as on 31 <sup>st</sup> March, 2023	38	37000

The voting rights on the said shares shall remain frozen till the rightful owners of such shares claim the shares.

**"TABLE A"**  
**DISTRIBUTION OF SHAREHOLDING AS ON 31<sup>ST</sup> MARCH, 2023**

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares	% of Shareholding
1-500	21563	80.4229	2743979	2.9993
501-1000	2231	8.3209	1849920	2.0221
1001-2000	1400	5.2215	2252414	2.4620
2001-3000	469	1.7492	1217815	1.3311
3001-4000	230	0.8578	836628	0.9145
4001-5000	178	0.6639	844289	0.9229
5001-10000	356	1.3278	2649278	2.8958
10001 & above	385	1.4359	79091775	86.4522
TOTAL	26812	100	91486098	100

# Ashapura Minechem Limited

**"TABLE B"**  
**CATEGORY-WISE DISTRIBUTION AS ON 31<sup>ST</sup> MARCH, 2023**

Categories	Total No. of Shares	% of Holdings
<b>A) Promoters Holding</b>		
Individuals	26563454	29.04
Bodies Corporate	14906774	16.29
<b>Total (A) ..</b>	<b>41470228</b>	<b>45.33</b>
<b>B) Public Holding</b>		
<b>1) Institutions (Domestic)</b>		
a. Mutual Fund	118000	0.13
b. Banks	8000	0.01
c. NBFCs registered with RBI	1600	0.00
<b>Total (B)(1)</b>	<b>127600</b>	<b>0.14</b>
<b>2) Institutions (Foreign)</b>		
a. Foreign Portfolio Investors Category I	13850479	15.14
b. Foreign Portfolio Investors Category II	1696071	1.85
<b>Total (B)(2)</b>	<b>15546550</b>	<b>16.99</b>
<b>3) Central Government/ State Government(s)</b>	<b>0</b>	<b>0.00</b>
<b>Total (B)(3)</b>	<b>0</b>	<b>0.00</b>
<b>4) Non-Institutions</b>		
a. Directors and their relatives (excluding Independent Directors and nominee Directors)	1007	0.00
b. Key Managerial Personnel	1144	0.00
c. Investor Education And Protection Fund	1200	0.00
d. Public	26422459	28.88
e. Non Resident Indians (NRIs)	1286886	1.41
f. Bodies Corporate	5345971	5.84
g. <b>Any Other :</b>		
Trust	200	0.00
Body Corporate - Ltd Liability Partnership	199890	0.22
Hindu Undivided Family	1054789	1.15
Clearing Members	27674	0.03
Other (Independent Director)	500	0.00
<b>Total (B)(4)</b>	<b>34341720</b>	<b>37.54</b>
<b>Total (B) = (B)(1)+(B)(2)+(B)(3)+(B)(4)</b>	<b>50015870</b>	<b>54.67</b>
<b>Grand Total .. ..</b>	<b>91486098</b>	<b>100.00</b>

For and on Behalf of the Board of Directors

Sd/-  
**CHETAN SHAH**  
EXECUTIVE CHAIRMAN  
(DIN: 00018960)

Sd/-  
**HEMUL SHAH**  
EXECUTIVE DIRECTOR & CEO  
(DIN: 00058558)

Place: Mumbai  
Date: 10<sup>th</sup> August, 2023



**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**Ashapura International Limited**  
CIN : U14108MH1989PLC054664  
Jeevan Udyog Bldg., D.N.Road,  
Fort, Mumbai – 400001.

I have conducted the Secretarial Audit of compliance of applicable Statutory Provisions and the adherence to good corporate practices by **Ashapura International Limited** (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provides me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on verification of the Company’s books, papers, minutes, statutory registers, records, forms and returns filed with the Registrar of Companies (‘the ROC’) and other records maintained by the Company ( on physical and online basis) and also the information provided by the Company, its Officers, Agents and Authorized Representatives during the conduct of Secretarial Audit, the explanations and clarifications given and the representations made by the Management I hereby report that in my opinion, the Company during the audit period covering the financial year 1st April, 2022 to 31st March, 2023, (“audit period”) has prima facie complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minutes, statutory registers, records, forms and returns filed and other records maintained by the Company ( on physical and online basis) for the financial year ended on 31st March, 2023 according to the applicable provisions of :

- (i) The Companies Act, 2013 (the Act) and the Rules made there under; as also Secretarial Standards 1 & 2 Issued by the Institute of Company Secretaries of India.
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iii) Foreign Exchange Management Act, 1999 & the Rules & Regulations made there under.
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
  - Though the following laws are prescribed in the format of Secretarial Audit Report by the Government, the same were not applicable to the Company for the financial year ended March 31, 2023:-
    - (a) The Securities And Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018;
    - (b) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
    - (c) The Securities & Exchange Board of India (Issue & listing of Debt securities) Regulations, 2008;
    - (d) The Securities & Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
    - (e) The Securities & Exchange Board of India (Buyback of Securities) Regulations, 2018;
    - (f) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - (g) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    - (h) The Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015;
    - (i) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021
    - (j) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (v) I further report that, based on the discussion had with the Management and the Management Representation Letter furnished, the Company has inter-alia complied with the following laws:
  - (a) Industrial Disputes Act, 1947
  - (b) The Payment of Wages Act, 1936
  - (c) The Minimum Wages Act, 1948
  - (d) The Employees Provident Fund & Miscellaneous Provisions Act, 1952
  - (e) The Payment Of Bonus Act, 1965
  - (f) The Payment of Gratuity Act, 1972
  - (g) The Contract Labour (Regulations & Abolition) Act, 1970
  - (h) Mines Act, 1952
  - (i) Metalliferous Mines Regulations, 1961
  - (j) Water (Prevention & Control) of Pollution Act, 1974
  - (k) Air (Prevention & Control) of Pollution Act, 1981
  - (l) Customs Act, 1962
  - (m) Hazardous Wastes (M&H) Rules
  - (n) Environment Protection Rules, 1986
  - (o) Mineral Conservation & Development Rules, 1988
  - (p) Factories Act, 1948

I further report that I have relied on the Statutory Auditor’s Reports in relation to the financial statements and accuracy of financial figures for, Sales Tax, Wealth Tax, Value Added Tax, Related Party Transactions, Provident Fund, ESIC, etc. as disclosed under financial statements, Indian Accounting Standard 24 & note on foreign currency transactions during the audit period and I have not verified the correctness and appropriateness of the books of accounts of the Company.

# Ashapura Minechem Limited

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I further report that:

1. The Board of Directors of the Company is duly constituted as on 31st March, 2023. There was no change in the Board of Directors during the year under review and upto the date of this Report.
2. The Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings and directorships in other Companies and interest in other entities;
3. As per the information provided, the company has prima facie given adequate notice in respect of the Board Meetings, agenda & detailed notes on agenda were sent in advance. Further as per the information provided and observed, majority decisions are carried unanimously while the dissenting members' views, if any, are captured & recorded as part of the minutes.
4. the Company has obtained all necessary approvals under various provisions of the Act where necessary;
5. there was no prosecution initiated against or show cause notice received by the Company during the year under review under the Companies Act and rules, regulations and guidelines under these Acts.
6. the Company's Management and Board of Directors are also responsible for establishing and maintaining adequate systems and process, commensurate with the size and operations of the Company to identify, monitor and ensure compliances with the applicable laws, rules, regulations and guidelines, subject to observations and qualifications, if any made by the Statutory Auditors in their report.
7. the Management is responsible for compliances of all business laws. This responsibility includes maintenance of statutory registers/records required by the concerned authorities and internal control of the concerned department.

I report the following OBSERVATION during the Audit:

1. The Company has complied with provisions of Section 185 and 186 of the Act in respect of loans, Investment, guarantees and security, to the extent applicable, except that no interest is charged on unsecured loans granted to a fellow subsidiary company.
2. The Company has not accepted and deposits or deemed deposits within the manings of Section 73 to 76 of the Act and the Rules thereunder except for advances from customers aggregaing to Rs.871.56 lacs, in the opinion of the management, are accepted in the ordinary course of business.

I further report that during the audit period the Company had no specific events like Public/Right/Preferential issue of shares/debentures/sweat equity, Issue of equity shares under Employee Stock Option Scheme; Redemption / Buy- back of securities; Merger / Amalgamation / Reconstruction; Foreign Technical Collaborations, etc.

I further report that:-

1. Maintenance of Secretarial record is the responsibility of the Management of the Company. My responsibility is to express an opinion on these Secretarial Records based on the audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of the financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.
7. Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some Misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.

**Dipti Gohil**  
**ACS No -14736**  
**COP No - 11029R. R. No. 2026/2022**  
**UDIN : A014736E000778763**

**Place: Mumbai**  
**Date: 10<sup>th</sup> August, 2023**



**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**Bombay Minerals Limited**  
CIN : U14100GJ1953PLC000699  
Dwarka Highway Opp. Ashok Petrol Pump,  
Khambhalia, Jamnagar - 361001

I have conducted the Secretarial Audit of compliance of applicable Statutory Provisions and the adherence to good corporate practices by **Bombay Minerals Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provides me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on verification of the Company's books, papers, minutes, statutory registers, records, forms and returns filed with the Registrar of Companies ('the ROC') and other records maintained by the Company (on physical and online basis) and also the information provided by the Company, its Officers, Agents and Authorized Representatives during the conduct of Secretarial Audit, the explanations and clarifications given and the representations made by the Management I hereby report that in my opinion, the Company during the audit period covering the financial year 1st April, 2022 to 31st March, 2023, ("audit period") has prima facie complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minutes, statutory registers, records, forms and returns filed and other records maintained by the Company (on physical and online basis) for the financial year ended on 31st March, 2023 according to the applicable provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made there under; as also Secretarial Standards 1 & 2 Issued by the Institute of Company Secretaries of India.
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iii) Foreign Exchange Management Act, 1999 & the Rules & Regulations made there under.
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

• Though the following laws are prescribed in the format of Secretarial Audit Report by the Government, the same were NOT applicable to the Company for the financial year ended March 31, 2023:-

- (a) The Securities And Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018;
- (b) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (c) The Securities & Exchange Board of India (Issue & listing of Debt securities) Regulations, 2008;
- (d) The Securities & Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- (e) The Securities & Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (f) The Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (g) The Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (h) The Securities & Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015;
- (i) The Securities & Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (j) The Securities & Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(v) I further report that, based on the discussion had with the Management and the Management Representation Letter furnished, the Company has inter-alia complied with the following laws:

- (a) Industrial Disputes Act, 1947
- (b) The Payment of Wages Act, 1936
- (c) The Minimum Wages Act, 1948
- (d) The Employees Provident Fund & Miscellaneous Provisions Act, 1952
- (e) The Payment Of Bonus Act, 1965
- (f) The Payment of Gratuity Act, 1972
- (g) The Contract Labour (Regulations & Abolition) Act, 1970
- (h) Mines Act, 1952
- (i) Metalliferous Mines Regulations, 1961
- (j) Water (Prevention & Control) of Pollution Act, 1974
- (k) Air (Prevention & Control) of Pollution Act, 1981
- (l) Customs Act, 1962
- (m) Hazardous Wastes (M&H) Rules
- (n) Environment Protection Rules, 1986
- (o) Mineral Conservation & Development Rules, 1988
- (p) Factories Act, 1948

I further report that I have relied on the Statutory Auditor's Reports in relation to the financial statements and accuracy of financial figures for Sales Tax, Wealth Tax, Value Added Tax, Related Party Transactions, Provident Fund, ESIC, etc. as disclosed under financial statements, Indian Accounting Standard 24 & note on foreign currency transactions during the audit period and I have not verified the correctness and appropriateness of the books of accounts of the Company.

# Ashapura Minechem Limited

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I further report that:

1. The Board of Directors of the Company is duly constituted as on 31st March, 2023.. There was no change in the Board of Directors during the year under review and upto the date of this Report.
2. the Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings and directorships in other Companies and interest in other entities;
3. As per the information provided, the company has prima facie given adequate notice in respect of the Board Meetings, agenda & detailed notes on agenda were sent in advance. Further as per the information provided and observed, majority decisions are carried unanimously while the dissenting members' views, if any, are captured & recorded as part of the minutes.
4. the Company has obtained all necessary approvals under various provisions of the Act where necessary;
5. there was no prosecution initiated against or show cause notice received by the Company during the year under review under the Companies Act and rules, regulations and guidelines under these Acts.
6. the Company's Management and Board of Directors are also responsible for establishing and maintaining adequate systems and process, commensurate with the size and operations of the Company to identify, monitor and ensure compliances with the applicable laws, rules, regulations and guidelines, subject to observations and qualifications, if any made by the Statutory Auditors in their report.
7. the Management is responsible for compliances of all business laws. This responsibility includes maintenance of statutory registers/records required by the concerned authorities and internal control of the concerned department.

I report the OBSERVATIONS during the Audit:

- 1) The Company has complied with provisions of Section 185 and 186 of the Act in respect of loans, Investment, guarantees and security, to the extent applicable, except that no interest is charged on unsecured loans granted to a subsidiary company.
- 2) The Company has not accepted and deposits or deemed deposits within the meanings of Sections 73 to 76 of the Act and the Rules thereunder except for the advances from customers aggregating to Rs. 1145.05 Lakhs, which in the opinion of the Management are in the ordinary course of business.

I further report that during the audit period the Company had no specific events like Public/Right/Preferential issue of shares/debentures/sweat equity, Issue of equity shares under Employee Stock Option Scheme; Redemption / Buy- back of securities; Merger / Amalgamation / Reconstruction; Foreign Technical Collaborations, etc.

I further report that:-

1. Maintenance of Secretarial record is the responsibility of the Management of the Company. My responsibility is to express an opinion on these Secretarial Records based on the audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of the financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.
7. Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some Misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.

Place: Mumbai  
Date: 09<sup>th</sup> August, 2023

**Dipti Gohil**  
**ACS No -14736**  
**COP No - 11029**  
**P. R. No. 2026/2022**  
**UDIN : AO14736E000773241**





### CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members of  
**Ashapura Minechem Limited**  
Jeevan Udyog Bldg., 3<sup>rd</sup> Floor,  
278, D. N. Road, Fort,  
Mumbai - 400001, Maharashtra, India.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Ashapura Minechem Limited (hereinafter referred to as "the Company"), having CIN: L14108MH1982PLC026396 and having registered office at Jeevan Udyog Bldg., 3<sup>rd</sup> Floor, 278, D. N. Road, Fort, Mumbai – 400001, Maharashtra, India, produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its Officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on 31st March, 2023 have been disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs:

Sr. No.	Name of the Director	DIN	Date of Appointment at current Designation	Original Date of Appointment
1	Chetan Navnitlal Shah	00018960	24/10/2022	19/02/1982
2	Harish Narendra Motiwalla	00029835	25/09/2019	29/07/2009
3	Hemul Ramesh Shah	00058558	16/02/2023	16/02/2020
4	Pundarik Sanyal	01773295	09/02/2021	09/02/2016
5	Himani Chetan Shah	02467277	30/12/2020	10/02/2020
6	Abhilash Nandaprasad Munsif	02773542	25/09/2019	29/07/2009
7	Neeta Sunil Shah	07134947	30/12/2020	11/11/2020

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Date: 16<sup>th</sup> May, 2023**  
**Place: Mumbai**

**Virendra G. Bhatt**  
**Practicing Company Secretary**  
**ACS No.: 1157 / COP No.: 124**  
**Peer Review Cert. No.: 1439/ 2021**  
**UDIN: A001157E000314481**

# Ashapura Minechem Limited

## INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To  
The Members of  
ASHAPURA MINECHEM LIMITED

- 1 We have examined the compliance of conditions of Corporate Governance by Ashapura Minechem Limited ("the Company") for the year ended 31st March, 2023 as stipulated in regulations 17 to 27 and clause (b) to (i) of regulation 46 (2) and para C, D and E of schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 ("Listing Regulations").

### Managements' Responsibility

- 2 The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

### Auditors' Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India ("the ICAI") and Standards on Auditing specified under section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that perform Audits and Reviews of Historical Financial Information, and other Assurance and Related Services Engagements.

### Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representation provided by the Management, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31st March, 2023.
8. We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

### Restriction on Use

9. The certificate is addressed and provided to the members of the Company solely for the purpose of enabling the Company to comply with the requirement of the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate.

**For P A R K & COMPANY**  
Chartered Accountants  
FRN: 116825W

**PRASHANT VORA**  
Partner  
Membership No. 034514  
UDIN: 23034514BGZEMT3259

Place: Mumbai  
Date: August 10, 2023

## DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that Company has adopted a Code of Conduct for all the Board Members, Senior Management and all employees above Officer Level. These Codes are available on the Company's website.

I further confirm that the Company has in respect of the Financial Year ended on 31st March, 2023, received from all the Board Members and Senior Management Personnel of the Company, a declaration of compliance with the Code of Conduct as applicable to them.

**For Ashapura Minechem Limited**  
Sd/-  
Hemul Shah  
Executive Director & CEO

Place : Mumbai  
Date : August 10, 2023



## MANAGEMENT DISCUSSION AND ANALYSIS

### OVERVIEW:

This report is an integral part of the Board's Report and covers management perspective on economic environment, industrial scenario, business performance, opportunities, threats, risks & concern, internal control etc. during the Financial Year 2022-2023. This should be read in conjunction with the Company's Financial Statements, the schedules and notes thereto and other information included elsewhere in the Annual Report.

### ECONOMIC ENVIRONMENT:

Nearly all the major economies in the world have tried to bottle the stubborn inflation genie by maintaining high interest rates, growth rates have been relatively stable despite the rising rates.

It all started with the pandemic-induced contraction of the global output, followed by the Russian-Ukraine conflict leading to a worldwide surge in inflation. Then, the central banks across economies led by the Federal Reserve responded with synchronised policy rate hikes to curb inflation. The rate hike by the US Fed drove capital into the US markets causing the US Dollar to appreciate against most currencies. This led to the widening of the Current Account Deficits (CAD) and increased inflationary pressures in net importing economies.

The rate hike and persistent inflation also led to a lowering of the global growth for 2022 and forecasts for 2023 by the IMF. The frailties of the Chinese economy further contributed to weakening the growth forecasts. Slowing global growth apart from monetary tightening may also lead to a financial contagion emanating from the advanced economies where the debt of the non-financial sector has risen the most since the global financial crisis. With inflation persisting in the advanced economies and the central banks hinting at further rate hikes, downside risks to the global economic outlook appear elevated.

The IMF expects global growth to moderate from 3.2 percent in 2022 to 2.7 percent in 2023.

The Indian economy did reasonably well to grow at 7 per cent (as per the Economic Survey) in FY 2022-23, relatively muted against the previous year's growth of 8.7 percent which was largely attributable to a post Covid bump.

### INDUSTRY SCENARIO:

The earlier-than-expected end of Covid restrictions in China led to a rapid rebound in consumption-driven economic expansion. Since more than 50% of major mining commodities are consumed in China, the returning demand had a positive impact on volumes. Globally the mining sector grew by 6.1% in 2022.

Miners have maintained robust investment discipline since the 2015-2016 commodity downturn, postponing investment projects when returns were uncertain. Supply and demand in major mining commodities remain balanced with no concerns about fundamental oversupply, leading to broadly unchanged short-term prices.

Copper and Aluminium prices are responsive to economic growth and sentiment and so they both held up during 2022.

Nickel & Lithium discoveries world over have been receiving their fair share of attention, how many of those actually translate into commercially viable & sustainable sources needs to be seen.

### OPPORTUNITIES:

The increasing use of Aluminium in global decarbonizing efforts, right from Electric Vehicles, solar panels bode well for the Company's Bauxite operations.

Ukraine has been a large global exporter of white performance minerals, the continuing conflict in the region has seen India emerge as an alternate strategic supplier of quality Kaolin products.

### THREATS:

The global interest rate cycle may continue to hamper demand across economies, this in turn may lead to a sluggish demand for the Company's value-added products. Furthermore, China the world's second largest economy continues to remain under a cloud, global mineral & commodity volumes & prices are very sensitive to Chinese demand.

The continuing conflict in Ukraine may lead to higher oil prices which could in turn have implications on inflation and on costs.

### FINANCIAL PERFORMANCE:

The Financial Statements for the year ended 31<sup>st</sup> March, 2023, have been prepared in accordance with the Companies (Indian Accounting Standards) Rule, 2015 (Ind AS) prescribed under section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable.

For the financial year ended 31<sup>st</sup> March, 2023, revenue at a standalone level stood at Rs. 26,271 lakhs with a pre-tax loss of Rs. 701 lakhs.

At the Consolidated level, the total revenue increased by 40% and stood at Rs. 1,91,617 lakhs as against Rs. 1,37,344 lakhs for the previous financial year ended 31<sup>st</sup> March, 2022 with a profit of Rs. 10,973 Lakhs before exceptional items and tax, an increase of 3.5% over the previous financial year.

### OUTLOOK:

The outlook for FY 2023-24 is set to be positive on account of two more Bauxite mines becoming operational in Guinea from the second half of the financial year, which would enable the company to export higher volumes.

# Ashapura Minechem Limited

The Company shall continue its constant endeavour to move up the value chain by introducing a new line of animal feed products which are value-added from quality Bentonite. Furthermore, the Company's Kaolin products are consolidating its position in the overseas market making up for the supply that has been lost because of the turmoil in Ukraine.

## RISK & CONCERNS:

The mining industry remains fraught with several challenges such as commodity cycles, environmental risks, regulatory & compliance risks; the Company has a well-oiled risk management apparatus.

Any turbulence in large commodity hungry Asian economies such as India and China could significantly affect demand for the company's products.

## INTERNAL CONTROL SYSTEM AND ITS ADEQUACY:

In keeping with the size and nature of its business and complexity of its operations, commensurate internal control procedures are implemented by the Company. The guidelines are set by the Audit Committee Members and Board of Directors who are responsible for the internal control system. They carry out periodic reviews of the internal audit plan, verify the adequacy of the control system, marks its audit observations, and monitors the sustainability of the remedial measures.

On the recommendation of the Audit Committee, the Company appointed M/s Atul HMV & Associates LLP as the Internal Auditors of the Company for the financial year 2022-2023. Observations made in internal audit reports on business processes, systems, procedures and internal controls and implementation status of recommended remedial measures by the Internal Auditors, are presented quarterly to the Audit Committee.

The Company's internal control system is designed to ensure management efficiency, measurability and verifiability, reliability of accounting and management information, compliance with all applicable laws and regulations, and the protection of the Company's assets. This is to timely identify and manage the Company's operational, compliance-related, economic and financial risks.

## RESEARCH & DEVELOPMENT:

Company's Research and Development (R&D) capabilities are playing an important role towards furthering your company's vision and goals. Its Knowledge & Innovation Center at Bhuj, Gujarat, has come up with several marketable world-class value-added products. During the year, the R&D Centre has done extensive work on advanced refractory materials and on certain B2C value-added products.

The brief details of the R & D activities during the year are given under 'Annexure - C' forming part of the Directors' Report.

## HUMAN RESOURCES DEVELOPMENT:

Human Resource is Company's greatest asset and your Company believe that in the roadmap for building the future, employee involvement is crucial to be continually creative and drive organizational excellence. The organizational excellence depends on the quality of people employed. Therefore, your Company focus on the culture of recognition, innovation in technology, engagement of right people for the right job and process improvements. Your company's ethics, principles and ideals have fostered a positive work culture among the employees across all its plants and offices.

The employees are treated with respect and dignity at all times and senior management is easily accessible for counseling and redressal of grievances. Your Company had a dedicated human asset of over 439 employees spread across locations in the organization as on 31<sup>st</sup> March, 2023.

## KEY FINANCIAL RATIOS:

The Key Financial Ratios for FY 2022-2023 and FY 2021-2022, along with explanation for significant changes (change of 25% or more) are as follows:

Sr. No.	Particulars	2022-2023	2021-2022	% change
1	<b>Debtors turnover Ratio (Days)*</b> Sale/Average Debtors	223	112	99%
2	<b>Inventory turnover Ratio (Days)*</b> Sales /Average Inventory	204	74	176%
3	<b>Interest coverage ratio **</b> (EBIT: Profit before Exceptional Item and tax + interest on borrowing) / Interest Expenses	0.74	0.48	54%
4	<b>Current ratio</b> Current assets /Current Liability	1.60	1.18	36%
5	<b>Operating Profit Margin **</b> (EBIT-other Income) /Net revenue from Operation	-11%	-2%	450%
6	<b>Net Profit Margin**</b> (Net Profit /Revenue from Operation)	-3.15%	-2.62%	20%
7	<b>Return on Net worth **</b> (Net Profit /Average net worth )	-28%	-35%	20%
8	<b>Debts Equity Ratio</b> Total debts /Shareholders fund	2.35	1.87	26%

Notes:

Exceptional items are excluded from Net profit.

\* Due to reduction in sales by 63% during the financial year 22-23 compared to previous year.



\*\* Due to significant reduction in purchase of trading goods and selling & distribution overheads Profit has increased during the FY 22-23 compared to FY 21-22 by 55%.

\*\*\* Due to decreased in current liabilities

\*\*\* Due to decreased in shareholder fund

**CAUTIONARY STATEMENT:**

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include, among others, downtrend in the industry, economic conditions affecting demand/supply and price conditions in the domestic market in which the Company operates, changes in political and economic environment in India, changes in the Government regulations, tax laws and other statutes, litigations and incidental factors.

**For and on Behalf of the Board of Directors**

Sd/-  
**CHETAN SHAH**  
EXECUTIVE CHAIRMAN  
(DIN: 00018960)

Sd/-  
**HEMUL SHAH**  
EXECUTIVE DIRECTOR & CEO  
(DIN: 00058558)

**Place: Mumbai**

**Date: 10<sup>th</sup> August, 2023**

E & OE regretted

## BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

### About us:

Ashapura Minechem Limited is a leading multi-mineral solutions provider with a global footprint, having a wide network of operations in several states within India and in other countries. We are engaged in the mining, manufacturing and trading of various minerals and their derivative products, including Bentonite, Bauxite, Kaolin, Calcined China Clay (CCC), and Ground Calcium Carbonate (GCC).

The Company further has a legacy of more than 60 years and offers multi-mineral solutions across several industries.

The company also has a state-of-the-art manufacturing base, cutting-edge research capabilities, logistical prowess, and dynamic, progressive, result-oriented employees.



The company's consistent quality and ability to customize mineral solutions make it a preferred supplier to multi-nationals in more than 70 countries across the continents

We welcome the reporting framework 'Business Responsibility and Sustainability Reporting' ("BRSR") introduced by the Securities and Exchange Board of India ("SEBI") containing detailed Environmental, Social and Governance ("ESG") disclosures and we have mandatorily adopted the

framework for the financial year 2022-23.

In this report, the words – 'We', 'Company', 'Our', 'Organization' are used interchangeably to denote Ashapura Minechem Limited.

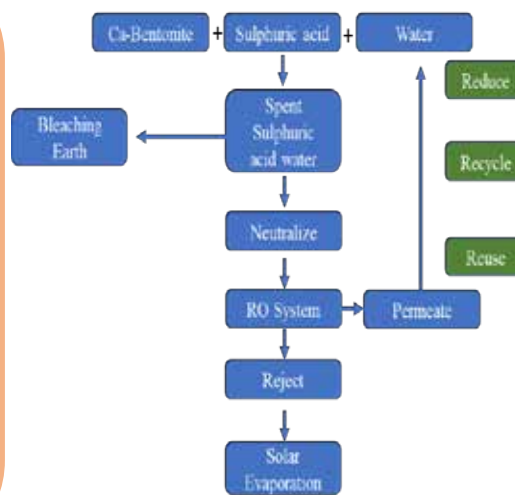


## Leading the way.....

### Acid Water Management

Acid activated clays efficiently absorb pigments from oils, known as bleaching, enhancing oil appearance and stability. To produce high-quality bleaching earth and reduce costs, proper clay activation is crucial. The resulting spent acid water, containing hazardous salts, are neutralized or utilized.

The Company has tried to get some value out of the spent acid. So, before neutralization spent acid water was used for the preparation of products like Ammonium Aluminium Sulphate, Alum, Coagulant, White Gypsum, Adsorbent etc.



### Fluoride Removal from Drinking Water

The CrystaCIL™ technology developed by the R&D Division of the Company with their scientific approach and in-house technology, implemented a solution for fluoride removal using natural processed mineral. To provide solution for Drinking water treatment - a technically designed easy to use portable Filter system (CrystaCIL™) is developed by the Company with the following advantages:

- 1) No use of electricity (works on gravity)
- 2) Easy to install and use.
- 3) One time expenses of filter (replaceable material)
- 4) Low operational cost.

#### Feedback from Villagers which we received was that:

- Taste of Water has improved.
- Body and joint pain relieved.
- The digestive system has improved.
- Increased the diet of children.

# Ashapura Minechem Limited

## BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

### SECTION A: GENERAL DISCLOSURES

#### I. Details of the listed entity

1. **Corporate Identity Number (CIN) of the Listed Entity** - L14108MH1982PLC026396
2. **Name of the Listed Entity** - Ashapura Minechem Limited
3. **Year of incorporation** - 1982
4. **Registered office address** - Jeevan Udyog Building, 278, 3rd Floor, D. N. Road, Fort, Mumbai – 400001, Maharashtra.
5. **Corporate address** - Jeevan Udyog Building, 278, 3rd Floor, D. N. Road, Fort, Mumbai – 400001, Maharashtra.
6. **E-mail** - cosec@ashapura.com
7. **Telephone** - 22-66651700
8. **Website** - <http://www.ashapura.com/>
9. **Financial year for which reporting is being done** - 2022-23
10. **Name of the Stock Exchange(s) where shares are listed**

Name of the Exchange	Stock Code
BSE Ltd.	527001
National Stock Exchange of India Ltd.	ASHAPURMIN

11. **Paid-up Capital** - Rs. 18,29,72,196/-
12. **Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report** –  
Name: Shri Hemul Shah  
Designation: - Executive Director and CEO  
Contact Details: 022-66221700  
Email ID: cosec@ashapura.com
13. **Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).** –

The disclosure under this report are made on a Standalone Basis, unless otherwise specified.

#### II. Products/services

14. **Details of business activities (accounting for 90% of the turnover):**

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Trade	Wholesale Trading	18.27
2.	Manufacturing, Mining and quarrying	Other manufacturing, mining and Quarrying Activities	81.73

15. **Products/Services sold by the entity (accounting for 90% of the entity's Turnover):**

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Bauxite	4662	7.45
2.	Bentonite	Group 239 and 810	10.24
3.	Calcined China Clay (CCC)	2399	53.00
4.	Trading	4662	18.27
5.	Silika	2399	7.31
6.	Kaolin	2399	3.73

#### III. Operations

16. **Number of locations where plants and/or operations/offices of the entity are situated:**

Location	Number of plants	Number of offices	Total
National	4	1	5
International	-	-	-





17. **Markets served by the entity:**

a. **Number of locations**

Locations	Number
National (No. of States)	4
International (No. of Countries)	8

b. **What is the contribution of exports as a percentage of the total turnover of the entity?**

The Company's contribution of exports is 65.25% of total turnover of the entity.

c. **A brief on types of customers:**

The Company follows a B2B business model, offering multi-mineral solutions to numerous global and Indian industry leaders in fiberglass, paint, cement, and civil engineering sectors.

**IV. Employees**

18. **Details as at the end of Financial Year:**

a. **Employees and workers (including differently abled):**

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>EMPLOYEES</b>						
1.	Permanent (D)	360	328	91.11	32	8.89
2.	Other than Permanent (E)	Nil	Nil	Nil	Nil	Nil
3.	Total employees (D + E)	360	328	91.11	32	8.89
<b>WORKERS</b>						
4.	Permanent (F)	79	73	92.40	6	7.60
5.	Other than Permanent (G)	148	126	85.13	22	14.87
6.	Total workers (F + G)	227	199	87.67	28	12.33

b. **Differently abled Employees and workers:**

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1.	Permanent (D)	Nil	Nil	Nil	Nil	Nil
2.	Other than Permanent (E)	Nil	Nil	Nil	Nil	Nil
3.	Total differentlyabled employees (D+E)	Nil	Nil	Nil	Nil	Nil
<b>DIFFERENTLY ABLED WORKERS</b>						
4.	Permanent (F)	Nil	Nil	Nil	Nil	Nil
5.	Otherthan permanent (G)	Nil	Nil	Nil	Nil	Nil
6.	Total differentlyabled workers (F+G)	Nil	Nil	Nil	Nil	Nil

# Ashapura Minechem Limited

## 19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	7	2	28.58
Key Management Personnel	2	Nil	Nil

## 20. Turnover rate for permanent employees and workers

	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	16.37	13.11	14.74	14.43	10.91	12.67	14.36	27.12	20.74
Permanent Workers	28.17	75.00	51.58	15.95	100.00*	57.98	24.69	100.00*	62.35

\* Note: The total turnover rate of permanent female workers in FY 2021-22 represents 100% as there were 4 female workers employed at the starting of the year, 3 left during the year and 2 were employed at the end of the year. Further, the turnover rate is 100% for FY 2020-21 as there were 2 female workers employed at the starting of the year, 3 left during the year and 4 were employed at the end of the year.

## V. Holding, Subsidiary and Associate Companies (including joint ventures)

### 21. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
Please refer the details of Company's Subsidiaries, Associates and Joint Ventures as on March 31, 2023, as provided in the Annual Report of 2022-23. Further none of the entity indicated, participates in the Business Responsibility initiatives.				

## V. CSR Details

### 22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013:

For the current reporting year the CSR spend is not applicable.

- (ii) **Turnover (in Rs.)** - 26,271 Lakhs  
 (iii) **Net worth (in Rs.)** - 3,460 Lakhs

## VI. Transparency and Disclosures Compliances

### 23. Complaints/ Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Employees and workers	Yes, the Company has grievance redressal mechanism. The concerned person can reach out to HR.	Nil	Nil	Nil	Nil	Nil	Nil
Shareholders	Shareholders can lodge their grievances through cosec@ashapura.com & through SEBI SCORES mechanism	Nil	Nil	Nil	Nil	Nil	Nil
Investors (other than shareholders)		Nil	Nil	Nil	Nil	Nil	Nil
Communities	Yes, the Company has grievance mechanism in place, and the concerned aggrieved can raise their concern at support@ashapura.com	Nil	Nil	Nil	Nil	Nil	Nil
Customers		Nil	Nil	Nil	Nil	Nil	Nil
Value Chain Partners		Nil	Nil	Nil	Nil	Nil	Nil



#### 24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	GHG Emissions	Risk	Mining operations are energy-intensive and generate significant direct greenhouse gas (GHG) emissions, including carbon dioxide from fuel used during mining, ore processing, and smelting activities. The impact of climate change has increased in frequency and severity over the years and has become an emerging global risk.	In order to mitigate the risk associated with GHG emissions, the Company is focusing on the importance of GHG reduction and effective utilization of energy by selecting appropriate environmentally friendly technologies. The Company, therefore, to reduce GHG emissions, is using very low Sulphur coal and has also installed twin bag filters and cyclone separator. Furthermore, it has also set target for being net zero emission company by 2050, and for achieving the same the Company is taking necessary steps.	Negative
2.	Employee Health & Safety	Risk	Safety is critical to mining operations due to the often hazardous working conditions. The Mining industry has relatively high fatality rates compared to other industries. Fatalities or injuries can result from a number of hazards associated with the industry, including powered haulage and machinery as well as mine integrity. Poor health and safety records can result in fines and penalties, and an increase in regulatory compliance costs from more stringent oversight.	Providing a safe workplace to the employees is a vital responsibility & the Company is therefore constantly striving to provide and maintain safe premises, machinery, systems and processes at its operating locations. It has open-cast surface mining as such risk is substantially low.	Negative
3.	Waste & Hazardous Materials Management	Risk	Mining industry generates large volumes of non-mineral and mineral waste, including waste rock, tailings, slurries, slags, sludge's, smelting, and industrial wastes, some of which may contain substances that are toxic, hazardous, or chemically reactive. Mineral processing sometimes also requires the use of hazardous materials for metal extraction.	Waste produced during mining operations, depending on its type, can be treated, disposed of, or stored on- or off-site in impoundments or old mine pits. Improper disposal or storage of hazardous materials or mining waste can present a significant long-term threat to human health and ecosystems through potential contamination of groundwater or surface water that is used for drinking or agriculture purposes. Thereby at operational level, the Company maintains and takes proper measures for waste disposal. None of the company's operations create sludge, slags etc. The overburden is responsibly used for backfilling of mines.	Negative
4.	Air Quality	Risk	Mining industries generates Non-greenhouse gas (GHG) air emissions, which can have significant, localized human health and environmental impacts. Depending on the metal, uncaptured sulfur dioxide, lead, mercury, cadmium, and arsenic are among the chief pollutants, along with particulate matter.	The emissions of SO <sub>x</sub> , NO <sub>x</sub> , SPM and particulate matter have become severe health issues across India's urban landscape. The Company monitors its SO <sub>x</sub> , NO <sub>x</sub> and SPM emissions. The Company also has systems in place to control the air pollutants emitted into the atmosphere and comply with the applicable laws and regulations. Further, the Company does not carry out any smelting or refinery activity.	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5.	Management of the Legal and Regulatory Environment Compliances	Risk	Continuous upgradations with respect to mining and environmental laws may impact the company's operations; thereby creating a non-compliance risk.	The company has a comprehensive compliance management framework, which is updated at regular intervals, and is integrated with business processes, risks and controls &, changes in regulations are tracked and integrated within the Compliance Management System.	Negative
6	Employment opportunities for locals	Opportunity	Since the company operates in mining it needs to closely work with the locals; which helps it in the creation of employment opportunities which can have a positive impact on the livelihood and earning capacity and skill development thereof.	NA	Positive

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9	
Policy and management processes										
<b>1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)</b>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<b>b. Has the policy been approved by the Board? (Yes/No)</b>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<b>c. Web Link of the Policies, if available</b> Web-links for the policies available: <ul style="list-style-type: none"> <li>• Policy on Prevention of Insider Trading:  P1, P4, P7</li> <li>• Risk Management Policy:  P1, P2</li> <li>• Dividend Distribution Policy:  P3, P4</li> <li>• Social Audit Policy:  P3, P5</li> <li>• Code of Practices &amp; Procedures for Fair Disclosure of UPSI:  P1</li> <li>• Corporate Social Responsibility Policy:  P4, P8</li> <li>• Material Disclosure Policy  P1, P4</li> <li>• Nomination &amp; Remuneration Policy:  P3, P4</li> <li>• Performance Evaluation Policy:  P3</li> <li>• Policy on Related Party Transactions:  P1, P4, P7</li> <li>• Policy on Prevention of Sexual Harassment:  P5</li> <li>• Preservations of Docs policy:  P1</li> <li>• Vigil Mechanism- Whistle Blower Policy:  P1</li> <li>• Policy for Determining Material Subsidiary:  P1</li> <li>• EHS Policy: Internal  P6</li> <li>• IT Policy: Internal  P9</li> </ul> <p style="text-align: right;"><a href="https://www.ashapura.com/investor-corner.php">https://www.ashapura.com/investor-corner.php</a></p>										
Few of the companies' policies form the part of HR manual accessible to all employees which covers all the Principles of NGRBC.										
<b>2. Whether the entity has translated the policy into procedures. (Yes / No)</b>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<b>3. Do the enlisted policies extend to your value chain partners? (Yes/No)</b>	No	No	No	No	No	No	No	No	No	No
<b>4. Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.</b>	Policies as mentioned above are based on Principles of NGRBC. Additionally, they are in conformity with the international certifications obtained by the Company viz.: For Environment Management System ISO 14001:2015; Occupational Health & Safety Management Systems ISO 45001:2018; Quality Management System ISO 9001:2015									



5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	The company is trying to endeavor its ESG journey by establishing a tangible data driven ESG strategy and sharing the progress with key stakeholders to show the ability to manage risks, remain profitable and operate responsibly.
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	
<b>Governance, leadership and oversight</b>	
<b>7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements</b>  We, at Ashapura Minechem Limited, are committed towards bettering our efforts at Environment, Social and Governance practices that we follow in our thoughts and actions. We understand the significance of responsible mining and strive to negate impact of our operations on ecological footprints through efficient resource utilization, waste management, and reclamation efforts. We have a set target to achieve net-zero emission by 2050, for which the Company aims to lower indirect emissions and invest in carbon-reduction projects to offset them. Through risk identification and formulating mitigation measures, we already have started our journey to be a more responsible and sustainable Company for a better future of the planet. Further, our operations are conducted with utmost regard for the welfare and safety of our employees, as well as the communities we operate in. We promote diversity, inclusivity, and ethical practices, fostering a positive and transparent work culture. With a robust governance framework, we ensure accountability, integrity, and sound decision-making. Through our integrated approach towards technological development and advancement we strive to deliver a broad range of sustainable outcomes across the three pillars of ESG.	
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Shri Hemul Shah Executive Director and CEO cosec@ashapura.com
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	The Company has Risk Management Committee, responsible for making decision relating to issues on Sustainability.

<b>10. Details of Review of NGRBCs by the Company:</b>																			
Subject for Review	Indicate whether review was undertaken by Director /Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)									
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9	
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	Annually									
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company being a regulated company, complies with all major compliances with statutory requirements of relevance to the principles, there has not been any major non-compliance within the Company and the report of the same is sent to the BoD.									Quarterly									
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9	Dhir & Dhir Associates, a Law Firm, has assessed the efficiency of the operations and sufficiency of the policies. The evaluation was conducted based on the functionality of the policies. Additionally, department heads and business heads periodically review and revise the policies, which are then approved by the management or board. The processes and compliances, however, may be subject to scrutiny by internal auditors and regulatory compliances, as applicable.									

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/ No)	NA								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

# Ashapura Minechem Limited

## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

**PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**

### ESSENTIAL INDICATORS

**1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:**

Segment	Total Number of training and awareness programmes held	Topics/principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	4	During the year, the Board engaged in various updates pertaining to business, regulatory, safety, ESG matters, etc.	100.00
Key Managerial Personnel	14		100.00
Employees other than BoD and KMPs	44	Behavioural Training skill development, personal finance, interpersonal relationship Functional Training knowledge sharing, emergency response, data Analysis, human rights, regulatory compliance, Leadership & Managerial Skills, health and Safety	13.00
Workers	15	General safety awareness, PPE use, emergency preparedness, fire training, electrical safety training, machinery training, risk management, good working practices, etc.	100.00

**2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity’s website):**

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (in INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	Nil	Nil	Nil	Nil	Nil
Settlement	Nil	Nil	Nil	Nil	Nil
Compounding Fee	Nil	Nil	Nil	Nil	Nil
Non-Monetary					
Imprisonment	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil

**3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not applicable, as no such instance reported	

**4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes, the Company strongly believes in conducting its business in a fair and transparent manner. Therefore, it has implemented an anti-corruption and anti-bribery policy as part of its code of conduct and vigil mechanism. This policy applies to all directors and employees of the Company. It emphasizes the importance of maintaining employee confidentiality while also ensuring that protection is not misused for personal grievances. The web-link for the Company’s Vigil Mechanism is as follows: <https://www.ashapura.com/investor-corner.php>



**5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

	FY 2022-23	FY 2021-22
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

**6. Details of complaints with regard to conflict of interest:**

	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of conflict of interest of the Directors	Nil	Nil	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil	Nil	Nil

**7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

The company has robust policies, processes, systems, and monitoring to ensure compliance. Regular reviews and updates with best practices are carried out, and corrective actions are implemented as needed. As no compliance issues were reported, no corrective actions were necessary.

**Leadership Indicators**

**1. Awareness programs conducted for value chain partners on any of the Principles during the financial year:**

Total number of awareness programs held	Topic/principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programs
Value chains partners are from time and again are being made aware of policies and conduct however no formal trainings are being conducted, the same shall be assessed and taken up from upcoming year.		

**2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.**

Yes, the Company upholds transparent and fair business conduct, exemplified by its Conflict of Interest Policy as part of the code of conduct. This policy allows personal transactions and investments while diligently preventing potential conflicts of interest. The Company remains committed to taking all necessary measures to ensure ethical practices and avoid any compromise in its operations.

**PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe**

**ESSENTIAL INDICATORS**

**1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	FY 2022-23	FY 2021-22	Details of improvements in the environmental and social impacts
R&D	2.79	0.89	During the reporting year, the company allocated funds to several ongoing and new projects, with a particular focus on investments in specific technological advancements. These initiatives encompassed fluoride removal from drinking water and water conservation strategies, with the ultimate aim of enhancing environmental and social impacts.
Capex	0.28	0.15	

**2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Yes, the Company operates within the domains of mining, mineral processing, and logistics, relying significantly on minerals sourced from open cast mines. To ensure responsible practices, the Company engages in responsible sourcing from local accredited mine owners. Adhering to all required regulations and guidelines, the Company upholds responsible and sustainable mining practices both in letter and in spirit.

**b. If yes, what percentage of inputs were sourced sustainably?**

The Company is committed to ensuring efficiency in the procurement of goods, and therefore, suppliers are asked to adhere to the general practices adopted by the industry. However, the percentage for the same is currently not ascertainable. Nevertheless, the Company will ensure data collection on this matter in the coming years.

# Ashapura Minechem Limited

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

The company has been taking numerous steps to improve waste management practices across its operations. For the disposal of waste, the Company has set SOP wherein different departments are given responsibility of safe disposal of waste to authorized vendors and for the finished products which are over size, under size or rejected - are crushed and then reused.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

No, considering nature of operations, EPR is not applicable to us.

## LEADERSHIP INDICATORS

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product/ Service	% of total Turnover Contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
At present, the company does not conduct life cycle assessment; nevertheless, it has plans to undertake one in the forthcoming years					

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product/ Service	Description of the risk/ concern	Action Taken
Not applicable, as there were no assessments conducted during the reporting period.		

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2022-23	FY 2021-22
	Nil	Nil

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2022-23			FY 2021-22		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	Nil	Nil	Nil	Nil	Nil	Nil
E-waste	Nil	Nil	Nil	Nil	Nil	Nil
Hazardous Waste	Nil	Nil	Nil	Nil	Nil	Nil
Other waste	Nil	Nil	Nil	Nil	Nil	Nil

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Nil	Nil





**PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains**

**ESSENTIAL INDICATORS**

**1. a. Details of measures for the well-being of employees:**

<b>% of employees covered by</b>											
	<b>Total (A)</b>	<b>Health Insurance</b>		<b>Accident Insurance</b>		<b>Maternity Insurance</b>		<b>Paternity Benefits</b>		<b>Day care facilities</b>	
		<b>Number (B)</b>	<b>% (B/A)</b>	<b>Number (C)</b>	<b>% (C/A)</b>	<b>Number (D)</b>	<b>% (D/A)</b>	<b>Number (E)</b>	<b>% (E/A)</b>	<b>Number (F)</b>	<b>% (F/A)</b>
<b>Permanent Employees</b>											
Male	328	328	100.00	328	100.00	Nil	Nil	328	100.00	Nil	Nil
Female	32	32	100.00	32	100.00	32	100.00	Nil	Nil	Nil	Nil
Total	360	360	100.00	360	100.00	32	8.89	328	91.11	Nil	Nil
<b>Other than Permanent Employees</b>											
Male	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

**b. Details of measures for the well-being of workers:**

<b>% of employees covered by</b>											
	<b>Total (A)</b>	<b>Health Insurance</b>		<b>Accident Insurance</b>		<b>Maternity Insurance</b>		<b>Paternity Benefits</b>		<b>Day Care facilities</b>	
		<b>Number (B)</b>	<b>% (B/A)</b>	<b>Number (C)</b>	<b>% (C/A)</b>	<b>Number (D)</b>	<b>% (D/A)</b>	<b>Number (E)</b>	<b>% (E/A)</b>	<b>Number (F)</b>	<b>% (F/A)</b>
<b>Permanent Employees</b>											
Male	73	73	100.00	73	100.00	Nil	Nil	73	100.00	Nil	Nil
Female	6	6	100.00	6	100.00	6	100.00	Nil	Nil	Nil	Nil
Total	79	79	100.00	79	100.00	6	7.60	73	92.40	Nil	Nil
<b>Other than Permanent Employees</b>											
Male	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

**2. Details of retirement benefits, for Current FY and Previous Financial Year.**

<b>Benefits</b>	<b>FY 2022-23</b>			<b>FY 2021-22</b>		
	<b>No. of employees covered as a % of total employees</b>	<b>No. of workers covered as a % of total workers</b>	<b>Deducted and deposited with the authority (Y/N/N.A.)</b>	<b>No. of employees covered as a % of total employees</b>	<b>No. of workers covered as a % of total workers</b>	<b>Deducted and deposited with the authority (Y/N/N.A.)</b>
PF	100.00	100.00	Y	100.00	100.00	Y
Gratuity	100.00	100.00	Y	100.00	100.00	Y
ESI	1.00	32.00	Y	2.00	17.00	Y

**3. Accessibility of workplaces**

**Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard**

The Company strongly advocates for equality and recognizes numerous benefits of a diverse workforce. Though it currently lacks such facilities, it has plans in the near future to provide accessibility for differently abled employees and workers.

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**4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

The Company upholds a policy that firmly supports equal opportunities for employment across all sections of society, acknowledging its responsibility towards diversity, inclusion, and equality. This policy is an integral part of the Company's HR manual, accessible to all employees. It reflects the commitment of the Company to foster a fair and inclusive workplace for everyone.

**5. Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent Employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	During the reporting period, no parental leave was availed			
Female				
Total				

**6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.**

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	The Company firmly upholds the principle of fostering a productive and supportive work environment, ensuring that grievances are addressed fairly. To achieve this, a grievance redressal mechanism is implemented as part of the vigil mechanism and code of conduct, which applies to all employees and workers associated with the Company.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

**7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:**

Category	FY 2022-23			FY 2021-22		
	Total employees / workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	Nil	Nil	Nil	Nil	Nil	Nil
Male	Nil	Nil	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil
Total Permanent Worker	Nil	Nil	Nil	Nil	Nil	Nil
Male	Nil	Nil	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil

**8. Details of training given to employees and workers:**

	FY 2022-23						FY 2021-22					
	Total (A)	On Health and Safety measures		On Skill upgradation		Total (D)	On Health and Safety measures		On Skill upgradation			
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)		
<b>Employees</b>												
Male	328	Nil	Nil	34	10.37	295	Nil	Nil	179	60.68		
Female	32	Nil	Nil	11	34.38	29	Nil	Nil	3	10.34		
Total	360	Nil	Nil	45	12.50	324	Nil	Nil	182	56.17		
<b>Workers</b>												
Male	73	Nil	Nil	Nil	Nil	69	Nil	Nil	45	65.21		
Female	6	Nil	Nil	Nil	Nil	3	Nil	Nil	Nil	Nil		
Total	79	Nil	Nil	Nil	Nil	72	Nil	Nil	45	62.50		



**9. Details of performance and career development reviews of employees and worker:**

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	328	328	100.00	295	295	100.00
Female	32	32	100.00	29	29	100.00
Total	360	360	100.00	324	324	100.00
<b>Workers</b>						
Male	73	73	100.00	69	69	100.00
Female	6	6	100.00	3	3	100.00
Total	79	79	100.00	72	72	100.00

**10. Health and safety management system:**

**a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

The Company is dedicated to the well-being of its employees and workers, evident through its occupational health and safety management system. This system encompasses various components such as the EHS policy, work permit system, and incident & accident reporting, ensuring a safe working environment. Additionally, the Company employs HIRA (Hazard Identification and Risk Assessment) to identify and evaluate work-related hazards, implementing and monitoring appropriate measures for risk mitigation.

Regular internal safety audits are conducted at the plant level to assess the efficiency of the occupational health and safety mechanism and identify areas for improvement. Furthermore, the Company maintains the standard of OHSAS 18001:2007, underscoring its commitment to adhering to the highest occupational health and safety standards.

**b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

Yes the Company, realizing its responsibility towards identifying work-related hazards conducts hazard identification and risk assessment study at plant level to identify hazard associated and has thereby set process which is as under:

- i. Identification of the hazards.
- ii. Identify who is at risk or what can be damaged and how.
- iii. Evaluate the risk and identify any additional control measures necessary to reduce the risk to as Low as Reasonably Practicable (ALARP).
- iv. Implement control measures at the workplace.
- v. Monitor and review the effectiveness of the control measures.

**c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)**

Yes, the Company has a process in place where workers can report any work-related hazards to their department head. Additionally, according to the HIRA (Hazard Identification and Risk Assessment) study book, ensuring that all workplace risks are appropriately managed requires the active participation, consultation, and communication of both employees and contractors.

**d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

Yes, the Company, towards working for the betterment of its employees conducts annual health check-ups and consultation facility is extended to employees and their spouses.

**11. Details of safety related incidents, in the following format:**

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	1.16	Nil
	Workers	Nil	18.47
Total recordable work-related injuries	Employees	1	Nil
	Workers	Nil	9
No. of fatalities	Employees	Nil	Nil
	Workers	Nil	Nil

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High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	Nil	Nil

**12. Describe the measures taken by the entity to ensure a safe and healthy work place.**

The Company ensures that risk management is embedded in Company's culture and practice and thereby adopt a systematic approach to risk management wherein hazards are identified, risks are evaluated and appropriate control measures are implemented and monitored.

Currently the Company has identified certain potential hazards and accordingly safety measures like that of usage of PPE kits, designing escape routes, availability of rescue equipment at appropriate places etc. are provided. Additionally internal audits are conducted to ensure adequate health measures are taken by the Company.

**13. Number of Complaints on the following made by employees and workers:**

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil, since during the year, there were no complaints received.					
Health & Safety						

**14. Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100.00
Working Conditions	100.00

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

Nil. No significant risk/ concerns reported during the reporting period.

### LEADERSHIP INDICATORS

**1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

The Company has a process in place for the settlement of dues in the unfortunate event of an employee's death, which follows the company's policy. Additionally, in specific special cases or under certain additional scenarios, financial assistance is also provided based on the individual circumstances.

**2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

The Company ensures that their value chain partners follow the necessary statutory compliances pertaining to payment of statutory dues. However, a formal mechanism is currently not formulated.

**3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

**4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**



The Company provides transition assistance by appointing the relevant individuals as consultants for a period of 1 or 2 years. This program is designed to facilitate ongoing employability and assist in managing career transitions resulting from retirement or termination of employment.

**5. Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Nil, since during the current reporting period no such assessment was conducted.
Working Conditions	

**6. Provide details of any corrective actions taken or underway to address significant risks /concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

Not applicable since no such assessment was undertaken during the reporting period.

**PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders**

**ESSENTIAL INDICATORS**

**1. Describe the processes for identifying key stakeholder groups of the entity.**

The Company has identified its internal and external stakeholders which includes Investors, Customers, Employees, Clients, Statutory Authorities and Vendors. The said identification of stakeholders is an ongoing process.

**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community, Meetings, Notice Board, Website, Other)	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	- Emails, Meetings	Regularly	- Update on policies - Achievement - Awards - Trainings - Employee engagement initiatives.
Shareholders	No	- Press release, Website - Publications, - Newspaper publications, - Annual reports, - Annual General Meetings	Annually, Quarterly & Need basis	- Update on Financial Performance - Business Performance - Company's new Initiatives.
Customers	No	- Email, Telephonic communications, Personal meetings, - Virtual meetings	Regularly	- Communication & engagement during the entire cycle of obtaining, execution and feedback of a contract/ order/ despatch.
Suppliers/ Vendors	No	- Email, Telephonic communication, Personal meetings, Virtual meetings	Regularly	- Communication & engagement during the entire cycle of awarding, execution and feedback of a contract/ order/ despatch.
Communities	Yes	- Community Meetings	From time to time	- Requisite engagement under the mining regulations and for CSR objectives.
Government Authorities	No	- Statutory filings	From time to time	- Submissions of compliances and receipt of approvals

**LEADERSHIP INDICATORS**

**1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

The Company follows a well-defined procedure in which individual departments, each with specific roles and responsibilities, regularly interacts with key stakeholders, such as investors, customers, suppliers, and employees. Additionally, there is stakeholder relationship committee that keeps the Management updated on the progress of actions and seeks inputs periodically on a quarterly basis.

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2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Yes, the Company utilizes a combination of formal and informal mechanisms to actively engage with its stakeholders and comprehend their concerns and expectations. Nevertheless, this process is continually evolving, and the stakeholders' suggestions undergo thorough consideration through Board discussions and are considered while formulation of company's internal policies.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

The Company during the reporting period do not have any such instance, however the Company through their respective department heads have regular interactions with its stakeholders and necessary modifications are being made on need basis.

## PRINCIPLE 5: Businesses should respect and promote human rights

### ESSENTIALS INDICATORS

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:\***

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	360	46	12.78	324	Nil	Nil
Other than permanent	Nil	Nil	Nil	Nil	Nil	Nil
Total Employees	360	46	12.78	324	Nil	Nil
<b>Workers</b>						
Permanent	79	Nil	Nil	72	Nil	Nil
Other than permanent	148	Nil	Nil	131	Nil	Nil
Total Workers	227	Nil	Nil	203	Nil	Nil

\* The Company conducts regular awareness sessions on Human Rights issues and includes element of human right in its internal policies, however the data for the same is currently not being quantified. Efforts are underway to record the data from upcoming years.

2. **Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Permanent	360	Nil	Nil	360	100.00	324	Nil	Nil	324	100.00
Male	328	Nil	Nil	328	100.00	295	Nil	Nil	295	100.00
Female	32	Nil	Nil	32	100.00	29	Nil	Nil	29	100.00
Other than Permanent	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Male	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Workers</b>										
Permanent	79	Nil	Nil	79	100.00	72	Nil	Nil	72	100.00
Male	73	Nil	Nil	73	100.00	69	Nil	Nil	69	100.00
Female	6	Nil	Nil	6	100.00	3	Nil	Nil	3	100.00
Other than Permanent	148	148	100.00	Nil	Nil	131	131	100.00	Nil	Nil



Male	126	126	100.00	Nil	Nil	115	115	100.00	Nil	Nil
Female	22	22	100.00	Nil	Nil	16	16	100.00	Nil	Nil

**3. Details of remuneration/salary/wages, in the following format (INR p.a.):**

	Male		Female	
	Number	Median remuneration/ Salary/ Wages of respective category	Number	Median remuneration/ Salary/ Wages of respective category
Board of Directors (BoD)	2	1,04,18,000	Nil	Nil
Key Managerial Personnel	5	80,93,262	Nil	Nil
Employees other than BoD and KMP	323	3,78,941	32	9,33,705
Workers	73	1,95,974	6	1,93,584

**4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

The Company aims towards providing better work environment to its employees, and thereby for addressing any concerns related to Human Rights, HR personnel can be contacted.

**5. Describe the internal mechanisms in place to redress grievances related to human rights issues**

The Company with the objective of facilitating its employees has in place, grievance redressal mechanism as a part of its code of conduct and vigil mechanism, wherein the concerns or grievance are addressed.

**6. Number of Complaints on the following made by employees and workers:**

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual harassment	Nil	Nil	NA	Nil	Nil	NA
Discrimination at workplace	Nil	Nil	NA	Nil	Nil	NA
Child Labour	Nil	Nil	NA	Nil	Nil	NA
Forced Labour/ Involuntary Labour	Nil	Nil	NA	Nil	Nil	NA
Wages	Nil	Nil	NA	Nil	Nil	NA

**7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases**

The Company maintains a zero-tolerance policy towards sexual harassment in the workplace and has adopted a comprehensive Prevention of Sexual Harassment policy to create a safe working environment, where all employees treat each other with courtesy and dignity. The Company has established a well-defined procedure and guidelines to prevent harassment, complemented by an internal complaints committee responsible for timely resolution of such complaints. Additionally, the Company has implemented a whistle-blower policy to safeguard the interests of the complainants.

**8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes, the Company lays huge emphasis on human rights and thereby in all its business agreement and contracts which the Company enters, relevant clauses related to observance of human rights are included.

**9. Assessments for the year:**

	% of your plants and Offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	100.00
Forced/involuntary labour	100.00

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Sexual Harassment	100.00
Discrimination at workplace	100.00
Wages	100.00

**10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

Nil, since no significant risk/concerns were raised during the reporting period.

### LEADERSHIP INDICATORS

**1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints**

The Company works towards the betterment of its employees and, therefore, has a grievance redressal policy as a part of its code of conduct in place. However, during the reporting period, no human rights issues were reported. The Company firmly believes that it has upheld the basic principles of human rights in all its dealings.

**2. Details of the scope and coverage of any Human rights due-diligence conducted.**

Not applicable, since during the reporting period no such due-diligence was conducted.

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

The Company strongly advocates for equality and recognizes the numerous benefits of a diverse workforce. While we currently lack such facilities, we have plans in the near future to provide accessibility for differently abled visitors

**4. Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	Nil
Discrimination at workplace	Nil
Child Labour	Nil
Forced Labour / Involuntary Labour	Nil
Wages	Nil

**5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

Not applicable, as no such assessment is currently being undertaken for Value Chain Partners

**PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment**

### ESSENTIAL INDICATORS

**1. Details of total energy consumption (in GJ) and energy intensity, in the following format:**

Parameter	FY 2022-23 (In GJ)	FY 2021-22 (In GJ)
Total electricity consumption (A)	22,606.82	25,763.21
Total fuel consumption (B)	1,56,464.44	1,62,642.63
Energy consumption through other sources (C)	Nil	Nil
Total energy consumption (A+B+C)	1,79,071.26	1,88,405.84
Energy intensity per rupee of turnover (GJ of consumption/ turnover of lakhs in rupees)	6.82	3.02

\* **Note:** The above table does not include fuel consumed for owned vehicles for some locations.

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, evaluation is not being conducted by any external agency.





2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any

Not Applicable. The Company is not identified as a Designated Consumer under the PAT Scheme.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface water	Nil	Nil
(ii) Groundwater	15,644.50	12,500.50
(iii) Third party water (Tanker)	24,895.00	31,239.00
(iv) Seawater / desalinated water	Nil	Nil
(v) Others	Nil	Nil
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	40,539.50	43,739.50
Total volume of water consumption (in kilolitres)	53,264.50	59,266.50
Water intensity per rupee of turnover (KL of consumption/ turnover of lakhs in rupees)	2.02	0.94

\* Note: Total amount of water consumed includes amount of water recycled.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, evaluation is not being conducted by any external agency.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

The company's manufacturing and mining process does not involve contamination of water since the water used is mainly for cooling, domestic activities and thereby the waste water generated is either reused after filtration through filter press or is disposed off through soak pit/ safety tank.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2022-23	FY 2021-22
NOx	Kg	10,956.63	10,145.23
SOx	Kg	20,912.87	24,657.03
Particulate matter (PM)	Kg	22,800.00	25,353.27
Persistent organic pollutants (POP)		The three parameters were not assessed for both the financial years.	
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, at the plant level, the Company conducts independent assessments through external agencies for various locations. For the Baraya location, monitoring is performed by Enpro Envirotech, while for Kaolin location monitoring is performed by Royal Environment Auditing. Similarly, Gaheli Environmental Laboratory conducts monitoring for Dapoli location. These measures demonstrate the Company's commitment to maintaining environmental standards and ensuring responsible practices at different sites.

# Ashapura Minechem Limited

## 6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	1,83,198.07	1,02,503.26
Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	5,086.53	5,796.72
Total Scope 1 and Scope 2 emissions per rupee of turnover		7.17	1.73

\* **Note:** The Company has not quantified data for owned vehicles for some locations and the calculations includes only the electricity consumption data from the Head Office.

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No, evaluation is not being conducted by any external agency.

## 7. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

Yes, the Company has implemented a project called "Reduction In FO Consumption," which aims to decrease Furnace Oil (FO) consumption by finding new process routes for material drying and conveying. Through the utilization of natural sources, such as sun drying material, a total of 912 MT of Furnace Oil consumption has been successfully reduced.

## 8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-23	FY 2021-22
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	Nil	Nil
E-waste (B)	0.400	0.006
Bio-medical waste (C)	Nil	Nil
Construction and demolition waste (D)	Nil	Nil
Battery waste (E)	Nil	Nil
Radioactive waste (F)	Nil	Nil
Other Hazardous waste. (Used Oil) (G)	0.070	0.075
Other Non-hazardous waste generated (H). (Earth Waste)	5450.00	Nil*
Total (A+B + C + D + E + F + G+ H)	5450.47	0.081
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
Category of waste		
(i) Recycled	Nil	Nil
(ii) Re-used	0.07	0.08
(iii) Other recovery operations	Nil	Nil
Total	0.07	0.08
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
Category of waste		
(i) Incineration	Nil	Nil
(ii) Landfilling	Nil	Nil
(iii) Other disposal operations	5450.00	Nil
Total	5450.00	Nil

\* **Note:** Nil since Dapoli location of the Company has revived its operation during current financial year

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, evaluation is not being conducted by any external agency.



9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Company's manufacturing and mining process does not involve hazardous or toxic chemicals waste, the other waste like that of E-waste is sent to recycler and oil or overburden waste so generated during mining operations are used for backfilling of mined out-pits.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Types of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Nil, since none of the organization's entity is located in ecologically sensitive area.			

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
The Company during the current financial year has not undertaken any such assessments.					

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, and Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Serial Number	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective taken, if any action
Yes, the Company is compliant with all applicable environmental law/ regulations/ guidelines in India.				

#### LEADERSHIP INDICATORS

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2022-23	FY 2021-22
<b>From renewable sources</b>		
Total electricity consumption (A)	Nil	Nil
Total fuel consumption (B)	Nil	Nil
Energy consumption through other sources (C)	Nil	Nil
Total energy consumed from renewable sources (A+B+C)	Nil	Nil
<b>From non-renewable sources</b>		
Total electricity consumption (D)	22,606.82	25,763.21
Total fuel consumption (E)	1,56,464.44	1,62,642.63
Energy consumption through other sources (F)	Nil	Nil
Total energy consumed from non-renewable sources (D+E+F)	1,79,071.26	1,88,405.84

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, evaluation is not being conducted by any external agency.

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## 2. Provide the following details related to water discharged:

Parameter	FY 2022-23	FY 2021-22
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	The stored water which is 12,725.5 for 2022-23 and 15,527 for 2021-2022 is recycled, hence there is no discharge of waste water in any of the given sources by the Company	
- No treatment		
- With treatment – please specify level of treatment		
(ii) To Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) To Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

No, evaluation is not being conducted by any external agency.

## 3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

**For each facility / plant located in areas of water stress, provide the following information:**

(i) Name of the area

(ii) Nature of operations

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2022-23	FY 2021-22
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	Not Applicable, since the company does not withdraw, consume, or discharge water in Central Ground Water Board (CGWB) notified areas of water stress.	
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres)		
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Water consumed / turnover)		
Water intensity (optional) – the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kilolitres)		



(i) Into Surface water	Not Applicable, since the company does not withdraw, consume, or discharge water in Central Ground Water Board (CGWB) notified areas of water stress.
- No treatment	
- With treatment – please specify level of treatment	
(ii) Into Groundwater	
- No treatment	
- With treatment – please specify level of treatment	
(iii) Into Seawater	
- No treatment	
- With treatment – please specify level of treatment	
(iv) Sent to third-parties	
- No treatment	
- With treatment – please specify level of treatment	
(v) Others	
- No treatment	
- With treatment – please specify level of treatment	
Total water discharged (in kilolitres)	

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

No, evaluation is not being conducted by any external agency.

**4. Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 3 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	The company did not measure its Scope 3 emissions in the reporting year. However, it is working towards providing the relevant data in the upcoming years.	
Total Scope 3 emissions per rupee of turnover			
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.**

No, evaluation is not being conducted by any external agency.

**5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

Not Applicable, since the Company's none of the operations are located in ecologically sensitive area.

**6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	RWH facilities	All the mined out pits are used as RWH facilities	Improvement in the ground water levels in the core and buffer zone

**7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

The Company has a Business Continuity Plan as a part of its Risk Management Policy wherein the Company has identified its internal and external risks that includes financial, operation, sustainability, information, cyber security risks or any other risk as may be determined by the Risk management committee. These identified risks can disrupt the continuity of the business, thereby the Company has mitigation plans in place and it reviews the same every year.

**8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?**

Not applicable, since there has been no adverse impact to the environment arising from the value chain of the entity has occurred.

# Ashapura Minechem Limited

**9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

Not applicable, since during the year, no value chain partners were assessed.

**PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

**ESSENTIAL INDICATORS**

1.
  - a) **Number of affiliations with trade and industry chambers/ associations.**  
The Company has 7 affiliations with trade and industry chambers/associations.
  - b) **List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

S. No	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Chemicals & Allied Products Export Promotion Council (CAPEXIL)	National
2	Federation of Indian Export Organizations (FIEO)	National
3	Export Credit Guarantee Corporation (ECGC)	National
4	Generalized System Of Preferences (GSP)	National
5	Bombay Chamber Of Commerce & Industry (BCCI)	State
6	Federation of Indian Mineral Industries (FIMI)	National
7	Directorate General Of Foreign Trade (DGFT)	National

**2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities**

Name of authority	Brief of the case	Corrective active taken
Not applicable, since no adverse orders received from regulatory authorities.		

**LEADERSHIP INDICATORS**

**1. Details of public policy positions advocated by the entity:**

Sr. No	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, If available
The Company did not advocate any public policy positions during the reporting period					

**PRINCIPLE 8: Businesses should promote inclusive growth and equitable development**

**ESSENTIAL INDICATORS**

**1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and Brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/ No)	Relevant Web Link
No such projects were undertaken by the company for which SIA was required as per applicable laws.					

**2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**



S. No	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	5 of PAFs covered by R&R	Amounts paid to PAFs in the FY (in INR)
Not applicable, since no such projects were undertaken.						

**3. Describe the mechanisms to receive and redress grievances of the community.**

The Company believes in the inclusive and equitable development of the local community and, therefore, interacts through formal and informal mechanisms to work for their betterment. The Company also provides an open forum on its website where any member of the community can address their concerns or grievances. At a group level, the company proactively engages with the community as part of its CSR initiatives.

**4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	The Company sources certain input materials directly from MSME and within the district, however, the same is not quantified, it is working towards providing the relevant data in the upcoming years.	
Sourced directly from within the district and neighbouring districts		

**LEADERSHIP INDICATORS**

**1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken
Not Applicable, since no SIA was undertaken	

**2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

S. No	State	Aspirational District	Amount spent (In INR)
Not applicable, since for the current financial year CSR is not applicable			

**3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)**

Considering the nature of operations, the Company currently is not in the position to give preference to marginalized/ vulnerable group.

**(b) From which marginalized /vulnerable groups do you procure?**

Not applicable, since the Company do not procure from marginalized/ vulnerable group.

**(c) What percentage of total procurement (by value) does it constitute?**

Not applicable, since the Company do not procure from marginalized/ vulnerable group

**4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

S. No	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not Applicable				

**5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Name of authority	Brief of the case	Corrective Action taken
Not Applicable		

**6. Details of beneficiaries of CSR Projects:**

S. No	CSR Project	No. of persons benefitted from CSR projects	% of beneficiaries from vulnerable and marginalized groups
Not applicable for the current financial year.			

# Ashapura Minechem Limited

## PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

### ESSENTIAL INDICATORS

#### 1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

As the Company operates in the B2B sector, the process of addressing and attending to customer grievances is real-time. While customer grievances are infrequent, if any arise, they are reported through the respective marketing channels and promptly communicated to the logistics, QC, or production department based on the nature of the complaint. To ensure effective grievance redressal, a well-established mechanism is in place. This involves recalling product samples, conducting batch sample testing at mines or the factory, or sending technical personnel to the customer's site for resolution. These proactive steps demonstrate our commitment to delivering excellent customer service and resolving issues promptly.

#### 2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100.00%
Safe and responsible usage	100.00%
Recycling and/or safe disposal	100.00%

#### 3. Number of consumer complaints in respect of the following:

	FY 2022-23		Remarks	FY 2021-22		Remarks
	Received during the Year	Pending resolution at end of year		Received during the Year	Pending resolution at end of year	
Data Privacy	Nil	Nil	Nil	Nil	Nil	Nil
Advertising	Nil	Nil	Nil	Nil	Nil	Nil
Cyber-security	Nil	Nil	Nil	Nil	Nil	Nil
Delivery of essential services	Nil	Nil	Nil	Nil	Nil	Nil
Restrictive Trade Practices	Nil	Nil	Nil	Nil	Nil	Nil
Unfair Trade Practices	Nil	Nil	Nil	Nil	Nil	Nil

#### 4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Nil	Nil
Forced recalls	Nil	Nil

#### 5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy

The Company has formulated a comprehensive Cyber Security policy to offer clear guidelines for addressing and mitigating cyber security risks. This policy is readily available on the Company's intranet, ensuring accessibility for all employees.

#### 6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Not Applicable, as no such incidents were reported.

### LEADERSHIP INDICATORS

#### 1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

Yes, the Company provides information on products and services on its website.

Web-link: <https://www.ashapura.com/products.php?section=industrial-functional-minerals>

#### 2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

The Company is dedicated to informing and educating its consumers by consistently updating its website. Additionally, it uses the website as a platform to educate customers about safe and responsible product usage. By providing valuable and up-to-date information, the Company prioritizes customer safety and satisfaction.





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**3. Mechanisms in place to inform consumers of any risk of disruption/ discontinuation of essential services.**

The company proactively communicates with its consumers via emails and phone calls to notify them about any potential risks of service disruption or discontinuation in essential services.

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

As a highly regulated industry, the company adheres to and fulfils all statutory and mandatory labelling requirements for its products. While meeting these obligations, the Company does not specifically provides any voluntary information on the product.

**5. Provide the following information relating to data breaches:**

**a) Number of instances of data breaches along-with impact**

Since no such instance of data breach has occurred during the year, it is not applicable.

**b) Percentage of data breaches involving personally identifiable information of customers**

Not applicable, since no such incidents were reported.

## **Value Beyond Mining** **SDG's Aligned**

*Ashapura Foundation, a non-profit organization affiliated with the company, is dedicated to conducting social, cultural, and rural development activities. The foundation has successfully aligned its initiatives with the United Nations' Sustainable Development Goals (SDGs) to maximize their impact and contribute to a sustainable future. Some of the key activities being carried out by the organization that are in line with the SDG goals include:*

### **Environment:**



- The organization has taken various initiatives like water harvesting, construction of loose boulder, nala plugs, storage tanks, underground sumps, sewage treatment plant in order to contribute towards sustainable water management and conservation efforts, ensuring a more resilient ecosystem.
- Furthermore, the company has laid water pipelines to ensure a sufficient water supply to the houses. This infrastructure improvement enhances access to clean water, promoting better living conditions for residents and supporting community development.
- We have set up a solar system that provides free maintenance and electricity consumption, benefiting villagers. This sustainable energy solution not only reduces electricity costs but also contributes to environmental conservation by utilizing renewable resources.
- The Company at the plant level is taking mitigating measures to prevent pollution from contributing to global environment issue.
- The company takes care of cattle during the drought period until the next monsoon. Additionally, they have started a community grass development program to ensure sustainable feed resources for the cattle.
- Furthermore, the organization is actively engaged in the plantation of various types of trees. They also provide training and tours to farmers, raising awareness about modern agricultural practices and scientific advancements. These efforts not only promote environmental conservation but also empower farmers with knowledge and skills to enhance agricultural productivity sustainably.





## Social:



- The organization wholeheartedly takes the initiative to bring employment opportunities right to the doorsteps of villagers. With unwavering dedication, it actively works towards creating livelihood opportunities that uplift and empower the local community.
- To foster women empowerment, the organization has established the Women's Academy and Self Help Groups, serving as a beacon to guide them towards a dignified and self-reliant life. This visionary initiative aims to provide women with the necessary tools, knowledge, and resources to carve their path towards independence and respect.
- The organization's visionary agricultural plan includes the distribution of government-approved, certified, and improved seeds, alongside comprehensive horticulture training for farmers. This strategic approach aims to enhance crop quality and yield while equipping farmers with the knowledge and skills needed for sustainable farming practices.
- The organization has established medical facilities where they provide healthcare and general medications to the villagers. They have also implemented special initiatives for women, such as distributing "Katla Ladoos" to fulfil their nutrition requirements, providing smokeless choolas to reduce firewood consumption and preserve women's health, and organizing health care camps where women undergo gynaecological check-ups and receive appropriate medical care.
- The organization encourages education by providing study materials like textbooks, notebooks, and slates, which are distributed annually to the students. Additionally, we organize various competitions to raise awareness among children about cleanliness and other good habits essential for maintaining good health and hygiene.
- To preserve and promote crafts and artistic talent, the organization has set up the Hiralaxmi Memorial Craft Park at the Vande Mataram Park in Bhuj. This park serves as a captivating platform, showcasing traditional crafts and artistic skills, encouraging a profound appreciation for cultural heritage. Furthermore, it provides artisans



## Governance



The organization has a non-discrimination policy, ensuring equal opportunities in hiring, promotion, training, and access to employment benefits.

The company has adopted various policies, including remuneration, risk management, and dividend distribution policies.

The company has several committees, such as the audit committee, stakeholder relationship committee, CSR committee, and Risk Management Committee, responsible for overseeing policy implementation.

The Company has a POSH policy in place, creating a safe working environment for employees, even during official visits.

The company has a Whistle-blower Policy to address instances of unethical behaviour, fraud, mismanagement, or violations of the Code of Conduct and applicable laws, providing a mechanism for redressal.

Furthermore, the company has formulated a code of conduct for its Directors and employees to regulate, monitor, and report trading by insiders, designated employees, and all other applicable individuals and entities.

*Through these aligned activities, we demonstrates our commitment to address critical global challenges and making a positive impact in line with the Sustainable Development Goals.*



## INDEPENDENT AUDITOR'S REPORT

To  
The Members of  
ASHAPURA MINECHEM LIMITED

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of Ashapura Minechem Limited ("the Company") which comprise the balance sheet as at 31st March 2023, the statement of profit and loss including other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and the other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2023, of its loss including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in our forming of opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Key Audit Matter	How our audit addressed the Key Audit Matter
<p><b>Revenue Recognition</b></p> <p>Revenue is one of the key profit drivers and is, therefore, susceptible to misstatement. Cut-off is the key assertion in so far as revenue recognition is concerned, since inappropriate cut-off can result in material misstatement of results for the year.</p>	<p>We carried out testing controls around dispatches and deliveries, inventory reconciliation and substantive testing for cut-offs and analytical review procedures.</p>
<p><b>Assessment of litigations and related disclosure of contingent liabilities</b></p> <p>The Company is subject to large number of various ongoing legal and tax related claims as stated under note no. 34 – Contingent Liabilities.</p> <p>Significant judgment is required to assess such matters to determine the probability of occurrence of material outflow of economic resources and whether a provision should be recognized or a disclosure should be made. The management judgment is also supported with legal advice in certain cases as considered appropriate.</p> <p>As the ultimate outcomes of the matters are uncertain and material in nature, it is considered to be a Key Audit Matter.</p>	<p>We understood, assessed and tested the operating effectiveness of key controls surrounding assessment of litigations and discussed with the management the recent developments and the status of the material litigations;</p> <p>We evaluated management's assessment by understanding precedents set in similar cases and assessed the reliability of the management's past estimates and judgments;</p> <p>We reviewed the disclosures made by the Company in the financial statements in this regard and obtained representation letter from the management on the assessment of these matters.</p>

#### Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Business Responsibility Report, Corporate Governance Report, Shareholder's Information, but does not include the standalone financial statements and auditor's report thereon. The Board's Report and other information are expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

# Ashapura Minechem Limited

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In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the aforesaid reports and information, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance.

## **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibility for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is high level of assurance, but is not a guarantee that audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatements of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of the internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosure, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



## Report on Other Legal and Regulatory Requirements

- 1 As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India terms of sub-section (11) of section 143 of the Act, we give in the Annexure – A, a statement on the matters specified in clause 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The balance sheet, the statement of profit and loss including other comprehensive income, statement of changes in equity and the cash flow statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015;
  - e) On the basis of written representations received from the directors as on 31st March 2023, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2023, from being appointed as a director in terms section 164(2) of the Act;
  - f) With respect to the adequacy of internal financial controls over financial reporting of the Company and operating effectiveness of such controls, our separate report in annexure – B may be referred;
  - g) In our opinion and to the best of our information and according to the explanations given to us, remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 read schedule V of the Act
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;
    - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
    - iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv.
      - a. The Management has represented that, to the best of its knowledge and belief, as disclosed in the note no. 38(i) to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
      - b. The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note no. 38 (j) to the accounts, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
      - c. Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above, contain any material misstatement.
    - v. The Company has not declared any dividend during the year.
    - vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

Mumbai  
May 25, 2023

**For P A R K & COMPANY**  
**Chartered Accountants**  
**FRN: 116825W**

**PRASHANT VORA**  
**Partner**  
**Membership No. 034514**  
**UDIN: 23034514BGZEMJ7641**

# Ashapura Minechem Limited

## ANNEXURE – A TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

On the basis of such checks as we considered appropriate and in terms of information and explanations given to us, we state that:

1 In respect of property, plant and equipment:

- a. The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment.
- b. The Company has maintained proper records showing full particulars of intangible assets.
- c. Property, plant and equipment were physically verified by the management at reasonable intervals in a phased manner in accordance with a programme of physical verification. No material discrepancies were noticed on such verification.
- d. The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements included under property, plant and equipment are held in the name of the Company.
- e. The Company has not revalued any of its property, plant and equipment (including right of use assets) or intangible assets during the year.
- f. There are no proceedings initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 as amended and Rules made thereunder.

- 2
- a. The physical verification of inventory has been conducted at reasonable intervals by the management during the year and, in our opinion, the coverage and procedure of such verification by the management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
  - b. The Company has not been sanctioned working capital limits in excess of Rs.5 crore, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets. The requirement to report under clause 3(ii)(b) of the Order is, therefore, not applicable.

3 In respect of investments, guarantees or securities provided or loans or advances in the nature of loans granted by the Company:

- a. The Company has not provided any loans or advances in the nature of loans or stood guarantee or provided security to any other entity during the year except:

Particulars	Loans (₹ in lacs)
Aggregate amount of loans granted during the year – subsidiary company	1,982.00
Aggregate amount of loans granted during the year - others	16.98
Aggregate amount of security provided during the year – subsidiary company	268.00
Aggregate amount of securities/guarantees given during the year – associate company	500.00
Balances outstanding of loan given as on balance sheet date – subsidiaries	3552.24
Balances outstanding of loan given as on balance sheet date – others	11.71
Balances outstanding of guarantee/security given as on balance sheet date – subsidiaries	3,403.00
Balances outstanding of guarantee given as on balance sheet date – associate/joint venture companies	3,700.00

- b. The terms and conditions of the grant of these loans and guarantees are not prejudicial to the interest of the Company.
- c. In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest have not been stipulated and the repayments are generally regular. However, receipts of interest and principal for loans of ₹ 1,570.24 lacs granted to one of the subsidiaries are not regular.
- d. There is no overdue amount in respect of loans granted.
- e. No loans or advances in the nature of loans granted by the Company that have fallen due during the year, have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties except loan granted to one of the subsidiaries aggregating to Rs.1,570.24 lacs.
- f. The Company has not granted any loans or advances in the nature of loans that are either repayable on demand or without specifying any terms or period of repayment.





- 4 The Company has complied with provisions of Section 185 and 186 of the Act in respect of loans, investments, guarantees and securities, to the extent applicable.
- 5 The Company has not accepted any deposits from public or any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and rules made thereunder, to the extent applicable, *except for advances from customers aggregating to ₹ 320.10 lacs, which, in the opinion of the management, are accepted in the ordinary course of business.* No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- 6 We have broadly reviewed the cost records maintained by the Company pursuant to Section 148(1) of the Act and are of the opinion that, prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- 7 In respect of statutory and other dues:
- a. The Company has generally been regular in depositing undisputed statutory dues, including provident fund, employees state insurance, income tax, cess, goods & service tax and other statutory dues, to the extent applicable, with the appropriate authorities during the year. There are no undisputed statutory dues outstanding for a period of more than six months from the date they became payable.
- b. There are no statutory dues, which have not been deposited on account of dispute except for the followings:
- | Nature of Dues | Statute        | ₹ in lacs | Relevant Year | Forum where dispute is pending           |
|----------------|----------------|-----------|---------------|--|
| Income Tax     | Income Tax Act | 2,701.63  | 2018-19       | The Commissioner of Income Tax (Appeals) |
- 8 The Company has not surrendered or disclosed any transactions, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- 9
- a. The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender *except for ₹1,694.74 lacs related to the borrowing from financial institution. (refer note no. 16).*
- b. The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- c. The term loans have been applied for the purposes for which they were obtained.
- d. On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used for long-term purposes by the Company.
- e. On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associate or joint venture companies.
- f. The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. .
- 10
- a. The Company has not raised any money during the year by way of initial public offer or further public offer (including debt instruments).
- b. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, the requirement to report under clause 3(x)(b) of the Order is not applicable.
- 11
- a. No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- b. No report under sub-section (12) of section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- c. The Company has not received any whistle blower complaint during the year and up to the date of this report.
- 12 The Company is not a Nidhi Company as per the provisions of the Act. The requirement to report under clause 3 (xii) of the Order is, therefore, not applicable.
- 13 Transactions with the related parties are in compliance with Section 177 and 188 of the Act, wherever applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.

# Ashapura Minechem Limited

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- 14
- a. The Company has an internal audit system commensurate with the size and nature of its business.
  - b. We have considered the internal audit reports of the Company issued till date for the period under audit.
- 15 The Company has not entered into any non-cash transactions with its directors or persons connected with its directors.
- 16
- a. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.
  - b. The Company has not conducted any non-banking financial or housing finance activities without obtaining a valid certificate of registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
  - c. The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
  - d. There is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly the requirement to report under clause 3(xvi)(d) of the Order is not applicable.
- 17 The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- 18 There has been no resignation by the statutory auditors of the Company during the year.
- 19 According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- 20 The Company does not fulfil the criteria as specified under section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 for the current year. The requirement to report under of clause 3 (xii) of the Order is, therefore, not applicable to the Company.

**For P A R K & COMPANY**  
**Chartered Accountants**  
**FRN: 116825W**

Mumbai  
May 25, 2023

**PRASHANT VORA**  
**Partner**  
**Membership No. 034514**  
**UDIN: 23034514BGZEMJ7641**



## **ANNEXURE – B TO THE INDEPENDENT AUDITOR’S REPORT**

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

We have audited the internal financial controls over financial reporting of Ashapura Minechem Limited (“the Company”) as of 31st March, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (“the Guidance Note”) issued by the Institute of Chartered Accountants of India (“the ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the ICAI and prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that -

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company’s assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Mumbai  
May 25, 2023

**For P A R K & COMPANY**  
**Chartered Accountants**  
**FRN: 116825W**

**PRASHANT VORA**  
**Partner**  
**Membership No. 034514**  
**UDIN: 23034514BGZEMJ7641**

# Ashapura Minechem Limited

## BALANCE SHEET AS AT 31st MARCH, 2023

(Indian ₹ in lacs)

Particulars	Note No.	As at 31st March 2023	As at 31st March 2022
<b>ASSETS:</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2	10,547.68	12,658.47
Capital work in progress	2	188.25	274.24
Investment properties	3	2,049.36	2,121.94
Intangible assets	4	14.71	35.10
<b>Financial assets</b>			
Investments	5	3,951.45	3,951.45
Loans	6	3,553.29	5,101.78
Other financial assets	7	1,271.32	1,116.52
Other non-current assets	8	9.07	74.41
		<b>21,585.13</b>	<b>25,333.91</b>
<b>Current Assets</b>			
Inventories	9	10,448.83	11,487.68
<b>Financial assets</b>			
Investments	5	-	-
Trade receivables	10	11,806.09	15,416.73
Cash and cash equivalents	11	2,430.48	910.10
Other bank balances	12	331.49	382.65
Loans	6	10.66	5.49
Other financial assets	7	864.84	166.74
Current tax assets (net)	13	884.11	750.25
Assets classified as held for sale	40	943.85	-
Other current assets	8	9,392.58	10,192.57
		<b>37,112.93</b>	<b>39,312.21</b>
		<b>58,698.06</b>	<b>64,646.12</b>
<b>Total Assets</b>			
<b>EQUITY AND LIABILITIES:</b>			
<b>Equity</b>			
Equity share capital	14	1,829.72	1,829.72
Other equity	15	661.21	1,827.49
Money received against share warrants	39	969.20	-
		<b>3,460.13</b>	<b>3,657.21</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	16	1,686.49	4,216.22
Other financial liabilities	17	29,699.88	22,723.99
Provisions	18	681.80	680.74
Other non-current liabilities	19	-	-
		<b>32,068.17</b>	<b>27,620.95</b>
<b>Current liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	16	4,178.64	2,629.73
Trade payables	20	-	-
Total outstanding dues of Micro and Small Enterprises		-	-
Total outstanding dues of creditors other than Micro and Small Enterprises		5,110.44	10,604.41
Other financial liabilities	17	7,609.41	15,845.87
Current tax liabilities (net)	13	-	-
Other current liabilities	19	6,056.70	4,095.86
Provisions	18	214.57	192.09
		<b>23,169.76</b>	<b>33,367.96</b>
		<b>58,698.06</b>	<b>64,646.12</b>
<b>Total Liabilities</b>			

The accompanying notes are integral part of these financial statements.

As per our report of even date

For and on behalf of the Board of Directors

For P A R K & COMPANY  
Chartered Accountants

sd/-  
**CHETAN SHAH**  
Executive Chairman  
DIN : 00018960

sd/-  
**HEMUL SHAH**  
Executive Director & Chief Executive Officer  
DIN : 00058558

sd/-  
**PRASHANT VORA**  
Partner

sd/-  
**ASHISH DESAI**  
Chief Financial Officer

sd/-  
**SACHIN POLKE**  
Company Secretary & President (Corporate Affairs)

Mumbai  
May 25, 2023

Mumbai  
May 25, 2023



**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>st</sup> MARCH , 2023**

(Indian ₹ in lacs)

Particulars	Note No.	2022-2023	2021-2022
<b>REVENUE:</b>			
Revenue from operations	21	22,269.17	59,815.12
Other income	22	4,001.41	2,647.23
<b>Total Income</b>		<b>26,270.58</b>	<b>62,462.35</b>
<b>EXPENSES:</b>			
Cost of materials consumed	23	5,951.67	5,057.24
Purchases of traded goods		1,699.74	26,572.55
Changes in inventories	24	852.29	225.22
Employee benefits expenses	25	2,933.16	2,648.28
Finance costs	26	2,239.39	3,010.97
Depreciation and amortisation expenses	27	1,538.35	1,952.04
Other expenses	28	11,638.33	24,561.47
<b>Total Expenses</b>		<b>26,852.93</b>	<b>64,027.77</b>
<b>Loss before exceptional items and tax</b>		<b>(582.35)</b>	<b>(1,565.42)</b>
Exceptional Items		-	-
<b>Loss before tax</b>		<b>(582.35)</b>	<b>(1,565.42)</b>
Tax expenses			
Current tax		-	-
Earlier years' tax	13	(118.77)	-
Deferred tax		-	-
<b>Loss for the year</b>		<b>(701.12)</b>	<b>(1,565.42)</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
a. Remeasurements of defined benefit plans		(7.70)	(75.64)
b. Gains on Investments in equity instruments classified as FVOCI		-	(491.46)
Items that may be reclassified to profit or loss			
<b>Other comprehensive income for the year</b>		<b>(7.70)</b>	<b>(567.10)</b>
<b>Total Comprehensive Income for the year</b>		<b>(708.82)</b>	<b>(2,132.52)</b>
Basic earning per share	29	<b>(0.77)</b>	(1.75)
Diluted earning per share	29	<b>(0.77)</b>	(1.75)
Face value per share		<b>2.00</b>	2.00

The accompanying notes are integral part of these financial statements.

As per our report of even date

**For and on behalf of the Board of Directors**

**For P A R K & COMPANY**  
Chartered Accountants

sd/-  
**CHETAN SHAH**  
Executive Chairman  
DIN : 00018960

sd/-  
**HEMUL SHAH**  
Executive Director & Chief Executive Officer  
DIN : 00058558

sd/-  
**PRASHANT VORA**  
Partner

sd/-  
**ASHISH DESAI**  
Chief Financial Officer

sd/-  
**SACHIN POLKE**  
Company Secretary & President (Corporate Affairs)

Mumbai  
May 25, 2023

Mumbai  
May 25, 2023

# Ashapura Minechem Limited

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2023

(Indian ₹ in lacs)

Particulars	As at 31st March 2023	As at 31st March 2022
<b>A CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net loss for the year	<b>(701.12)</b>	<b>(1,565.42)</b>
Adjustments for -		
Depreciation and amortization	1,538.35	1,952.04
Loss / (profit) on sale of investments	-	(1.63)
Loss / (profit) on sale of property, plant & equipment	210.87	(32.78)
Income tax expenses	118.77	-
Reversal of impairment loss/(profit) recognised on receivables	(2,215.04)	(1,267.55)
Dividend receipts	(144.91)	(142.74)
Interest income	(325.20)	(186.92)
Finance cost	2,239.39	3,010.97
Operating profit before working capital changes	<u>1,422.23</u>	<u>3,331.39</u>
Adjustments for -		
(Increase)/decrease in trade and other receivables	6,567.26	4,328.83
(Increase)/decrease in other current and non-current assets	865.33	(2,348.53)
(Increase)/decrease in inventories	1,038.85	293.33
Increase/(decrease) in provisions	15.84	26.62
Increase/(decrease) in other current and non-current liabilities	1,960.84	1,621.15
Increase/(decrease) in trade and other payables	(6,746.44)	(1,105.29)
Cash generated from operations	<u>3,701.68</u>	<u>2,816.11</u>
Direct taxes paid	(252.63)	(433.19)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b><u>4,871.28</u></b>	<b><u>(433.19)</u></b>
	<b><u>4,170.16</u></b>	<b><u>4,148.89</u></b>

**B CASH FLOW FROM INVESTING ACTIVITIES :**

Payments for property, plant & equipment and intangible assets	(405.60)	(539.83)
Net cash flow on purchase of investments	-	(64.75)
Proceeds from disposal of property, plant & equipment and CWIP	2.28	45.74
Dividend received	144.91	142.74
Interest received	325.20	186.92
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>66.79</b>	<b>(229.18)</b>

**C CASH FLOW FROM FINANCING ACTIVITIES :**

Proceeds from loans borrowed	1,548.91	817.68
Repayments of borrowings	(2,529.73)	(2,529.73)
Proceeds from issue of share capital	-	1,078.31
Proceeds from issue of share warrants	969.20	-
Dividend paid	(461.06)	(445.76)
Interest paid	(2,243.89)	(2,994.34)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(2,716.57)</b>	<b>(4,073.84)</b>

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<b>Net Increase in Cash and Cash Equivalents</b>	<b>1,520.38</b>	<b>(154.13)</b>
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Cash and cash equivalents as at beginning of the year	<b>910.10</b>	<b>1,064.23</b>
Cash and cash equivalents as at end of the year	<b>2,430.48</b>	<b>910.10</b>

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The accompanying notes are integral part of these financial statements.

As per our report of even date

For and on behalf of the Board of Directors

**For P A R K & COMPANY**  
Chartered Accountants

sd/-  
**CHETAN SHAH**  
Executive Chairman  
DIN : 00018960

sd/-  
**HEMUL SHAH**  
Executive Director & Chief Executive Officer  
DIN : 00058558

sd/-  
**PRASHANT VORA**  
Partner

sd/-  
**ASHISH DESAI**  
Chief Financial Officer

sd/-  
**SACHIN POLKE**  
Company Secretary & President (Corporate Affairs)

Mumbai  
May 25, 2023

Mumbai  
May 25, 2023

# Ashapura Minechem Limited

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2023

### A. SHARE CAPITAL

(Indian ₹ in lacs)

Particulars	As at 31st March 2023	As at 31st March 2022
At the beginning of the year	1,829.72	1,739.72
Changes in equity share capital during the year	-	90.00
At the end of the year	<b>1,829.72</b>	<b>1,829.72</b>

### B. OTHER EQUITY

(Indian ₹ in lacs)

Particulars	Other Comprehensive Income					Total
	Capital redemption reserve	Retained earnings	Securities Premium	Net gain/ (loss) on fair value of equity instruments	Net gain/ (loss) on fair value of defined benefit plan	
<b>As at 1st April, 2021</b>	<b>1.00</b>	<b>(15,164.68)</b>	<b>17,734.59</b>	<b>491.46</b>	<b>7.32</b>	<b>3,069.69</b>
Addition during the year	-	-	1,347.75	-	-	<b>1,347.75</b>
Loss for the year	-	(1,565.42)	-	-	-	<b>(1,565.42)</b>
Other comprehensive income for the year	-	-	-	(491.46)	(75.64)	<b>(567.10)</b>
Dividend	-	(457.43)	-	-	-	<b>(457.43)</b>
<b>As at 31st March, 2022</b>	<b>1.00</b>	<b>(17,187.53)</b>	<b>19,082.34</b>	<b>-</b>	<b>(68.32)</b>	<b>1,827.49</b>
Loss for the year	-	(701.12)	-	-	-	<b>(701.12)</b>
Other comprehensive income for the year	-	-	-	-	(7.70)	<b>(7.70)</b>
Dividend	-	(457.46)	-	-	-	<b>(457.46)</b>
<b>As at 31st March, 2023</b>	<b>1.00</b>	<b>(18,346.11)</b>	<b>19,082.34</b>	<b>-</b>	<b>(76.02)</b>	<b>661.21</b>

The accompanying notes are integral part of these financial statements.

As per our report of even date

For and on behalf of the Board of Directors

**For P A R K & COMPANY**  
Chartered Accountants

sd/-  
**CHETAN SHAH**  
Executive Chairman  
DIN : 00018960

sd/-  
**HEMUL SHAH**  
Executive Director & Chief Executive Officer  
DIN : 00058558

sd/-  
**PRASHANT VORA**  
Partner

sd/-  
**ASHISH DESAI**  
Chief Financial Officer

sd/-  
**SACHIN POLKE**  
Company Secretary & President (Corporate Affairs)

Mumbai  
May 25, 2023

Mumbai  
May 25, 2023





## Notes forming part of the financial statements for the year ended 31st March 2023

### COMPANY INFORMATION

**Ashapura Minechem Limited** ("the Company") is a public limited company domiciled in India and incorporated on 19th February, 1982 under the provisions of the Companies Act applicable in India vide CIN: L14108MH1982PLC026396. The Company is engaged in the mining, manufacturing and trading of various minerals and its derivative products and related services. The registered office of the Company is located at Jeevan Udyog Building, 3rd Floor, D N Road, Fort, Mumbai – 400 001. The equity shares of the Company are listed on Bombay Stock Exchange (BSE) as well as National Stock Exchange (NSE).

The standalone financial statements ("the financial statements") were authorized for issue in accordance with the resolution of the Board of Directors on 25th May, 2023.

### 1 BASIS OF PREPARATION, MEASUREMENT AND SIGNIFICANT ACCOUNTING POLICIES

#### 1.1 Basis of preparation and measurement:

These financial statements are the separate financial statements of the Company (also called standalone financial statements) prepared in accordance with the Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act, 2013 ("the Act"), read together with the Companies (Indian Accounting Standards) Rules, 2015, as applicable.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

All assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Act. The Company considers 12 months as normal operating cycle.

The Company's financial statements are reported in Indian Rupees, which is also the Company's functional currency, and all values are rounded to the nearest lacs except otherwise indicated.

#### 1.2 Significant accounting policies:

##### a. System of accounting

The financial statements of the Company are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis as per the provisions of Companies Act, 2013 ("Act"), except in case of significant uncertainties.

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. It is held primarily for the purpose of being traded:

- It is expected to be settled in the Company's normal operating cycle;
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.
- It is held primarily for the purpose of being traded;
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- All other liabilities are classified as non-current.
- Deferred tax assets and liabilities are classified as non-current only.

##### b. Key accounting estimates

The preparation of the financial statements, in conformity with the recognition and measurement principles of Ind AS, requires the management to make estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income, expenses and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Estimates and judgements are regularly revisited. Estimates are based on historical experience and other factors, including futuristic reasonable information that may have a financial impact on the Company.

##### c. Property, plant and equipment

- (i) Property, plant and equipment are stated at historical cost of acquisition including attributable interest and finance costs, if any, till the date of acquisition/installation of the assets less accumulated depreciation and accumulated impairment losses, if any.

- (ii) Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the statement of profit and loss as incurred.
- (iii) The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the statement of profit and loss.
- (iv) Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.
- (v) The Company depreciates property, plant and equipment on written down value method except for building, plant & machinery, laboratory equipment and excavators where depreciation is provided on straight line method over the estimated useful life prescribed in Schedule II of the Act from the date the assets are ready for intended use after considering the residual value.
- (vi) Intangible assets mainly represent implementation cost for software and other application software acquired/developed for in-house use. These assets are stated at cost. Cost includes related acquisition expenses, related borrowing costs, if any, and other direct expenditure.
- (vii) Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.
- (viii) Losses arising from the retirement of and gains or losses arising from disposal of property, plant and equipment which are carried at cost are recognised in the Statement of Profit and Loss.
- (ix) Property, plant and equipment and intangible assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

#### **d. Investments properties**

- a) Property which is held for long-term rental or for capital appreciation or both is classified as investment property. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.
- b) Investment properties currently comprise of plots of land and buildings.
- c) Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in statement of profit and loss in the period in which the property is derecognised.

#### **e. Investments and financial assets**

##### **(i) Investments in subsidiary, joint venture and associate companies**

Investments in subsidiary, joint venture and associate companies are recognised at cost and not adjusted to fair value at the end of each reporting period. Cost represents amount paid for acquisition of the said investments.

The Company assesses at the end of each reporting period, if there is any indication that the said investments may be impaired. If so, the Company estimates the recoverable value of the investments and provides for impairment, if any, i.e. the deficit in the recoverable value over cost.

##### **(ii) Other investments and financial assets**

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value, in case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in the statement of profit or loss. In other cases, the transaction costs are attributed to the acquisition value of financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Financial assets are subsequently classified measured at –

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVOCI).



Financial assets are not reclassified subsequent to their recognition except if and in the period the Company changes its business model for managing financial assets.

Financial asset is derecognised only when the Company has transferred the rights to receive cash flows from the financial asset. Where the entity has transferred the asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, financial asset is derecognised.

In accordance with Ind AS 109, the Company applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition.

**f. Inventories**

- (i) Raw materials and stores and spares are valued at weighted average cost including all charges in bringing the materials to the present location.
- (ii) Finished and semi-finished goods are valued at the cost plus direct expenses and appropriate value of overheads or net realizable value, whichever is lower.
- (iii) Obsolete, slow moving and defective inventories are written off/valued at net realisable value during the year as per policy consistently followed by the Company.

**g. Cash and bank balances**

**Cash and equivalents:**

Cash and cash equivalents in the balance sheet comprises of balance with banks and cash on hand and short term deposits with an original maturity of three month or less, which are subject to insignificant risks of changes in value.

**Other bank balances:**

Other bank balances include deposits with maturity less than twelve months but greater than three months and balances and deposits with banks that are restricted for withdrawal and usage.

**h. Trade receivables**

A receivable is classified as a trade receivable if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at their transaction price and subsequently measured net of any expected credit losses.

**i. Equity instruments:**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs.

**j. Financial liabilities**

- (i) Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.
- (ii) Financial liabilities are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Financial liabilities carried at fair value through profit and loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.
- (iii) Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or expires.

**k. Trade payables**

A payable is classified as a trade payable if it is in respect of the amount due on account of goods purchased in the normal course of business. These amounts represent liabilities for goods provided to the Company prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

## **I. Revenue recognition**

- (i) Revenue shall be recognised to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services.
- (ii) Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, return and goods & service tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/discounts.
- (iii) Accumulated experience is used to estimate and provide for the discounts/rights of return, using the expected value method.
- (iv) A return liability is recognised to expected return in relation to sales made corresponding assets are recognised for the products expected to be returned.
- (v) The Company recognises as an asset, the incremental costs of obtaining a contract with a customer, if the Company expects to recover those costs. The said asset is amortised on a systematic basis consistent with the transfer of goods or services to the customers.
- (vi) Export incentives are accounted for on export of goods if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are reasonably expected to be fulfilled.
- (vii) Revenue in respect of other income is recognised on accrual basis. However, where the ultimate collection of the same lacks reasonable certainty, revenue recognition is postponed to the extent of uncertainty.

## **m. Indirect taxes**

Purchases of goods and fixed assets are accounted for net of Goods and Service Tax (GST) input credits. Custom duty paid on import of materials is dealt with in respective material accounts.

## **n. Mining expenses**

Expenses incurred on mining including removal of overburden of mines are charged to the statement of profit & loss as mining cost on the basis of quantity of minerals mined during the year, overburden of removal and mining being carried out concurrently and relatively within a short period of time. Mining restoration expenses are annually reviewed and provided for.

## **o. Research and development expenses and receipts**

Revenue expenditure on research and development is charged against the profit for the year in which it is incurred. Capital expenditure on research and development is shown as an addition to the fixed assets and is depreciated on the same basis as other fixed assets. Receipts of research & development centre of the Company are accounted for as revenue receipts.

## **p. Foreign currency transactions**

- (i) Items included in the financial statements are measured using the currency of primary economic environment in which the company operates ("the functional currency"). The financial statements are presented in Indian Rupee (INR), which is the company's functional and presentation currency.
- (ii) Foreign currency transactions are initially recorded in the reporting currency at foreign exchange rate on the date of the transaction.
- (iii) Monetary items of current assets and current liabilities denominated in foreign currencies are reported using the closing rate at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.
- (iv) The gain or loss on decrease/increase in reporting currency due to fluctuations in foreign exchange rates are recognised in the statement of profit or loss.

## **q. Employee benefit expenses**

- (i) Contributions to defined contribution schemes such as provident fund, employees' state insurance, labour welfare fund etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. These benefits are classified as defined contribution schemes as the Company has no further obligations beyond the monthly contributions.
- (ii) The Company provides for gratuity which is a defined benefit plan, the liabilities of which are determined based on valuations, as at the reporting date, made by an independent actuary using the projected unit credit method. Re-measurement comprising of actuarial gains and losses, in respect of gratuity are recognised in the other comprehensive income in the period in which they occur. The classification of the Company's obligation into current and non-current is as per the actuarial valuation report.
- (iii) The employees are entitled to accumulate leave subject to certain limits, for future encashment and availment, as per the policy of the Company. The liability towards such unutilised leave as at the end of each balance sheet date is determined based on independent actuarial valuation and recognised in the statement of profit and loss.



**r. Leases**

**Company as lessee**

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

**Company as lessor**

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

**s. Borrowing costs**

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Also, the effective interest rate amortisation is included in finance costs. Borrowing costs relating to acquisition, construction or production of a qualifying asset which takes substantial period of time to get ready for its intended use are added to the cost of such asset to the extent they relate to the period till such assets are ready to be put to use. All other borrowing costs are expensed in the statement of profit and loss in the period in which they occur.

**t. Impairment of non financial assets**

As at each reporting date, the Company assesses whether there is an indication that a non-financial asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, the Company determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through the statement of profit and loss.

**u. Taxes on income**

Income tax expense comprises current tax expense and the deferred tax during the year. Current and deferred taxes are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current income tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. In case of uncertainty of reversal of the deferred tax assets or when it is no longer probable that sufficient taxable profits will be available in the foreseeable future, deferred tax assets, as a matter of prudence, are not recognised.

The carrying amount of deferred tax is reviewed at each reporting date and measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

**v. Provisions and contingent liabilities**

The Company creates a provision when there is present obligation, legal or constructive, as a result of past events that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events. Contingent assets are neither recognised nor disclosed in the financial statements.

## w. Earnings per share

- (i) Basic earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.
- (ii) For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

## x. Offsetting instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

## y. Events after the reporting period

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue. Non-adjusting events are events that are indicative of conditions that arose after end of the reporting period. Non-adjusting events after the reporting date are not accounted, but disclosed.

## z. Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell. An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of de-recognition. Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised. Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet.

## aa. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the operating decision makers. The decision makers regularly monitor and review the operating result of the whole Company. The activities of the Company, in the opinion of the management, primarily falls under a single segment of "Minerals and its derivative products" in accordance with the Ind AS 108 "Operating Segments".

- ab. Recent pronouncements, the Ministry of Corporate Affairs has vide notification dated 31st March, 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective 1 April 2023. The Rules predominantly amends Ind AS 1, Presentation of financial statements and Ind AS 12, Income taxes, whereas the other amendments notified by these rules are primarily in the nature of clarifications. The impact of the amendment on the Financial Statements, in the opinion of the management, is expected to be insignificant on the basis of the preliminary evaluation.



## Note 2

### Property, plant and equipment

(Indian ₹ in lacs)

Particulars	Land (note no.d)	Buildings	Plant & Equipment	Barges	Office Equipment	Furniture & Fixtures	Vehicles	Total
<b>Gross carrying value</b>								
<b>As at 1st April, 2021</b>	<b>1,512.19</b>	<b>5,370.52</b>	<b>23,187.28</b>	<b>75.98</b>	<b>1,050.15</b>	<b>1,422.22</b>	<b>739.41</b>	<b>33,357.75</b>
Additions	11.00	95.32	222.45	-	42.07	0.15	-	<b>370.99</b>
Disposals /transfers	-	-	(19.76)	-	(5.67)	(7.64)	(10.39)	<b>(43.46)</b>
<b>As at 31st March, 2022</b>	<b>1,523.19</b>	<b>5,465.84</b>	<b>23,389.97</b>	<b>75.98</b>	<b>1,086.55</b>	<b>1,414.73</b>	<b>729.02</b>	<b>33,685.28</b>
Additions	-	37.02	290.56	-	20.42	0.14	2.07	<b>350.21</b>
Disposals/transfers	(61.31)	(668.10)	(3,950.75)	-	(34.62)	(23.30)	(32.92)	<b>(4,771.00)</b>
<b>As at 31st March, 2023</b>	<b>1,461.88</b>	<b>4,834.76</b>	<b>19,729.78</b>	<b>75.98</b>	<b>1,072.35</b>	<b>1,391.57</b>	<b>698.17</b>	<b>29,264.49</b>
<b>Accumulated depreciation</b>								
<b>As at 1st April, 2021</b>	-	<b>1,083.89</b>	<b>15,166.28</b>	<b>73.54</b>	<b>973.50</b>	<b>1,267.29</b>	<b>684.03</b>	<b>19,248.53</b>
Depreciation charged	-	81.12	1,671.47	-	19.92	29.90	6.37	<b>1,808.78</b>
Disposals /transfers	-	-	(8.19)	-	(5.39)	(7.26)	(9.66)	<b>(30.50)</b>
<b>As at 31st March, 2022</b>	-	<b>1,165.01</b>	<b>16,829.56</b>	<b>73.54</b>	<b>988.03</b>	<b>1,289.93</b>	<b>680.74</b>	<b>21,026.81</b>
Depreciation charged	-	135.45	1,266.28	-	27.52	22.12	4.24	<b>1455.61</b>
Disposals/transfers	-	(151.66)	(3,529.15)	-	(32.52)	(21.59)	(30.69)	<b>(3,765.61)</b>
<b>As at 31st March, 2023</b>	-	<b>1,148.80</b>	<b>14,566.69</b>	<b>73.54</b>	<b>983.03</b>	<b>1,290.46</b>	<b>654.29</b>	<b>18,716.81</b>
<b>Net carrying value</b>								
<b>As at 31st March, 2022</b>	<b>1,523.19</b>	<b>4,300.83</b>	<b>6,560.41</b>	<b>2.44</b>	<b>98.52</b>	<b>124.80</b>	<b>48.28</b>	<b>12,658.47</b>
<b>As at 31st March, 2023</b>	<b>1,461.88</b>	<b>3,685.96</b>	<b>5,163.09</b>	<b>2.44</b>	<b>89.32</b>	<b>101.11</b>	<b>43.88</b>	<b>10,547.68</b>

### Capital work in progress ageing schedule:

(Indian ₹ in lacs)

Particulars	Capital work in progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>31st March, 2023</b>					
Projects in progress	34.66	153.59	-	-	<b>188.25</b>
	<b>34.66</b>	<b>153.59</b>	-	-	<b>188.25</b>
<b>31st March, 2022</b>					
Projects in progress	174.94	-	11.28	-	<b>186.22</b>
Projects temporarily suspended	-	-	7.55	80.47	<b>88.02</b>
	<b>174.94</b>	-	<b>18.83</b>	<b>80.47</b>	<b>274.24</b>

### Note:

- There are no projects which are overdue for completion or has exceeded its cost as compared to the original plan.
- Refer note no. 33 for disclosure of contractual commitment towards acquisition of property, plant and equipment.
- Refer note no. 16 and 42 for property, plant and equipment mortgaged/hypothecated/pledged as securities against borrowings.
- Charge is created on one of the assets, in favour of a financial institution against the finance availed by an associate company.

# Ashapura Minechem Limited

## Note 3

### Investment Properties

(Indian ₹ in lacs)

Particulars	Land	Building (note no. iv)	Total
<b>Gross carrying value</b>			
<b>As at 1st April, 2021</b>	<b>257.50</b>	<b>2,803.13</b>	<b>3,060.63</b>
Additions	-	-	-
Disposals	-	-	-
<b>As at 31st March, 2022</b>	<b>257.50</b>	<b>2,803.13</b>	<b>3,060.63</b>
Additions	-	-	-
Disposals	-	-	-
<b>As at 31st March, 2023</b>	<b>257.50</b>	<b>2,803.13</b>	<b>3,060.63</b>
<b>Accumulated depreciation</b>			
<b>As at 1st April, 2021</b>	-	<b>811.87</b>	<b>811.87</b>
Depreciation charged/transfer	-	126.82	<b>126.82</b>
Disposals	-	-	-
<b>As at 31st March, 2022</b>	-	<b>938.69</b>	<b>938.69</b>
Depreciation charged	-	72.58	<b>72.58</b>
Disposals	-	-	-
<b>As at 31st March, 2023</b>	-	<b>1,011.27</b>	<b>1,011.27</b>
<b>Net Carrying Amount</b>			
<b>As at 31st March, 2022</b>	<b>257.50</b>	<b>1,864.44</b>	<b>2,121.94</b>
<b>As at 31st March, 2023</b>	<b>257.50</b>	<b>1,791.86</b>	<b>2,049.36</b>

### **i) Amount recognised in profit or loss for investment properties**

(Indian ₹ in lacs)

Particulars	31st March 2023	31st March 2022
<b>Rental income</b>	<b>98.77</b>	92.39
Direct operating expenses	-	-
Gain from investment properties before depreciation	<b>98.77</b>	92.39
Depreciation	<b>72.58</b>	126.82
Gain from investment properties	<b>26.19</b>	<b>(34.43)</b>

### **ii) Contractual obligations**

There are no contractual obligations to purchase, construct or develop investment property.

### **iii) Fair Value**

The fair value of the Investment Property as at March 31, 2023 has been arrived at on the basis of a valuation carried out by independent valuers registered with the authority which governs the valuers in India. All fair value estimates for investment properties are included in Level 2. Fair valuation of the investment properties as on 31st March, 2023 is ₹ 3,511.16 lacs.

iv) Charge is created on one of the assets, in favour of a financial institution against the finance availed by a wholly-owned subsidiary company.





#### Note 4

##### Intangible assets

(Indian ₹ in lacs)

Particulars	Computer Software	Total
<b>Gross carrying value (at deemed cost)</b>		
<b>As at 1st April, 2021</b>	<b>250.28</b>	<b>250.28</b>
Additions	22.00	22.00
<b>As at 31st March, 2022</b>	<b>272.28</b>	<b>272.28</b>
Additions	-	-
Disposals	(22.32)	(22.32)
<b>As at 31st March, 2023</b>	<b>249.96</b>	<b>249.96</b>
<b>Accumulated depreciation</b>		
<b>As at 1st April, 2021</b>	<b>220.74</b>	<b>220.74</b>
Amortisation	16.44	16.44
<b>As at 31st March, 2022</b>	<b>237.18</b>	<b>237.18</b>
Amortisation	10.16	10.16
Disposals	(12.09)	(12.09)
<b>As at 31st March, 2023</b>	<b>235.25</b>	<b>235.25</b>
<b>Net carrying value</b>		
<b>As at 31st March, 2022</b>	<b>35.10</b>	<b>35.10</b>
<b>As at 31st March, 2023</b>	<b>14.71</b>	<b>14.71</b>

#### Note No. 5

##### Investments

(Indian ₹ in lacs)

Particulars	31st March 2023	31st March 2022
<b><u>Non-current Investments</u></b>		
<b>a. Investments valued at cost, fully paid up</b>		
<b>Investments in subsidiaries in India</b>		
Ashapura International Limited <sup>1</sup> 3,000,000 Equity Shares of ₹ 10 each	327.27	327.27
Ashapura Claytech Limited 3,560,000 Equity Shares of ₹ 10 each fully paid-up	371.00	371.00
Prashansa Ceramics Limited 700,000 Equity Shares of ₹ 10 each fully paid-up	147.00	147.00
Bombay Minerals Limited <sup>1</sup> 218,080 Equity Shares of ₹ 10 each fully paid-up	961.54	961.54
Ashapura Aluminum Limited 50,000 Equity Shares of ₹ 10 each fully paid-up	5.00	5.00
Ashapura Consultancy Services Private Limited 10,000 Equity Shares of ₹ 10 each fully paid-up	1.00	1.00
Ashapura Resources Private Limited 10,000 Equity Shares of ₹ 10 each fully paid-up	1.00	1.00

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Sharda Consultancy Private Limited 10,000 Equity Shares of ₹ 10 each fully paid-up	1.00	1.00
Peninsula Property Developers Private Limited 10,000 Equity Shares of ₹ 10 each fully paid-up	1.00	1.00
	<b>1,815.81</b>	<b>1,815.81</b>
<b>Investments in subsidiaries outside India</b>		
Ashapura Minechem UAE FZE 68 Equity Shares of AED 1,50,000 each fully paid-up	1,123.13	1,123.13
Ashapura Midgulf NV - Belgium 30,750 Equity Shares of Euro 1 each fully paid-up	17.76	17.76
	<b>1,140.89</b>	<b>1,140.89</b>
<b>Investments in joint ventures in India</b>		
Ashapura Perfoclay Limited <sup>1</sup> 8,966,590 Equity Shares of ₹ 10 each fully paid-up	896.66	896.66
	<b>896.66</b>	<b>896.66</b>
<b>Investments in associates in India</b>		
Ashapura Arcadia Logistics Private Limited 55,000 Equity Shares of ₹ 10 each fully paid-up	5.50	5.50
Shantilal Multiport Infrastructure Private Limited 8,49,975 Equity Shares of ₹ 10 each fully paid-up	91.38	91.38
	<b>96.88</b>	<b>96.88</b>
<b>b. Investment valued at cost</b>		
National Savings Certificates (under lien with VAT/mining authorities)	1.21	1.21
	<b>1.21</b>	<b>1.21</b>
<b>Total non-current investments</b>	<b>3,951.45</b>	<b>3,951.45</b>
<sup>1</sup> investments in these equity shares are pledged with a creditor.		
Aggregate amount of quoted investments	-	-
Market value of quoted investments	-	-
Aggregate amount of unquoted investments	<b>3,951.45</b>	<b>3,951.45</b>



## Note 6

### Loans

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2023	31st March 2022	31st March 2023	31st March 2022
<b>Unsecured, considered good</b>				
Loans to a wholly-owned subsidiary companies*	3,552.24	5,097.66	-	-
Employee loans	1.05	4.12	10.66	5.49
<b>Total loans</b>	<b>3,553.29</b>	<b>5,101.78</b>	<b>10.66</b>	<b>5.49</b>

Disclosures for loans to subsidiaries u/s 186(4) of the Companies Act, 2013 and disclosure as per Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

(Indian ₹ in lacs)

Name of the entity	Outstanding balances		Maximum balance outstanding during the year	
	31st March 2023	31st March 2022	31st March 2023	31st March 2022
<b>Subsidiaries:</b>				
Ashapura Minechem (UAE) FZE	1,570.24	1,369.91	1,570.24	1,369.91
Ashapura International Limited	-	2,115.75	-	2,115.75
Bombay Minerals Limited	1,982.00	1,612.00	1,982.00	1,612.00
	<b>3,552.24</b>	<b>5,097.66</b>		

\* for working capital purposes

## Note 7

### Other financial assets

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2023	31st March 2022	31st March 2023	31st March 2022
Term deposits with maturity of more than 12 months *	416.99	267.51	-	-
Claims receivables	-	-	864.84	166.74
Security deposits	842.38	836.66	-	-
Interest receivables	11.95	12.35	-	-
<b>Total other financial assets</b>	<b>1,271.32</b>	<b>1,116.52</b>	<b>864.84</b>	<b>166.74</b>

\* under lien with banks against letter of credits and bank guarantees

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## Note 8

### Other assets

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2023	31st March 2022	31st March 2023	31st March 2022
Trade advances to suppliers	-	-	9,590.46	10,063.15
Less: Loss allowance for doubtful advances	-	-	2,782.07	2,782.07
			6,808.39	7,281.08
Capital advances	9.07	74.41	-	-
Employee advances	-	-	12.89	6.50
Prepaid expenses	-	-	123.82	122.49
Input credit receivables	-	-	633.35	970.51
Other advances	-	-	1,814.13	1,811.99
<b>Total other assets</b>	<b>9.07</b>	<b>74.41</b>	<b>9,392.58</b>	<b>10,192.57</b>
<b>Security deposits:</b>				
Towards land and premises to directors, firms and companies in which some of the directors are interested	45.00	45.00	-	-
Towards premises to subsidiary companies	-	51.00	-	-
<b>Trade advances:</b>				
- To subsidiary companies	-	-	4,971.40	2,451.40
- To companies or firms in which some of the directors are interested	-	-	567.18	700.31

## Note 9

### Inventories

(Indian ₹ in lacs)

Particulars	31st March 2023	31st March 2022
Raw materials	895.65	1,007.95
Semi finished goods	1,276.79	1,669.89
Finished goods	2,533.01	2,686.39
Stock-in-trade	4,963.72	5,269.53
Stores & spares	573.74	628.92
Packing materials	205.92	225.00
<b>Total inventories</b>	<b>10,448.83</b>	<b>11,487.68</b>



**Note 10**  
**Trade Receivables**

	(Indian ₹ in lacs)	
Particulars	31st March 2023	31st March 2022
Unsecured, considered good	11,676.10	15,126.36
Unsecured, significant increase in credit risk	238.86	408.88
Unsecured, considered doubtful	1,035.97	1,354.93
Less: Loss allowance for bad and doubtful debts	(1,144.84)	(1,473.44)
<b>Total trade receivables</b>	<b>11,806.09</b>	<b>15,416.73</b>
Above includes due from related party		
- Subsidiaries	5,832.20	4,424.68
- Joint ventures & associates	968.32	925.12

**10.1 Trade receivables ageing schedule:**

Particular	Not due	Outstanding for the following period from due date of payments					Total
		< 6 Months	6 months- 1 year	1 - 2 years	2 - 3 years	> 3 years	
<b>31st March, 2023</b>							
Undisputed, considered good	4,999.33	1,748.06	2,195.00	1,685.96	-	1,047.75	11,676.10
Undisputed having significant increase in credit risk	-	-	-	35.18	203.68	-	238.86
Undisputed trade receivables-credit impaired	-	-	-	-	-	1,035.97	1,035.97
	<b>4,999.33</b>	<b>1,748.06</b>	<b>2,195.00</b>	<b>1,721.14</b>	<b>203.68</b>	<b>2,083.72</b>	<b>12,950.93</b>
							<b>Less: Allowance for credit losses</b>
							<b>(1,144.84)</b>
							<b>Total trade receivables</b>
							<b>11,806.09</b>
<b>31st March, 2022</b>							
Undisputed, considered good	3,391.45	9,215.31	1,426.91	5.68	241.11	845.90	15,126.36
Undisputed having significant increase in credit risk	-	-	-	279.38	129.50	-	408.88
Undisputed trade receivables-credit impaired	-	-	-	-	-	1,354.93	1,354.93
	<b>3,391.45</b>	<b>9,215.31</b>	<b>1,426.91</b>	<b>285.06</b>	<b>370.61</b>	<b>2,200.83</b>	<b>16,890.17</b>
							<b>Less: Allowance for credit losses</b>
							<b>(1,473.44)</b>
							<b>Total trade receivables</b>
							<b>15,416.73</b>

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## Note 11

### Cash and cash equivalents

	(Indian ₹ in lacs)	
Particulars	31st March 2023	31st March 2022
Balances with banks	1,935.81	571.93
Cash on hand	14.19	46.07
Other term deposits	480.48	292.10
<b>Total cash and cash equivalents</b>	<b>2,430.48</b>	<b>910.10</b>

## Note 12

### Other bank balances

	(Indian ₹ in lacs)	
Particulars	31st March 2023	31st March 2022
Margin money deposits *	323.42	370.98
Dividend accounts	8.07	11.67
<b>Total other bank balances</b>	<b>331.49</b>	<b>382.65</b>

There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at 31st March, 2023.

\* under lien against guarantees to mining authorities and letter of credits.

## Note 13

### Income tax

	(Indian ₹ in lacs)	
Particulars	31st March 2023	31st March 2022
The following table provides the details of income tax assets and liabilities :		
Current income tax assets	884.11	750.25
Current income tax liabilities	-	-
<b>Net balance</b>	<b>884.11</b>	<b>750.25</b>
<b>The gross movement in the current tax asset / (liability) :</b>		
Net current income tax asset at the beginning	750.25	317.06
Income tax paid (net of refunds)	252.63	433.19
Tax expense	(118.77)	-
<b>Net current income tax asset at the end</b>	<b>884.11</b>	<b>750.25</b>



#### Note 14

#### Equity share capital

(Indian ₹ in lacs)

Particulars	31st March 2023	31st March 2022
<b>Authorised</b>		
30,00,00,000 equity shares of ₹ 2 each	6,000.00	6,000.00
30,00,000 preference shares of ₹ 100 each	3,000.00	3,000.00
	<b>9,000.00</b>	<b>9,000.00</b>
<b>Issued, Subscribed and Paid up</b>		
9,14,86,098 equity shares of ₹ 2 each	1,829.72	1,829.72
	<b>1,829.72</b>	<b>1,829.72</b>

a. Equity shares issued as fully paid-up bonus shares or otherwise than by cash during the preceding five years: Nil

#### **b. Reconciliation of equity shares outstanding at the beginning and at the end of the year :**

(Indian ₹ in lacs )

Particulars	As on 31st March, 2023		As on 31st March, 2022	
	No. of shares	₹	No. of shares	₹
<b>Balance at the beginning of the year</b>	9,14,86,098	1,829.72	8,69,86,098	1,739.72
Issue of equity shares on conversion of warrants during the year	-	-	45,00,000	90.00
<b>Balance at end of the year</b>	9,14,86,098	1,829.72	9,14,86,098	1,829.72

#### **c. Shares held by promoters and promoter group :**

Name of Shareholder	As at 31st March ,2023		As at 31st March 2022		Change (%)
	Nos.	% of holding	Nos.	% of holding	
Ashapura Industrial Finance Limited	1,47,81,734	16.16	1,41,61,612	15.48	0.68
Mr. Chetan Navnitlal Shah	1,35,93,814	14.86	1,35,43,814	14.80	0.05
Ms. Dina Chetan Shah	92,02,360	10.06	92,02,360	10.06	-
Mr. Manan Shah	22,39,220	2.45	22,39,220	2.45	-
Ms. Chaitali Salot	12,55,620	1.37	12,55,620	1.37	-
Ms. Himani Shah	1,42,980	0.16	1,42,980	0.16	-
Late Shri Navnitlal R Shah Estate	1,29,460	0.14	1,29,460	0.14	-
Ashapura Overseas Private Limited	1,20,000	0.13	1,00,000	0.11	0.02
Gurbarga Trading Co. Private Limited	2,520	0.01	2,520	0.01	-
Hemprabha Trading Co Private Limited	2,520	0.01	2,520	0.01	-

Name of Shareholder	As at 31st March ,2022		As at 31st March 2021		Change (%)
	Nos.	% of holding	Nos.	% of holding	
Ashapura Industrial Finance Limited	1,41,61,612	15.48	95,14,331	10.94	4.54
Mr. Chetan Navnitlal Shah	1,35,43,814	14.80	1,35,43,814	15.57	(0.77)
Ms. Dina Chetan Shah	92,02,360	10.06	92,02,360	10.58	(0.52)
Mr. Manan Shah	22,39,220	2.45	22,39,220	2.57	(0.13)
Ms. Chaitali Salot	12,55,620	1.37	12,55,620	1.44	(0.07)

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Ms. Himani Shah	1,42,980	0.16	1,42,980	0.16	(0.01)
Late Shri Navnitlal R Shah Estate	1,29,460	0.14	1,29,460	0.15	(0.01)
Ashapura Overseas Private Limited	1,00,000	0.11	-	-	0.11
Gurbarga Trading Co. Private Limited	2,520	0.01	2,520	0.01	-
Hemprabha Trading Co Private Limited	2,520	0.01	2,520	0.01	-

### d. Shares held by each shareholder holding more than five percent shares :

Name of Shareholder	As at 31st March 2023		As at 31st March 2022	
	Nos.	% of holding	Nos.	% of holding
Ashapura Industrial Finance Limited	1,47,81,734	16.16	1,41,61,612	15.48
Mr. Chetan Navnitlal Shah	1,35,93,814	14.86	1,35,43,814	14.80
Mrs. Dina Chetan Shah	92,02,360	10.06	92,02,360	10.06
Albula Investment Fund Limited	47,57,017	5.20	72,57,017	7.93

### e. Rights, preferences and restrictions attached to shares :

The company has one class of equity shares having a face value of ₹ 2 each ranking pari pasu in all respect including voting rights and entitlement to dividend. Each holder of equity shares is entitled to one vote per share. Dividend proposed by the board of directors and approved by the shareholders in the annual general meeting is paid to the shareholders.

#### Note 15

#### Other equity

Particulars	(Indian ₹ in lacs)	
	31st March 2023	31st March 2022
<b><u>Capital Redemption Reserve</u></b>		
Balance at the beginning of the year	1.00	1.00
Additions during the year	-	-
Balance at the end of the year	1.00	1.00
<b><u>Securities Premium Account</u></b>		
Balance at the beginning of the year	19,082.34	17,734.59
Additions during the year	-	1,347.75
Balance at the end of the year	19,082.34	19,082.34
<b><u>Retained earnings</u></b>		
Balance at the beginning of the year	(17,187.53)	(15,164.68)
Loss for the year	(701.12)	(1,565.42)
Dividend	(457.46)	(457.43)
Balance at the end of the year	(18,346.11)	(17,187.53)
<b><u>Other components of equity</u></b>		
Remeasurement of defined benefit plans	(76.02)	(68.32)
<b>Total other equity</b>	<b>661.21</b>	<b>1,827.49</b>

**Capital redemption reserve:** The Company has created capital redemption reserve from distributable profit upon redemption of preference shares in the past years.





**Securities premium account:** Amount received in excess of face value of the equity shares is recognized in securities premium account. The reserve is utilised in accordance with the provisions of the Companies Act.

**Retained earnings:** Retained earnings are the profits/(loss) of the Company till date, less transfers to general reserve, dividends or other distributions paid to shareholders.

**Net gain/(loss) on fair value of defined benefit plans:** The Company has recognised remeasurement gains/(loss) on defined benefit plans in OCI. These changes are accumulated within the OCI reserve within other equity. The Company transfers amount from this reserve to retained earnings when the relevant obligations are derecognized.

## Note 16

### Borrowings

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2023	31st March 2022	31st March 2023	31st March 2022
<b>Secured</b>				
Term loans from financial institution	1,686.49	4,216.22	-	-
Current maturities of long-term debt*	-	-	4,178.64	2,529.73
	<u>1,686.49</u>	<u>4,216.22</u>	<u>4,178.64</u>	<u>2,529.73</u>
* includes overdue borrowings of ₹ 1,694.74 lacs.				
<b>Unsecured</b>				
Inter corporate deposits	-	-	-	100.00
	<u>-</u>	<u>-</u>	<u>-</u>	<u>100.00</u>
<b>Total borrowings</b>	<u><b>1,686.49</b></u>	<u><b>4,216.22</b></u>	<u><b>4,178.64</b></u>	<u><b>2,629.73</b></u>

Note: Term loans from others are against hypothecation of plant & equipment and vehicles, inventories and book debts and further secured by equitable mortgage of certain immovable assets of the Company, pledged of shares held by some of the directors and also against personal guarantees of some of the directors.

## Note 17

### Other financial liabilities

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2023	31st March 2022	31st March 2023	31st March 2022
Interest accrued and due on borrowings	-	-	12.13	16.63
Unpaid dividend	-	-	8.07	11.67
Derivatives and other claims payable (Refer note no. 42 )	-	-	2,500.00	2,500.00
Payables towards services received	-	-	56.71	67.57
Shipping claims payable*	29,699.88	22,723.99	5,032.50	13,250.00
<b>Total other financial liabilities</b>	<u><b>29,699.88</b></u>	<u><b>22,723.99</b></u>	<u><b>7,609.41</b></u>	<u><b>15,845.87</b></u>

\* investments in equity shares as stated in note no. 5 are pledged with one of the creditors.

# Ashapura Minechem Limited

## Note 18 Provisions

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2023	31st March 2022	31st March 2023	31st March 2022
Provision for leave encashment	73.36	77.28	23.22	22.95
Provision for minning restoration	555.15	555.16	-	-
Provision for bonus	-	-	69.76	64.51
Provision for gratuity	53.29	48.30	103.77	86.81
Provision for royalty	-	-	17.82	17.82
<b>Total provisions</b>	<b>681.80</b>	<b>680.74</b>	<b>214.57</b>	<b>192.09</b>

## Note 19 Other liabilities

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2023	31st March 2022	31st March 2023	31st March 2022
Advances from customers	-	-	5,468.42	3,667.62
Statutory liabilities	-	-	184.83	80.63
Other liabilities	-	-	403.45	347.61
<b>Total other liabilities</b>	<b>-</b>	<b>-</b>	<b>6,056.70</b>	<b>4,095.86</b>

## Note 20 Trade payables

(Indian ₹ in lacs)

Particulars	Current	
	31st March 2023	31st March 2022
Trade payables		
Total outstanding dues of Micro and Small Enterprises	-	-
Total outstanding dues of creditors other than Micro and Small Enterprises	5,110.44	10,604.41
<b>Total trade payables</b>	<b>5,110.44</b>	<b>10,604.41</b>



## 20.1 Trade payables ageing schedule:

( Indian ₹ in lacs)

Particular	Not Due	Outstanding for the following period from due date of payments				Total
		Less than 1 year	1 - 2 years	2 - 3 years	> 3 years	
<b>31st March, 2023</b>						
Outstanding dues to MSME	-	-	-	-	-	-
Others	1,797.42	1,246.33	931.77	27.89	1,107.03	5,110.44
<b>Total....</b>	<b>1,797.42</b>	<b>1,246.33</b>	<b>931.77</b>	<b>27.89</b>	<b>1,107.03</b>	<b>5,110.44</b>
<b>31st March, 2022</b>						
Outstanding dues to MSME	-	-	-	-	-	-
Others	6,120.48	2,334.74	29.94	348.53	1,770.72	10,604.41
<b>Total....</b>	<b>6,120.48</b>	<b>2,334.74</b>	<b>29.94</b>	<b>348.53</b>	<b>1,770.72</b>	<b>10,604.41</b>

## Note 21

### Revenue from operations

(Indian ₹ in lacs)

Particulars	2022-2023	2021-2022
<b>Sale of Products</b>		
Export sales	12,774.98	48,226.56
Domestic sales	6,803.59	9,505.16
	<b>19,578.57</b>	<b>57,731.72</b>
<b>Other Operating Revenue</b>		
Research & development fees receipts	900.00	578.70
Other operating income	1,790.60	1,504.70
<b>Total revenue from operations</b>	<b>22,269.17</b>	<b>59,815.12</b>

## Note 22

### Other income

(Indian ₹ in lacs)

Particulars	2022-2023	2021-2022
Interest receipts	325.20	186.92
Dividend receipts	144.91	142.74
Profit on sale of investments (net)	-	1.63
Profit on sale of property, plant & equipment (net)	-	32.78
Lease rent receipts	425.24	425.40
Gain on foreign currency fluctuation	800.61	436.63
Sundry balances/excess provisions written back (net)	2,215.04	1,267.55
Miscellaneous income	90.41	153.58
<b>Total other income</b>	<b>4,001.41</b>	<b>2,647.23</b>

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## Note 23

### Cost of materials consumed

	(Indian ₹ in lacs)	
Particulars	2022-2023	2021-2022
<u>Raw materials consumed</u>		
Opening stock	1,007.95	1,174.45
Add: Purchases	4,378.08	4,043.67
Less: Closing stock	(895.65)	(1,007.95)
	4,490.38	4,210.17
<u>Packing materials consumed</u>		
Opening stock	225.00	219.74
Add: Purchase and direct expenses	627.47	679.44
Less: Closing stock	(205.92)	(225.00)
	646.55	674.18
Rent and royalty	452.34	50.04
Mining expenses	362.40	122.85
<b>Total cost of material consumed</b>	<b>5,951.67</b>	<b>5,057.24</b>

## Note 24

### Changes in inventories

	(Indian ₹ in lacs)	
Particulars	2022-2023	2021-2022
<u>Closing Stock</u>		
Finished goods	2,533.01	2,686.39
Stock-in-trade	4,963.72	5,269.53
Semi finished goods	1,276.79	1,669.89
	8,773.52	9,625.81
<u>Opening Stock</u>		
Finished goods	2,686.39	2,526.30
Stock-in-trade	5,269.53	5,226.16
Semi finished goods	1,669.89	2,098.57
	9,625.81	9,851.03
<b>Changes in inventories</b>	<b>852.29</b>	<b>225.22</b>

## Note 25

### Employee benefit expenses

	(Indian ₹ in lacs)	
Particulars	2022-2023	2021-2022
Salaries, wages, allowances and bonus	2,406.49	2,226.68
Directors' remuneration	155.84	138.33
Contribution to provident fund & other welfare funds	166.94	140.20
Staff welfare expenses	203.89	143.07
<b>Total employee benefit expenses</b>	<b>2,933.16</b>	<b>2,648.28</b>



**Note 26**  
**Finance costs**

Particulars	(Indian ₹ in lacs)	
	2022-2023	2021-2022
Interest		
Banks	-	-
Income tax	1.53	0.05
Others	2,234.70	3,007.13
	<u>2,236.23</u>	<u>3,007.18</u>
Other borrowing costs	3.16	3.79
<b>Total finance costs</b>	<b><u>2,239.39</u></b>	<b><u>3,010.97</u></b>

**Note 27**  
**Depreciation and amortisation expenses**

Particulars	(Indian ₹ in lacs)	
	2022-2023	2021-2022
Property, plant and equipment	1,455.61	1,808.78
Investment properties	72.58	126.82
Intangible assets	10.16	16.44
<b>Total depreciation and amortisation</b>	<b><u>1,538.35</u></b>	<b><u>1,952.04</u></b>

**Note 28**  
**Other expenses**

Particulars	(Indian ₹ in lacs)	
	2022-2023	2021-2022
<b>Manufacturing expenses</b>		
Power and fuel	2,351.74	2,638.74
Machinery repairs and maintenance	91.24	90.41
Stores and spares	800.44	673.60
Carriage inward	124.25	34.63
Other expenses	703.19	853.40
	<u>4,070.86</u>	<u>4,290.78</u>
<b>Selling and distribution expenses</b>		
Sales Commission	26.24	196.83
Export freight and insurance	2,759.65	15,169.93
Export custom duty	-	0.40
Export and other shipment expenses	2,773.72	3,049.55
	<u>5,559.61</u>	<u>18,416.71</u>
<b>Administrative and other expenses</b>		
Advertisement and business promotion	28.91	38.31
Rent	73.64	81.85
Rates and taxes	25.73	55.56
Repairs to buildings and others	107.88	108.66
Insurance premiums	142.72	117.11
Travelling expenses	178.99	90.89
Bank discount, commission and other charges	44.17	39.48
Legal and professional fees	463.44	292.49
Payment to auditors	55.45	53.70
Directors sitting fees	19.75	17.50
Loss on sale of property, plant & equipment (net)	210.87	-
Corporate social responsibility expenses	-	341.01
Donations	10.48	0.45
Miscellaneous expenses	645.83	616.97
	<u>2,007.86</u>	<u>1,853.98</u>
<b>Total other expenses</b>	<b><u>11,638.33</u></b>	<b><u>24,561.47</u></b>

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## Expenditure towards Corporate Social Responsibility (CSR) activities

1. Amount required to be spent u/s 135(5) of the Companies Act 2013	-	328.89
2. Amount spent in cash during the year		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	-	341.01
3. (Excess)/Shortfall at the end of the year	-	(12.12)
4. Nature of CSR activities	Education, healthcare, women empowerment, promotion of arts	

## Payments to auditors

Audit fees (including quarterly limited review)	47.50	46.30
Tax audit fees	5.50	6.00
Other services	1.25	1.40
Reimbursement of expenses	1.20	-
	<b>55.45</b>	<b>53.70</b>

## **Note 29**

### Earning per share

Particulars	2022-2023	2021-2022
Profit for the year (Indian ₹ in lacs)	(701.12)	(1,565.42)
Weighted average number of shares (Nos)	9,14,86,098	8,96,61,440
Diluted number of shares (Nos)	9,14,86,098	8,96,61,440
Earnings per share (Basic) ₹	(0.77)	(1.75)
Earnings per share (Diluted) ₹	(0.77)	(1.75)
Face value per share ₹	2.00	2.00

## **Note 30**

### Fair value measurement

#### i) Financial instruments by category :

( Indian ₹ in lacs )

Particulars	31st March 2023				31st March 2022			
	FVPL	FVOCI	Amortised cost	Fair value	FVPL	FVOCI	Amortised cost	Fair value
<b>Financial assets</b>								
Investments	-	-	3,951.45	3,951.45	-	-	3,951.45	3,951.45
Trade receivables	-	-	11,806.09	11,806.09	-	-	15,416.73	15,416.73
Loans - non-current	-	-	3,553.29	3,553.29	-	-	5,101.78	5,101.78
Loans - current	-	-	10.66	10.66	-	-	5.49	5.49
Other financial assets - non-current	-	-	1,271.32	1,271.32	-	-	1,116.52	1,116.52
Other financial assets - current	-	-	864.84	864.84	-	-	166.74	166.74
Cash and cash equivalents	-	-	2,430.48	2,430.48	-	-	910.10	910.10
Other bank balances	-	-	331.49	331.49	-	-	382.65	382.65
<b>Total financial assets</b>	<b>-</b>	<b>-</b>	<b>24,219.62</b>	<b>24,219.62</b>	<b>-</b>	<b>-</b>	<b>27,051.46</b>	<b>27,051.46</b>



### Financial liabilities

Borrowings								
Long term borrowings	-	-	1,686.49	1,686.49	-	-	4,216.22	4,216.22
Short term borrowings	-	-	4,178.64	4,178.64	-	-	2,629.73	2,629.73
Trade payables	-	-	5,110.44	5,110.44	-	-	10,604.41	10,604.41
Other financial liabilities - non-current	-	-	29,699.88	29,699.88	-	-	22,723.99	22,723.99
Other financial liabilities -current	-	-	7,609.41	7,609.41	-	-	15,845.87	15,845.87
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>48,284.86</b>	<b>48,284.86</b>	<b>-</b>	<b>-</b>	<b>56,020.22</b>	<b>56,020.22</b>

### Note 31

#### Financial risk management

The Company's activities expose it to credit risk, liquidity risk and market risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, financial assets and trade receivables	Credit ratings, Aging analysis, credit evaluation	Diversification of counter parties, investment limits, check on counter parties basis credit rating and number of overdue days
Liquidity risk	Borrowings, trade payables and other liabilities	Maturity analysis	Maintaining sufficient cash/cash equivalents and marketable securities
Market risk	Financial assets and liabilities not denominated in INR	Sensitivity analysis	Constant evaluation and proper risk management policies

The Board provides guiding principles for overall risk management as well as policies covering specific areas such as foreign exchange risk, credit risk and investment of surplus liquidity.

#### A. Credit risk

Credit risk refers to the risk of a counter party default on its contractual obligation resulting into a financial loss to the Company. The maximum exposure of the financial assets represents trade receivables, work in progress and receivables from group companies and others.

Customer credit risk is managed by the Company through established policy and procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally carrying upto 90 days credit terms. The Company has a detailed review mechanism of overdue customer receivables at various levels within organisation to ensure proper attention and focus for realisation. Trade receivables are consisting of a large number of customers. Export receivables are backed by forward contract. In respect of trade receivables, the Company uses a provision matrix to compute the expected credit loss allowances for trade receivables in accordance with the expected credit loss (ECL) policy of the Company.

#### B. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet its commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial assets quickly at close to its fair value.

The Company, to the best extent possible, attempts to manage liquidity risk by maintaining adequate liquid assets and banking facilities by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

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Contractual maturities of significant financial liabilities are as follows:

Particulars	( Indian ₹ in lacs )		
	Less than or equal to one year	more than one year	Total
<b>Liquidity exposure as on 31st March 2023</b>			
<b>Financial Liabilities</b>			
Long term borrowings	-	1,686.49	1,686.49
Short term borrowings	4,178.64	-	4,178.64
Trade payables	5,110.44	-	5,110.44
Other financial liabilities	7,609.41	29,699.88	37,309.29
<b>Total financial liabilities</b>	<b>16,898.49</b>	<b>31,386.37</b>	<b>48,284.86</b>
<b>Liquidity exposure as on 31st March 2022</b>			
<b>Financial Liabilities</b>			
Long term borrowings	-	4,216.22	4,216.22
Short term borrowings	2,629.73	-	2,629.73
Trade payables	10,604.41	-	10,604.41
Other financial liabilities	15,845.87	22,723.99	38,569.86
<b>Total financial liabilities</b>	<b>29,080.01</b>	<b>26,940.21</b>	<b>56,020.22</b>

## C. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in foreign currency exchange rates, interest rates, credit, liquidity and other market changes.

The Company has several balances in foreign currency and consequently, the Company is exposed to foreign exchange risk. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies, to the extent possible.

### a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings, wherever possible.

### b) Exposure in foreign currency:

The Company deals with foreign currency loan given, trade payables, trade receivables etc. and is therefore exposed to foreign exchange risk associated with exchange rate movement.

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales in overseas and purchases from overseas suppliers in various foreign currencies.

**Exposure in foreign currency -Hedged** The Company has no hedged foreign currency exposure at the end of the relevant period.

Unhedged :	Currency	(respective foreign currencies in lacs)	
		31st March, 2023	31st March, 2022
<b>Receivables</b>			
USD		128.34	200.08
EURO		9.14	13.47
<b>Payables</b>			
USD		23.92	103.19
EURO		0.19	2.18





AED	0.20	1.02
<b>Loans to overseas subsidiaries</b>		
USD	19.11	18.07

### c) Foreign currency sensitivity

The Company is mainly exposed to changes in USD and EURO. The below table demonstrates the sensitivity to a 5% increase or decrease in the USD and EURO against INR, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Company as at reporting date. 5% represents management's assessment of reasonably possible change in foreign exchange rate.

( Indian ₹ in lacs )			
Particulars	Currency	Change in rate	Effect on profit before tax
<b>31 March 2023</b>	USD	+5%	507.59
	USD	-5%	(507.59)
<b>31 March 2022</b>	USD	+5%	472.37
	USD	-5%	(472.37)
<b>31 March 2023</b>	EURO	+5%	39.98
	EURO	-5%	(39.98)
<b>31 March 2022</b>	EURO	+5%	50.43
	EURO	-5%	(50.43)

### Note 32

#### Capital management

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

The Company's capital management objective is to maximise the total shareholder returns by optimising cost of capital through flexible capital structure that supports growth. Further, the Company attempts to ensure optimal credit risk profile to maintain/enhance credit rating.

The Company determines the amount of capital required on the basis of annual operating plan and long-term strategic plans. The funding requirements are met through internal accruals and long-term/short-term borrowings. The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

The following table summarises the capital of the Company:

( Indian ₹ in lacs )		
Particulars	As at 31st March 2023	31st March 2022
Total debt	5,865.13	6,845.95
Total equity	3,460.13	3,657.21
Total debt to equity ratio	1.70	1.87

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## Note 33

### Capital and Other Commitments

( Indian ₹ in lacs )

No.	Particulars	31st March 2023	31st March 2022
<b>Capital commitments</b>			
1	Estimated value of contracts remaining to be executed	1,175.99	54.30

## Note 34

### Contingent Liabilities

( Indian ₹ in lacs )

No.	Particulars	31st March 2023	31st March 2022
1	Guarantees to banks against credit facilities extended to subsidiary companies	3,135.00	4,181.15
2	Guarantees to banks and others against credit facilities extended to associate/joint venture companies	3,700.00	3,200.00
3	Guarantees given by the Company to various Government Authorities	4,252.40	4,246.63
4	In respect of Taxation Matters	2,701.63	2,701.63
5	In respect of disputed VAT and service tax matters	-	278.37
6	Shipping claims against the Company not acknowledged as debt	6,194.17	6,038.01
7	Other claims against the Company not acknowledged as debt	4,812.51	4,553.85
8	In respect of other matters	18.68	18.68
	<b>Total....</b>	<b>24,814.39</b>	<b>25,218.32</b>

The amounts disclosed above represent the best possible estimates arrived at on the basis of available information.

## Note 35

### Employee benefits

#### Funded Scheme - Gratuity

Liability for employee gratuity has been determined by an actuary, appointed for the purpose, in conformity with the principles set out in the Indian Accounting Standard 19 the details of which are as hereunder. The Company makes contributions to approved gratuity fund.

( Indian ₹ in lacs )

No.	Particulars	31st March 2023	31st March 2022
<b>Amount recognised in balance sheet</b>			
	Present value of funded defined benefit obligation	841.18	713.23
	Fair value of plan assets	684.12	578.12
	<b>Net unfunded obligation/(assets)</b>	<b>157.06</b>	<b>135.11</b>
<b>Expense recognised in the statement of profit and loss</b>			
	Current service cost	34.64	34.48
	Interest on net defined benefit asset	9.77	2.62
	<b>Total expense charged to profit and loss Account</b>	<b>44.41</b>	<b>37.10</b>
<b>Amount recorded as other comprehensive income</b>			
	Opening amount recognised in OCI outside profit & loss Account	(68.32)	7.32
	Remeasurements during the period due to:		
	Changes in financial assumptions	(6.20)	(71.93)
	Actual return on plan assets less interest on plan assets	(1.50)	(3.71)
	<b>Closing amount recognised in OCI outside profit &amp; loss account</b>	<b>(76.02)</b>	<b>(68.32)</b>
<b>Reconciliation of net liability/(asset)</b>			
	Opening net defined benefit liability/(asset)	135.11	38.60
	Expense charged to profit and loss account	44.41	37.10
	Net liabilities transfer out (net)	80.03	(4.85)
	Amount recognised outside profit and loss account	7.70	75.64
	Employer contributions	(110.19)	(11.38)
	<b>Closing net defined benefit liability/(asset)</b>	<b>157.06</b>	<b>135.11</b>



<b>Movement in benefit obligation</b>		
<b>Opening of defined benefit obligation</b>	<b>713.23</b>	<b>597.06</b>
Current service cost	34.64	34.48
Interest on defined benefit obligation	51.57	40.60
Net liabilities transfer out (net)	80.03	(4.85)
Actuarial loss/(gain) arising from change in Demographic assumptions	-	(0.22)
Actuarial loss/(gain) arising from change in financial assumptions	(11.69)	(15.23)
Benefits paid from the fund	(44.50)	(25.98)
Actuarial loss/(gain) on obligation	17.90	87.37
<b>Closing of defined benefit obligation</b>	<b>841.18</b>	<b>713.23</b>

<b>Movement in plan assets</b>		
<b>Opening fair value of plan assets</b>	<b>578.12</b>	<b>558.45</b>
Return on plan assets excluding interest income	(1.50)	(3.71)
Interest income (net)	41.81	37.98
Contributions by employer	110.19	11.38
Benefits paid	(44.50)	(25.98)
<b>Closing of defined benefit obligation</b>	<b>684.12</b>	<b>578.12</b>

#### Principal actuarial assumptions

Discount Rate	7.52	7.23
Salary escalation rate p.a.	7.52	7.23
Future salary increase	5.00	5.00
Rate of employee turnover	4.00	4.00

Sensitivity analysis for significant assumption is as shown below:

( Indian ₹ in lacs )

No.	Particulars	31st March 2023	31st March 2022
1	Discount Rate - 1% increase	(37.65)	(32.73)
	Discount Rate - 1% decrease	41.94	36.60
2	Salary - 1% increase	42.58	37.05
	Salary - 1% decrease	(38.86)	(33.70)
3	Employee Turnover - 1% increase	6.28	4.86
	Employee Turnover - 1%decrease	(6.88)	(5.36)

The following are the expected future benefit payments for the defined benefit plan:

( Indian ₹ in lacs )

No.	Particulars	31st March 2023	31st March 2022
1	Within the next 12 months (next annual reporting period)	233.06	205.20
2	Between 2 and 5 years	260.58	198.32
3	Beyond 5 years	834.09	716.18

# Ashapura Minechem Limited

## Note 36

### Details of Income and Expenditure on Research and Development:

( Indian ₹ in lacs )

Particulars	2022-2023	2021-2022
Salaries, wages, allowances and bonus	284.71	264.55
Contribution to employee benefit funds	11.98	10.16
Staff welfare expenses	6.54	4.46
Machinery repairs and maintenance	13.13	9.60
Laboratory analysis and other expenses	104.50	69.82
Other selling expenses	0.59	3.04
Travelling expenses	4.19	0.61
Rent	14.52	14.52
Building and other repairs	23.19	12.05
Donation	0.25	-
Advertisement and business promotion	0.15	0.01
Legal and professional fees	8.20	10.28
Sundry balances written off	0.96	-
Payment to auditors	0.30	0.30
Insurance premiums	0.24	0.17
General expenses	35.47	38.13
	508.92	437.70
Material cost	-	-
Depreciation	111.60	96.14
	620.52	533.84
<b>Less:</b>		
Receipt from research activities	900.00	578.70
Interest income	0.02	0.03
Other income	0.58	-
	900.60	578.73
<b>Net surplus/(deficit)</b>	<b>280.08</b>	<b>44.89</b>
<b>Capital expenditure</b>	<b>62.53</b>	<b>90.50</b>



**Note 37**

As per Ind AS 24, Disclosure of transactions with related parties (as identified by the management) as defined in Ind AS are given below:

Sr No.	Particulars	Country of incorporation
<u>(i) Subsidiary companies</u>		
1	Ashapura Alumium Limited	India
2	Ashapura Boffa Bauxite SAU	Guinea
3	Ashapura Claytech Limited	India
4	Ashapura Consultancy Services Private Limited	India
5	Ashapura Fareast Acticlady Sdn Bhd <sup>1</sup>	Malaysia
6	Ashapura Farest MPA Sdn Bhd <sup>1</sup>	Malaysia
7	Ashapura Global Infratech SARLU	Guinea
8	Ashapura Guinea Resources SARL	Guinea
9	Ashapura Holdings Fareast Pte Ltd	Singapore
10	Ashapura Holdings (UAE) FZE	UAE
11	Ashapura International Limited	India
12	Ashapura Midgulf NV <sup>2</sup>	Belgium
13	Ashapura Minechem (UAE) FZE	UAE
14	Ashapura Minex Resources SAU	Guinea
15	Ashapura Resources Private Limited	India
16	Bombay Minerals Limited	India
17	FAKO Resources SARL	Guinea
18	Peninsula Property Developers Private Limited	India
19	Prashansa Ceramics Limited	India
20	PT Ashapura Bentoclay Fareast	Indonesia
21	Sharda Consultancy Private Limited	India
22	Societe Guineenne des Mines de Fer	Guinea
<u>(ii) Joint ventures and associates</u>		
23	APL Valueclay Private Limited	India
24	Ashapura Arcadia Logistic Private Limited	India
25	Ashapura Dhofar Resources LLC	Oman
26	Ashapura Fareast Acticlady Sdn Bhd <sup>3</sup>	Malaysia
27	Ashapura Farest MPA Sdn Bhd <sup>3</sup>	Malaysia
28	Ashapura Midgulf NV <sup>4</sup>	Belgium
29	Ashapura Perfoclay Limited	India
30	Orient Abrasives Limited	India
31	Orient Advanced Materials FZE <sup>5</sup>	UAE
32	Orient Advanced Materials Private Limited <sup>6</sup>	India
33	Shantilal Multiport Private Limited <sup>7</sup>	India
34	Sohar Ashapura Chemicals LLC <sup>8</sup>	Oman
<u>(iii) Entities controlled/significantly influenced by directors</u>		
35	Aeon Procure Private Limited	India
36	Aeonx Digital Solutions Private Limited	India
37	Altage Stone Crushing Industries	India
38	Ambica Logistics Private Limited	India
39	Artha Minerals Resources	India
40	Ashapura Exports Pvt Limited	India
41	Ashapura Foundation	India

# Ashapura Minechem Limited

42	Ashapura Overeas Private Limited	India
43	Ashok Alco-chem Limited	India
44	Chetan N Shah - HUF	India
45	Kutch Navniraman Trust	India
46	Manico Resources Private Limited	India
47	Minologic Corporation	India
48	Minotech Resources LLP	India
49	Minotrans Logistic Corporation	India
50	Sharda industrial Corporation	India

## (iv) Key managerial personnel

51	Mr. Chetan Shah	Executive Chairman
52	Mr. Hemul Shah	Excutive Director & CEO
53	Mr. Harish Motiwala	Independent Director
54	Mr. Ashok Kadakia <sup>9</sup>	Independent Director
55	Mr. Abhilash Munsif	Independent Director
56	Mr. Pundrik Sanyal	Independent Director
57	Ms Himani Shah	Non Independent Director
59	Mrs. Neeta Shah	Independent Director
60	Mr. Sachin Polke	Company Secretary & President (Corporate Affairs)
61	Mr. Ashish Desai	Chief Financial Officer
62	Mr. Akhilesh Kumar Sinha <sup>10</sup>	Vice President - Human Resources
63	Mr. Sandeep Deshpande <sup>11</sup>	Group Head - Human Resources and Administration

<sup>1</sup> w.e.f. 18th October 2021

<sup>2</sup> w.e.f. 3rd May 2021

<sup>3</sup> Up to 17th October 2021

<sup>4</sup> Up to 2nd May 2021

<sup>5</sup> w.e.f. 5th December 2022

<sup>6</sup> w.e.f. 4th June 2021

<sup>7</sup> w.e.f. 23rd August 2021

<sup>8</sup> Up to 17th May 2021

<sup>9</sup> Up to 12th August 2021

<sup>10</sup> Up to 9th July 2021

<sup>11</sup> w.e.f. 25th June 2021

( Indian ₹ in lacs )

Nature of transaction	Relationship	Year ended	Year ended
		31st March 2023	31st March 2022
<b>1. Sales of materials</b>			
Ashapura International Limited	Subsidiary	1,713.30	2,206.07
Bombay Minerals Limited	Subsidiary	171.06	103.77
Ashapura Perfoclay Limited	Joint Venture	184.07	237.99
Minotech Resources LLP	Entity controlled/significantly influenced by directors	-	48.20
Societe Guineenne Des Mines De Fer	Subsidiary	-	1,422.22
Ashapura Overseas Private Limited	Entity controlled/significantly influenced by directors	0.39	-
Ashapura Holdings ( UAE) FZE	Subsidiary	1,784.60	-
Ashapura Midgulf NV	Subsidiary	1,473.08	1,541.31
Orient Advanced Materials Private Limited	Associate	1.04	0.42
Ashapura Minex Resources SAU	Subsidiary	325.91	879.79
APL Valueclay Private Limited	Joint Venture	3.86	3.81



Orient Abrasives Limited	Associate	821.30	896.24
Ashapura Boffa Bauxite SAU	Subsidiary	1,651.89	-
Ashapura Guinea Resources SARL	Subsidiary	25.19	-
Aeon Procure Private Limited	Associate	13.66	-
Artha Minerals Resources	Entity controlled/significantly influenced by directors	7.76	-
<b>Total...</b>		<b>8,177.11</b>	<b>7,339.82</b>
<b>2. Sale of property, plant &amp; equipment</b>			
Ashapura Dhofar Resources LLC	Associate	-	42.34
Ashapura International Limited	Subsidiary	11.85	-
<b>Total...</b>		<b>11.85</b>	<b>42.34</b>
<b>3. Purchase of materials</b>			
Bombay Minerals Limited	Subsidiary	0.06	246.62
Ashapura International Limited	Subsidiary	33.40	634.17
Societe Guineenne Des Mines De Fer	Subsidiary	-	6,838.93
Minotech Resources LLP	Entity controlled/significantly influenced by directors	92.75	-
Ashapura Holdings ( UAE) FZE	Subsidiary	-	14,145.50
Ashapura Perfoclay Limited	Joint Venture	0.07	534.61
Ashok Alcochem Limited	Associate	-	762.38
Ashapura Claytech Limited	Subsidiary	-	4.91
Orient Abrasives Limited	Associate	8.22	4.81
<b>Total...</b>		<b>134.50</b>	<b>23,171.93</b>
<b>4. Interest received</b>			
Ashapura Minechem (UAE) FZE	Subsidiary	84.16	77.23
Bombay Minerals Limited	Subsidiary	99.01	13.33
Ashapura International Limited	Subsidiary	84.79	17.50
<b>Total...</b>		<b>267.96</b>	<b>108.06</b>
<b>5. Lease rent paid</b>			
Ashapura International Limited	Subsidiary	14.52	14.52
Bombay Minerals Limited	Subsidiary	0.60	0.60
<b>Total...</b>		<b>15.12</b>	<b>15.12</b>
<b>6. Reimbursement of administrative expenses received/(paid)</b>			
Ashapura Claytech Limited	Subsidiary	2.82	32.31
Ashapura Consultancy Services Private Limited	Subsidiary	0.88	1.83
Ashapura International Limited	Subsidiary	270.49	1,296.13
Bombay Minerals Limited	Subsidiary	97.61	21.91
Peninsula Property Developers Private Limited	Subsidiary	0.01	1.33
Sharda Consultancy Services Private Limited	Subsidiary	0.01	2.63
Ashapura Resources Private Limited	Subsidiary	1.25	-
Ashapura Overseas Private Limited	Entity controlled/significantly influenced by directors	0.33	(0.07)
Orient Abrasives Limited	Associate	421.76	5.59
APL Valueclay Private Limited	Joint Venture	0.89	4.18
Ashok Alcochem Limited	Associate	0.23	(26.91)
Ashapura Perfoclay Limited	Joint Venture	95.09	100.79
Orient Advanced Materials Private Limited	Associate	16.29	-
Artha Minerals Resources	Entity controlled/significantly influenced by directors	1.50	-
<b>Total...</b>		<b>909.16</b>	<b>1,439.72</b>

# Ashapura Minechem Limited

## 7. Corporate Social Responsibility/donation

Kutch Navnirman Trust	Entity controlled/significantly influenced by directors	-	250.00
Ashapura Foundation	Entity controlled/significantly influenced by directors	6.76	65.00
<b>Total...</b>		<b>6.76</b>	<b>315.00</b>

## 8. Selling expenses

Ashapura Midgulf NV	Subsidiary	21.42	50.01
Ambica Logistics Private Limited	Entity controlled/significantly influenced by directors	8.25	50.96
Aeonx Digital Solutions Private Limited	Entity controlled/significantly influenced by directors	60.50	-
<b>Total...</b>		<b>90.17</b>	<b>100.97</b>

## 9. Export sales commission

Ashapura Holding (UAE) FZE	Subsidiary	-	178.90
Ashapura Midgulf NV	Subsidiary	-	0.73
<b>Total...</b>		<b>-</b>	<b>179.63</b>

## 10. Rent received

Ashapura International Limited	Subsidiary	207.73	206.86
Ashapura Overseas Private Limited	Entity controlled/significantly influenced by directors	1.20	1.20
Orient Abrasives Limited	Associate	9.00	9.00
Orient Advanced Materials Private Limited	Associate	9.04	4.79
Bombay Minerals Limited	Subsidiary	-	2.99
<b>Total...</b>		<b>226.97</b>	<b>224.84</b>

## 11. Loans granted

Ashapura International Limited	Subsidiary	-	2,100.00
Bombay Minerals Limited	Subsidiary	1,982.00	1,600.00
<b>Total...</b>		<b>1,982.00</b>	<b>3,700.00</b>

## 12. R & D charges receipts

Ashapura International Limited	Subsidiary	450.00	400.00
Ashapura Perfoclay Limited	Joint Venture	350.00	175.00
Orient Abrasives Limited	Associate	100.00	-
<b>Total...</b>		<b>900.00</b>	<b>575.00</b>

## 13. Stores, spares & packing materials purchases

Ashapura Perfoclay Limited	Joint Venture	8.95	51.06
Minotech Resources LLP	Entity controlled/significantly influenced by directors	72.18	270.86
Ashapura International Limited	Subsidiary	5.52	-
Ashapura Claytech Limited	Subsidiary	-	18.36
Orient Abrasives Limited	Associate	8.64	7.34
Orient Advanced Materials Private Limited	Associate	0.58	-
<b>Total...</b>		<b>95.87</b>	<b>347.62</b>

## 14. Operational income

Ashapura Guinea Resources SARL	Subsidiary	160.07	143.15
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#### 15. Guarantee commission receipts

Ashapura Perfoclay Limited	Joint Venture	32.00	32.00
Ashapura International Limited	Subsidiary	9.24	12.50
Bombay Minerals Limited	Subsidiary	29.00	29.30
Orient Abrasives Limited	Associate	3.73	-
<b>Total...</b>		<b>73.97</b>	<b>73.80</b>

#### 16. Dividend received

Ashapura Perfoclay Limited	Joint Venture	134.50	134.50
Bombay Minerals Limited	Subsidiary	5.45	5.45
<b>Total...</b>		<b>139.95</b>	<b>139.95</b>

#### 17. Royalty

Chetan N Shah - HUF	Entity controlled/significantly influenced by directors	32.60	130.58
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#### 18. Export demurrage Income

Societe Guineenne Des Mines De Fer	Subsidiary	472.03	-
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#### 19. Software maintenance expenses

Aeonx Digital Solutions Private Limited	Entity controlled/significantly influenced by directors	51.79	94.20
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#### 20. Purchase of property, plant and equipment

Ashapura Claytech Limited	Subsidiary	-	123.76
Ashapura Alumium Limited	Subsidiary	2.07	-
Minotrans Logistic Corporation	Entity controlled/significantly influenced by directors	22.00	-
<b>Total...</b>		<b>24.07</b>	<b>123.76</b>

### **Outstanding Balances:**

#### 1. Trade receivables

Ashapura International Limited	Subsidiary	290.34	718.20
Bombay Minerals Limited	Subsidiary	70.81	59.46
Ashapura Holdings ( UAE) FZE	Subsidiary	50.67	1.02
Ashapura Exports Private Limited	Entity controlled/significantly influenced by directors	385.40	385.58
Ashapura Midgulf NV	Subsidiary	1,184.98	941.94
Ashapura Overseas Private Limited	Entity controlled/significantly influenced by directors	266.09	264.14
Minotech Resources LLP	Entity controlled/significantly influenced by directors	99.60	148.76
Ashapura Minex Resources SAU	Subsidiary	1,289.83	904.77
Orient Advanced Materials Private Limited	Associate	24.27	1.33
Societe Guineenne Des Mines De Fer	Subsidiary	1,006.45	1,467.26
Ashapura Claytech Limited	Subsidiary	-	0.01
Manico Resources Private Limited	Entity controlled/significantly influenced by directors	8.33	2.50
Ashapura Dhofar Resources LLC	Associate	50.58	47.11
APL Valueclay Private Limited	Joint Venture	-	0.35
Ashapura Resources Private Limited	Subsidiary	1.25	-
Orient Abrasives Limited	Associate	121.00	75.35
Ashapura Guinea Resources SARL	Subsidiary	151.51	332.02
Ashapura Boffa Bauxite SAU	Subsidiary	1,786.36	-
Artha Minerals Resources	Entity controlled/significantly influenced by directors	13.05	-
<b>Total...</b>		<b>6,800.52</b>	<b>5,349.80</b>

# Ashapura Minechem Limited

## 2. Security deposits

Ashapura International Limited	Subsidiary	-	1.00
Ashapura Claytech Limited	Subsidiary	-	50.00
Sharda Industrial Corporation	Entity controlled/significantly influenced by directors	45.00	45.00
<b>Total...</b>		<b>45.00</b>	<b>96.00</b>

## 3. Trade payables

APL Valueclay Private Limited	Joint Venture	0.02	-
Societe Guineenne Des Mines De Fer	Subsidiary	-	618.70
Bombay Minerals Limited	Subsidiary	0.26	-
Minotech Resources LLP	Entity controlled/significantly influenced by directors	363.41	188.17
Ashapura Midgulf NV	Subsidiary	166.80	157.22
Chetan N Shah - HUF	Entity controlled/significantly influenced by directors	1.13	58.75
Ashok Alco-chem Limited	Entity controlled/significantly influenced by directors	458.45	798.68
Ashapura Perfoclay Limited	Joint Venture	1.22	762.25
Aeonx Digital Solutions Private Limited	Entity controlled/significantly influenced by directors	16.34	-
Ashapura Alumium Limited	Subsidiary	2.07	-
<b>Total...</b>		<b>1,009.70</b>	<b>2,583.77</b>

## 4. Other liabilities

Ashapura Holdings ( UAE) FZE	Subsidiary	169.17	169.17
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## 5. Trade advances

Ashapura Claytech Limited	Subsidiary	0.60	-
Bombay Minerals Limited	Subsidiary	1,756.97	1,773.47
Manico Resources Private Limited	Entity controlled/significantly influenced by directors	-	52.32
Ambica Logistics Private Limited	Entity controlled/significantly influenced by directors	53.79	35.93
Minotrans Logistics Corporation	Entity controlled/significantly influenced by directors	-	117.04
Altage Stone Crushing Industries	Entity controlled/significantly influenced by directors	450.20	448.16
Minologistics Corporation	Entity controlled/significantly influenced by directors	61.74	46.74
Artha Minerals Resources	Entity controlled/significantly influenced by directors	1.45	-
Aeon Procure Private Limited	Entity controlled/significantly influenced by directors	-	0.12
Ashapura Holding (UAE) FZE	Subsidiary	978.76	677.93
Societe Guineenne Des Mines De Fer	Subsidiary	1,081.23	-
Ashapura Boffa Bauxite SAU	Subsidiary	742.94	-
<b>Total...</b>		<b>5,127.68</b>	<b>3,151.71</b>

## 6. Loans granted

Ashapura Minechem (UAE) FZE	Subsidiary	1,570.24	1,369.91
Ashapura International Limited	Subsidiary	-	2,115.75
Bombay Minerals Limited	Subsidiary	1,982.00	1,612.00
<b>Total...</b>		<b>3,552.24</b>	<b>5,097.66</b>



### 7. Advances from customers

Ashapura Perfoclay Limited	Joint Venture	1,594.04	1,397.96
Ashapura Farest MPA Sdn Bhd	Subsidiary	0.70	0.70
<b>Total...</b>		<b>1,594.74</b>	<b>1,398.66</b>

### 8. Security deposit taken

Ashapura International Limited	Subsidiary	56.75	-
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## Key management personnel and relatives

### 1. Remuneration

Mr. Chetan Shah	Executive Chairman	89.97	84.00
Mr. Hemul Shah	Executive Director & CEO	65.87	54.33
Others		162.77	149.46
<b>Total...</b>		<b>318.61</b>	<b>287.79</b>

### 2. Sitting fees

Mr. Harish Motiwala	Independent director	4.75	4.00
Mr. Ashok Kadakia	Independent director	-	2.00
Mr. Abhilash Munsif	Independent director	5.75	4.00
Mr. Pundarik Sanyal	Independent director	5.75	4.00
Ms. Himani Shah	Non-independent director	2.00	2.00
Ms. Neeta Shah	Independent director	1.50	1.50
<b>Total...</b>		<b>19.75</b>	<b>17.50</b>

### 3. Reimbursement of expenses paid

Mr. Ashish Desai	Chief Financial Officer	5.35	8.95
Mr. Akhileshkumar Sinha	Vice President - Human Resources	-	2.45
Mr. Sachin Polke	Company Secretary & President (Corporate Affairs)	5.35	8.95
Mr. Sandeep Deshpande	Group Head - Human Resources and Administration	4.14	1.44
Mr. Hemul Shah	Executive Director & CEO	6.19	10.39
<b>Total...</b>		<b>21.03</b>	<b>32.18</b>

## 38. Additional Regulatory Information

Additional Regulatory Information pursuant to clause 6L of General Instructions for preparation of Balance Sheet as given in Part I of Division II of Schedule III to the Companies Act, 2013, are given hereunder to the extent relevant and other than those given elsewhere in any other notes to the financial Statement.

### a. Ratio

No.	Particulars	Numerator	Denominator	As at 31st March,		Variance	Reason for variance, if more than 25%
				2023	2022		
1	Current Ratio (in times)	Current assets	Current liabilities	1.60	1.18	35.96	Decrease in current liabilities
2	Debt-Equity Ratio (in times)	Total debt	Shareholders' equity	2.35	1.87	25.79	Decrease in shareholders' fund
3	Debt Service Coverage Ratio (in times)	Earning available for service debt	Interest costs, lease payments,	0.39	0.42	(8.39)	

## Ashapura Minechem Limited

4	Return on Equity Ratio (%)	Net profit after taxes	Average shareholder's equity	(19.70)	(36.98)	(46.72)	Decrease in loss
5	Inventory Turnover Ratio (No. of days)	Net sales	Average inventory	204.48	73.56	177.99	Decrease in sales
6	Trade Receivables Turnover Ratio (No. of days)	Net operating revenue	Average trade receivables	223.10	112.18	98.88	Decrease in sales
7	Trade Payables Turnover Ratio (No. of days)	Net credit purchases	Average trade payables	290.94	117.49	147.63	Decrease in purchases
8	Net Capital Turnover Ratio (in times)	Net operating revenue	Working capital	1.60	10.06	(84.13)	Decrease in Revenue
9	Net Profit Ratio (%)	Net profit	Operating revenue	(3.15)	(2.62)	20.30	
10	Return on Capital Employed (%)	Earning before interest and taxes	Capital employed	17.77	13.76	29.11	Decrease in loss
11	Return on Investments (%)	Income generated from invested funds	Average invested funds	3.67	3.47	5.77	

- b. The title deeds of all immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under property, plant and equipment are held in the name of the Company as at the balance sheet date.
- c. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- d. The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- e. The Company has not been declared as a wilful defaulter by any lender who has powers to declare a company as a wilful defaulter at any time during the financial year or after the end of reporting period but before the date when the financial statements are approved.
- f. Based on the information furnished to us, the Company does not have any transactions with struck-off companies.
- g. The Company has used the borrowings from financial institutions and others for the specific purpose for which it was obtained.
- h. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act 2013 read with Companies (Restrictions on number of Layers) Rules, 2017.
- i. The company has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities(intermediaries), with the understanding that the intermediary shall;
- i. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries), or
- ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- i. The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall;
- i. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate beneficiaries), or
- ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- k. The Company does not have any transactions which is not recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 ( such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- l. The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets.
- m. The Company does not have any charges or satisfaction which is yet to be registered with the Registrar of Companies (ROC) beyond the statutory period.



39. Pursuant to the approval of the members, the Company has, on 14th February, 2023 issued 40,40,000 equity share warrants on preferential basis to the promoters @ ₹95.96 per warrant. Each warrant will be converted into one equity share of the Company within a period of eighteen months from the date of the issue.
40. As on 31st March, 2023, the Company's certain assets aggregating to ₹943.85 lacs are classified as "Held for Sale" as they meet the criteria laid out under Ind AS 105 and its value has been measured at the lower of its carrying value and fair value less costs to sell. Breakup of the assets is as under:

Particulars	As on 31 <sup>st</sup> March, 2023 (₹ in lacs)
Land	61.32
Building	658.39
Plant and Machinery	212.01
Furniture & Fixtures/Office Equipment	12.13
Total	943.85

41. Balances for trade payables, trade receivables, for loans and advances are subject to confirmations from the respective parties and reconciliations, if any, in many cases. In absence of such confirmations, the balances as per books have been relied upon by the auditors.
42. Certain immovable and movable assets of the Company at Kutch, Gujarat as well as Thiruvananthapuram, Kerala, are under charge by way of mortgage/hypothecation with Bank of India pending settlement of one claim.
43. All the amounts have been stated in Indian ₹ in lacs, unless otherwise stated.
44. Previous year's figures has regrouped and rearranged, wherever necessary.

Signatures to Notes No. 1 to 44

As per our report of even date

**For and on behalf of the Board of Directors**

**For P A R K & COMPANY**  
Chartered Accountants

sd/-  
**CHETAN SHAH**  
Executive Chairman  
DIN : 00018960

sd/-  
**HEMUL SHAH**  
Executive Director & Chief Executive Officer  
DIN : 00058558

sd/-  
**PRASHANT VORA**  
Partner

sd/-  
**ASHISH DESAI**  
Chief Financial Officer

sd/-  
**SACHIN POLKE**  
Company Secretary & President (Corporate Affairs)

Mumbai  
May 25, 2023

Mumbai  
May 25, 2023



**NOTES**

Multiple horizontal lines for writing notes.



## CONSOLIDATED FINANCIAL STATEMENTS

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## INDEPENDENT AUDITOR'S REPORT

**To**  
**The Members of**  
**ASHAPURA MINECHEM LIMITED**

### Report on the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of **Ashapura Minechem Limited** ("the Parent Company") and its subsidiaries (the Parent Company and its subsidiaries together referred to as "the Group") which includes Group's share of profit in its associates and joint ventures, comprising the consolidated balance sheet as at 31st March 2023, the consolidated statement of profit and loss including other comprehensive income, the consolidated statement of changes in equity and consolidated cash flow statement for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors on separate financial statements of the subsidiaries, associates and joint ventures referred to in the Other Matters paragraph below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and the other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March 2023 and their consolidated profit, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

#### Emphasis of Matter

Attention is invited to the fact that one of the overseas joint venture, Ashapura Dhofar Resources LLC has accumulated losses of ₹ 2,784.35 lacs as on March 31, 2023. This condition indicates the existence of material uncertainty that may cast significant doubts over this joint venture's ability to continue as a going concern. However, since the management is hopeful of providing necessary financial support and resuming activities in near future, these financial statements have been prepared on a going concern basis. Our opinion is not modified in respect of this matter.

#### Key audit matters

Key audit matters are those matters that, in our professional judgment were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in our forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Key Audit Matter	How our audit addressed the Key Audit Matter
<p><b>Revenue Recognition</b>  Revenue is one of the key profit drivers and is, therefore, susceptible to misstatement. Cut-off is the key assertion in so far as revenue recognition is concerned, since inappropriate cut-off can result in material misstatement of results for the year.</p>	<p>We carried out testing controls around dispatches and deliveries, inventory reconciliation and substantive testing for cut-offs and analytical review procedures.</p>
<p><b>Assessment of litigations and related disclosure of contingent liabilities</b>  The Parent Company is subject to large number of various ongoing legal and tax related claims as stated under note no. 36 – Contingent Liabilities.</p>	<p>We understood, assessed and tested the operating effectiveness of key controls surrounding assessment of litigations and discussed with the management the recent developments and the status of the material litigations;</p>
<p>Significant judgment is required to assess such matters to determine the probability of occurrence of material outflow of economic resources and whether a provision should be recognized or a disclosure should be made. The management judgment is also supported with legal advice in certain cases as considered appropriate.</p>	<p>We evaluated management's assessment by understanding precedents set in similar cases and assessed the reliability of the management's past estimates and judgments;</p>
<p>As the ultimate outcomes of the matters are uncertain and material in nature, it is considered to be a Key Audit Matter.</p>	<p>We reviewed the disclosures made by the Parent Company in the financial statements in this regard and obtained representation letter from the management on the assessment of these matters.</p>
<p><b>Evaluation of the consolidation process</b>  The Group's consolidation process is complex on account of its presence in various geographies and multiple businesses through different ownership structure. The consolidation process includes evaluation of the degree of control/significant influence, alignment of group accounting policies, elimination of inter-company balances and resultant tax adjustments which may require a high level of judgement.</p>	<p>Assessed the design, implementation and operating effectiveness of the key controls in respect of the process of consolidation and procedures for alignment of group accounting policies, consolidation adjustments, elimination of inter-company balances and resultant tax impact;</p>
	<p>Tested the relevant general IT and applications controls over the consolidation process to confirm the appropriateness of inter-company elimination process;</p>
	<p>Evaluated whether the methodology applied by the management for alignment of accounting policies is appropriate and matching it with the Group's accounting policies;</p>

#### Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Parent Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Business Responsibility Report, Corporate Governance Report, Shareholder's Information, but does

# Ashapura Minechem Limited

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not include the consolidated financial statements and auditor's report thereon. The Board's Report and other information are expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the aforesaid reports and information, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance.

## Management's Responsibility for the Consolidated Financial Statements

The Parent Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associates and joint ventures in accordance with the Ind AS and accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associates and joint ventures for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

## Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is high level of assurance, but is not a guarantee that audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatements of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of the internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint ventures to continue as going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group, associates and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosure, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Parent Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Other Matters

We did not audit the financial statements of twenty-two subsidiaries, whose financial statements reflect total assets of Rs. 3,76,806.64 lacs as at 31st March 2023 and gross total revenues of Rs. 2,47,535.81 lacs and net profit after tax (including other comprehensive income) Rs. 10,253.21 lacs for the year then ended, and of five associates and one joint venture, whose financial statements reflect the Parent Company's share of net loss of Rs. 28.34 lacs as considered in the consolidated financial statements. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us by the management, and our opinion on consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, is based solely on the report of such other auditors.

Our opinion on the consolidated financial statements above and our report on other Legal and Regulatory Requirements below is not modified in respect of these matters with respect to our reliance on the work done and the reports of the other auditors.

#### Report on Other Legal and Regulatory Requirements

1. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/"the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of the respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent Company, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said respective companies included in the consolidated financial statements except for the following:

Sr. No.	Name of the Company/ CIN	Nature of Relationship	Clause number of the CARO report which is qualified or is adverse	Remarks
1	Ashapura Minechem Limited L14108MH1982PLC026396	Parent Company	(iii)(c), (iii)(e), (v), (ix)(a)	Repayments of interest, renewal of loans, advances received, default in repayments of borrowings
2	Ashapura Perfoclay Limited U14108MH1997PLC107300	Joint Venture	(iii)(e)	Renewal of loans
3	Ashapura Aluminum Limited U27203GJ2007PLC051421	Subsidiary	(xvii)	Cash losses

4	Ashapura International Limited U14108MH1989PLC054664	Subsidiary	(iii)(b), (v)	Non-charging of interest, advances received
5	Bombay Minerals Limited U14100GJ1953PLC000699	Subsidiary	(iii)(b), (v), (xvii)	Non-charging of interest, advances received, cash losses
6	Ashapura Claytech Limited U26939MH1995PLC090484	Subsidiary	(xvii)	Cash losses
7	Orient Advanced Materials Pvt Ltd U26100GJ2006PTC047900	Associate	(ix)(d)	Short term funds used for long term purposes
8	Prashansa Ceramics Limited U51909GJ1995PLC028159	Subsidiary	(iv), (xvii)	Non-compliance of sec 185/186, cash losses
9	Shantilal Multiport Pvt Ltd U35115GJ1996PTC028800	Associate	(xvii)	Cash losses
10	Orient Abrasives Limited L24299MH1971PLC366531	Associate	(vii)(a)	Non-payment of statutory dues

2. As required by section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of subsidiaries, associates and joint ventures as noted in the "Other Matters" paragraph above, we report, to extent possible, that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of other auditors;
  - c) The consolidated balance sheet, the consolidated statement of profit and loss, including other comprehensive income, the consolidated statement of changes in equity and consolidated cash flow statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under section 133 of the Act;
  - e) On the basis of the written representations received from the directors as on 31st March 2023 and taken on record by the Board of Directors of the Parent Company and the reports of auditors of its subsidiaries, associates and joint ventures incorporated in India, none of the directors of the Group companies is disqualified as on 31st March 2023, from being appointed as a director in terms section 164(2) of the Act.
  - f) With respect to the adequacy of internal financial controls over financial reporting of the Parent Company and subsidiaries, associates and joint ventures incorporated in India and operating effectiveness of such controls, our separate report in annexure – A may be referred.
  - g) In our opinion and to the best of our information and according to the explanations given to us and according to the reports of the statutory auditors of the subsidiaries, associates and joint ventures, remuneration paid by the Parent Company and its subsidiaries,

associates and joint ventures incorporated in India, to its directors during the year is in accordance with the provisions of section 197 read with Schedule V of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:
- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates and joint ventures;
  - ii. The Group and its associates and joint ventures did not have any material foreseeable losses on long-term contracts including derivatives contracts;
  - iii. There has been no delay in transferring the amounts, required to be transferred to the Investor Education and Protection Fund by the Parent Company or its subsidiaries, associates and joint ventures incorporated in India.
  - iv. a. The respective managements of the Parent Company, its subsidiaries, joint ventures and associates which are companies incorporated in India, whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, joint ventures and associates respectively that, to the best of their knowledge and belief as disclosed in note 41 (h) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent Company or subsidiaries, joint ventures and associate companies to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent Company or subsidiaries, joint ventures and associates companies ("Ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and  
  
b. The respective managements of the Parent Company, its subsidiaries, joint ventures and associates which are companies incorporated in India, whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, joint ventures and associates respectively that, to the best of their knowledge and belief as disclosed in note 41 (i) to the consolidated financial statements, no funds have been received by the Parent Company or subsidiaries, joint ventures and associate companies from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent Company or subsidiaries, joint ventures and associate companies shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
c. Based on such audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above, contain any material misstatement.
  - v. Dividend declared and paid by subsidiaries, joint ventures and associates incorporated in India, to the extent applicable, is in compliance with section 123 of the Act.

- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Group with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

**For P A R K & COMPANY**

Chartered Accountants  
FRN: 116825W

**PRASHANT VORA**

Partner  
Membership No. 034514  
UDIN: 23034514BGZEML9265

Mumbai  
May 25, 2023



**ANNEXURE – A TO THE INDEPENDENT AUDITOR’S REPORT**  
(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

We have audited the internal financial controls over financial reporting of **Ashapura Minechem Limited** (“the Parent Company”) and its subsidiaries (the Parent Company and its subsidiaries together referred to as “the Group”) and associates and joint ventures which are incorporated in India as of 31st March, 2023. In conjunction with our audit of the consolidated financial statements of the Parent Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The respective Board of Directors of the Parent Company and its subsidiaries, associates and joint ventures which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Parent Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (“the Guidance Note”) issued by the Institute of Chartered Accountants of India (“the ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor’s Responsibility**

Our responsibility is to express an opinion on the Group’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on internal financial controls system over financial reporting of the Group, its associates and joint ventures incorporated in India.

**Meaning of Internal Financial Controls Over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that -

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company’s assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Group, its associates and joint ventures which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2023, based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

**Other Matters**

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal controls over financial reporting in so far as it relates to subsidiaries, associates and joint ventures incorporated in India which have been audited by other auditors, is based solely on the corresponding reports of the auditors of such companies. Our opinion is not modified in respect of this matter.

**For P A R K & COMPANY**  
Chartered Accountants  
FRN: 116825W

**PRASHANT VORA**  
Partner  
Membership No. 034514  
UDIN: 23034514BGZEML9265

Mumbai  
May 25, 2023

# Ashapura Minechem Limited

## CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2023

Particulars	Note No.	(Indian ₹ in lacs)	
		As at 31st March 2023	As at 31st March 2022
<b>ASSETS:</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2	46,101.84	43,380.12
Right of use assets	3	259.17	334.34
Capital work in progress	2	26,221.98	25,429.62
Investment properties	4	222.10	228.01
Intangible assets	5	7,932.70	6,088.42
Goodwill		3,920.10	3,914.34
Financial assets			
Investments in joint ventures	6	15,304.51	13,635.81
Investments in associates	6	13,517.32	13,150.78
Other investments	6	2.07	2.07
Loans	7	2,780.43	2,828.91
Other financial assets	8	3,574.68	3,212.40
Deferred tax assets	9	1,403.81	1,405.71
Other non-current assets	10	58.26	82.78
		<b>1,21,298.97</b>	<b>1,13,693.31</b>
<b>Current Assets</b>			
Inventories	11	53,156.04	41,357.45
Financial assets			
Investments	6	-	-
Trade receivables	12	48,985.92	31,034.65
Cash and cash equivalents	13	7,355.40	2,634.83
Other bank balances	14	463.50	662.25
Loans	7	28.14	83.01
Other financial assets	8	14,047.94	6,754.69
Current tax assets (net)	15	12,232.08	10,508.68
Assets classified as held for sale	44	943.85	-
Other current assets	10	46,448.95	35,696.56
		<b>1,83,661.82</b>	<b>1,28,732.12</b>
		<b>3,04,960.79</b>	<b>2,42,425.43</b>
<b>Total Assets</b>			
<b>EQUITY AND LIABILITIES:</b>			
<b>Equity</b>			
Equity share capital	16	1,829.72	1,829.72
Other equity	17	63,670.96	50,293.43
Money received against share warrants	42	969.20	-
Non-controlling interest		(746.98)	(19.69)
		<b>65,722.90</b>	<b>52,103.46</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial Liabilities			
Borrowings	18	65,104.92	52,894.17
Lease liabilities		74.72	132.28
Other financial liabilities	19	29,699.88	22,723.99
Provisions	20	1,201.97	1,348.52
Other non-current liabilities	21	9.07	50.00
		<b>96,090.56</b>	<b>77,148.96</b>
<b>Current liabilities</b>			
Financial Liabilities			
Borrowings	18	10,515.47	10,733.23
Lease liabilities		101.34	187.52
Trade payables	22	-	627.66
Total outstanding dues of Micro and Small Enterprises		-	627.66
Total outstanding dues of creditors other than Micro and Small Enterprises		45,498.75	34,742.25
Other financial liabilities	19	14,712.61	20,137.29
Other current liabilities	21	58,064.51	35,291.93
Current tax liabilities (net)	15	12,811.70	10,023.03
Provisions	20	1,442.95	1,430.10
		<b>1,43,147.33</b>	<b>1,13,173.01</b>
		<b>3,04,960.79</b>	<b>2,42,425.43</b>
<b>Total Liabilities</b>			

The accompanying notes are integral part of these financial statements.

As per our report of even date

For and on behalf of the Board of Directors

**For P A R K & COMPANY**  
Chartered Accountants

Sd/-  
**CHETAN SHAH**  
Executive Chairman  
DIN : 00018960

Sd/-  
**HEMUL SHAH**  
Executive Director & Chief Executive officer  
DIN : 00058558

Sd/-  
**PRASHANT VORA**  
Partner

Sd/-  
**ASHISH DESAI**  
Chief Financial Officer

Sd/-  
**SACHIN POLKE**  
Company Secretary & President (Corporate Affairs)

Mumbai  
May 25, 2023

Mumbai  
May 25, 2023



## STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2023

(Indian ₹ in lacs)

Particulars	Note No.	2022-2023	2021-2022
<b>REVENUE:</b>			
Revenue from operations	23	1,83,084.84	1,27,784.31
Other income	24	8,612.37	9,559.76
<b>Total Income</b>		<b>1,91,697.21</b>	<b>1,37,344.07</b>
<b>EXPENSES:</b>			
Cost of materials consumed	25	47,223.58	32,493.26
Purchases of traded goods		12,982.86	13,320.38
Changes in inventories	26	(10,855.51)	(9,787.82)
Employee benefits expenses	27	10,617.90	9,838.53
Finance costs	28	6,431.78	5,544.90
Depreciation and amortisation expenses	29	7,256.36	5,812.83
Other expenses	30	1,05,859.63	71,981.54
<b>Total Expenses</b>		<b>1,79,516.60</b>	<b>1,29,203.62</b>
<b>Profit before exceptional item, share of net profit of investments accounted for using the equity method and tax</b>		<b>12,180.61</b>	<b>8,140.45</b>
Share of net profit of joint ventures & associates accounted for using the equity method		1,765.61	1,638.71
<b>Profit before exceptional items</b>		<b>13,946.22</b>	<b>9,779.16</b>
Exceptional items		-	-
<b>Profit before tax</b>		<b>13,946.22</b>	<b>9,779.16</b>
Tax expenses			
Current tax	15	2,385.53	1,361.87
Earlier years' tax	15	578.02	91.53
Deferred tax		9.32	(327.48)
<b>Profit for the year</b>		<b>10,973.35</b>	<b>8,653.24</b>
<b>Other Comprehensive income</b>			
Items that will not be reclassified to profit or loss			
a. Remeasurements of defined benefit plans		(39.81)	(82.44)
b. Gains on investments in equity instruments classified as FVOCI		-	(491.45)
c. Tax impacts on above		7.42	1.49
Items that may be reclassified to profit or loss			
d. Exchange differences on foreign currency translation		2,281.12	(9.73)
<b>Other comprehensive income for the year</b>		<b>2,248.73</b>	<b>(582.13)</b>
<b>Total Comprehensive Income for the year</b>		<b>13,222.08</b>	<b>8,071.11</b>
<b>Profit for the year attributable to:</b>			
Owners of the Parent		11,700.64	8,651.74
Non-controlling interests		(727.29)	1.50
		<b>10,973.35</b>	<b>8,653.24</b>
<b>Other Comprehensive Income for the year attributable to:</b>			
Owners of the Parent		2,248.73	(582.13)
Non-controlling interests		-	-
		<b>2,248.73</b>	<b>(582.13)</b>
<b>Total Comprehensive Income for the year attributable to:</b>			
Owners of the Parent		13,949.37	8,069.61
Non-controlling interests		(727.29)	1.50
		<b>13,222.08</b>	<b>8,071.11</b>
Basic earning per share	31	12.79	9.65
Diluted earning per share	31	12.79	9.65
Face value per share		2.00	2.00

The accompanying notes are integral part of these financial statements.

As per our report of even date

For and on behalf of the Board of Directors

For P A R K & COMPANY  
Chartered Accountants

Sd/-  
CHETAN SHAH  
Executive Chairman  
DIN : 00018960

Sd/-  
HEMUL SHAH  
Executive Director & Chief Executive officer  
DIN : 00058558

Sd/-  
PRASHANT VORA  
Partner

Sd/-  
ASHISH DESAI  
Chief Financial Officer

Sd/-  
SACHIN POLKE  
Company Secretary & President (Corporate Affairs)

Mumbai  
May 25, 2023

Mumbai  
May 25, 2023

# Ashapura Minechem Limited

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2023

### A. SHARE CAPITAL

Particulars	(Indian ₹ in lacs)	
	31st March 2023	31st March 2022
At the beginning of the year	1,829.72	1,739.72
Changes in equity share capital during the year	-	90.00
At the end of the year	<b>1,829.72</b>	<b>1,829.72</b>

### B. OTHER EQUITY

Particulars	(Indian ₹ in lacs)								
	Capital re-demption reserve	Re-tained earnings	Securities premium	General reserve	Net gain/(loss) on fair value of equity instruments	Exchange differences on foreign currency translation of foreign operations	Net gain/(loss) on fair value of defined benefit plan	Other Equity Attributable to owners of Parents	Non-controlling Interest
<b>As at 1st April, 2021</b>	<b>3.90</b>	<b>22,464.90</b>	<b>17,734.59</b>	<b>1,500.00</b>	<b>491.45</b>	<b>(500.46)</b>	<b>(360.88)</b>	<b>41,333.51</b>	<b>(21.19)</b>
Profit for the year	-	8,651.74	-	-	-	-	-	8,651.74	1.50
Exchange differences on foreign currency translation	-	-	-	-	-	(9.73)	-	(9.73)	-
Addition during the year	-	-	1,347.75	-	-	-	-	1,347.75	-
Other comprehensive income for the year	-	-	-	-	(491.45)	-	(80.95)	(572.40)	-
Dividend	-	(457.43)	-	-	-	-	-	(457.43)	-
<b>As at 31st March, 2022</b>	<b>3.90</b>	<b>30,659.21</b>	<b>19,082.34</b>	<b>1,500.00</b>	<b>-</b>	<b>(510.19)</b>	<b>(441.83)</b>	<b>50,293.43</b>	<b>(19.69)</b>
Profit for the year	-	11,700.64	-	-	-	-	-	11,700.64	(727.29)
Exchange differences on foreign currency translation	-	-	-	-	-	2,281.12	-	2,281.12	-
Other comprehensive income for the year	-	-	-	-	-	-	(32.39)	(32.39)	-
Dividend	-	(571.84)	-	-	-	-	-	(571.84)	-
<b>As at 31st March, 2023</b>	<b>3.90</b>	<b>41,788.01</b>	<b>19,082.34</b>	<b>1,500.00</b>	<b>-</b>	<b>1,770.93</b>	<b>(474.22)</b>	<b>63,670.96</b>	<b>(746.98)</b>

The accompanying notes are integral part of these financial statements.

As per our report of even date

For and on behalf of the Board of Directors

**For P A R K & COMPANY**  
Chartered Accountants

Sd/-  
**CHETAN SHAH**  
Executive Chairman  
DIN : 00018960

Sd/-  
**HEMUL SHAH**  
Executive Director & Chief Executive officer  
DIN : 00058558

Sd/-  
**PRASHANT VORA**  
Partner

Sd/-  
**ASHISH DESAI**  
Chief Financial Officer

Sd/-  
**SACHIN POLKE**  
Company Secretary & President (Corporate Affairs)

Mumbai  
May 25, 2023

Mumbai  
May 25, 2023





CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2023

(Indian ₹ in lacs)

Particulars	2022-2023	2021-2022	
<b>A CASH FLOW FROM OPERATING ACTIVITIES :</b>			
Net profit for the year	<b>10,973.35</b>	<b>8,653.24</b>	
Adjustments for -			
Depreciation and amortization	7,256.36	5,812.83	
Income tax expenses	2,972.87	1,125.92	
Loss / (profit) on sale of property, plant & equipment	207.18	(314.89)	
Share of profit from associate/joint venture	(1,765.61)	(1,638.71)	
Loss / (profit) on sale/disposal of investments	-	(1,404.31)	
Impairment loss/(profit) recognised on trade receivables (net)	(2,219.74)	(2,002.05)	
Exchange rate adjustments on foreign currency translation (net)	2,281.12	(9.73)	
Dividend receipts	(4.96)	(2.79)	
Interest	6,038.04	3,362.53	
Operating profit before working capital changes	<u>14,765.26</u>	<u>4,928.80</u>	
Adjustments for -			
(Increase)/decrease in trade and other receivables	(23,084.14)	(2,690.03)	
(Increase)/decrease in other current and non-current assets	(10,727.87)	180.33	
(Increase)/decrease in inventories	(11,798.59)	(12,447.59)	
Increase/(decrease) in provisions	(93.89)	210.55	
Increase/(decrease) in other current and non-current liabilities	22,731.65	13,719.95	
Increase/(decrease) in trade and other payables	8,862.75	372.88	
Cash generated from operations	<u>(14,110.09)</u>	<u>(653.91)</u>	
Direct taxes paid	<u>(1,898.28)</u>	<u>(1,502.20)</u>	<u>2,772.69</u>
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b><u>9,730.24</u></b>	<b><u>11,425.93</u></b>	

# Ashapura Minechem Limited

## **B CASH FLOW FROM INVESTING ACTIVITIES :**

Payments for property, plant & equipment	(13,398.82)	(14,820.17)
Net cash flow on (purchase)/sale of investments	-	4,860.89
Proceeds from sale of property, plant & equipment	31.54	3,215.75
Dividend received	4.96	2.79
Interest received	393.74	446.74

<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(12,968.58)</b>	<b>(6,294.00)</b>
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## **C CASH FLOW FROM FINANCING ACTIVITIES :**

Proceeds from borrowings	12,210.75	-
Repayments of borrowings	(217.76)	(2,696.84)
Proceeds from issue of share warrants/equity shares	969.20	-
Proceeds from issue of share capital	-	1,078.31
Repayments of lease liabilities	(89.67)	(163.89)
Dividend paid	(575.44)	(450.80)
Change in non-controlling interest	(727.29)	1.50
Interest paid	(3,610.88)	(3,809.27)

<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>7,958.91</b>	<b>(6,040.99)</b>
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<b>Net Increase in Cash and Cash Equivalents</b>	<b>4,720.57</b>	<b>(909.06)</b>
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Cash and cash equivalents as at beginning of the year	<b>2,634.83</b>	<b>3,543.89</b>
Cash and cash equivalents as at end of the year	<b>7,355.40</b>	<b>2,634.83</b>

The accompanying notes are integral part of these financial statements.

As per our report of even date

For and on behalf of the Board of Directors

**For P A R K & COMPANY**  
Chartered Accountants

Sd/-  
**CHETAN SHAH**  
Executive Chairman  
DIN : 00018960

Sd/-  
**HEMUL SHAH**  
Executive Director & Chief Executive officer  
DIN : 00058558

Sd/-  
**PRASHANT VORA**  
Partner

Sd/-  
**ASHISH DESAI**  
Chief Financial Officer

Sd/-  
**SACHIN POLKE**  
Company Secretary & President (Corporate Affairs)

Mumbai  
May 25, 2023

Mumbai  
May 25, 2023



## Notes forming part of the consolidated financial statements for the year ended 31st March 2023

### COMPANY INFORMATION

**Ashapura Minechem Limited** (the 'Parent Company') is a public limited company domiciled in India and incorporated on 19th February, 1982 under the provisions of the Companies Act applicable in India vide CIN: L14108MH1982PLC026396. The Group is engaged in the mining, manufacturing and trading of various minerals and its derivative products and related services. The registered office of the Parent Company is located at Jeevan Udyog Building, 3rd Floor, D N Road, Fort, Mumbai – 400 001. The equity shares of the Parent Company are listed on Bombay Stock Exchange (BSE) as well as National Stock Exchange (NSE).

The consolidated financial statements were authorized for issue in accordance with the resolution of the Board of Directors on 25th May, 2023.

### 1 BASIS OF PREPARATION, MEASUREMENT AND SIGNIFICANT ACCOUNTING POLICIES

#### 1.1 Basis of preparation and measurement

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 ("the Act") read together with Companies (Indian Accounting Standards) Rules, 2015, as applicable.

The consolidated financial statements have been prepared and presented under historical cost convention, on accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair value at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these consolidated financial statements.

All assets and liabilities have been classified as current or non current as per the Group's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Act. The Group considers 12 months as normal operating cycle.

The consolidated financial statements are presented in Indian Rupees (INR) which is the Parent Company's functional currency, and all the values are rounded to the nearest lacs except otherwise indicated.

#### 1.2 Basis for consolidation

- a. The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.
- b. The financial statements of all entities used for the purpose of consolidation are generally drawn up to the same reporting date as that of the Parent Company except for some overseas entities, where the financial statements are drawn up at a different reporting date and the difference between reporting dates is not more than three months. These entities prepare, for consolidation purpose, additional financial information as of the same date as the financial statements of the Parent Company to enable the Parent Company to consolidate the financial information of those companies, unless it is impracticable to do so.
- c. The consolidated financial statements present the consolidated accounts of the Parent Company, Ashapura Minechem Limited with its following subsidiaries, associates and joint ventures:

Particulars		Country of Incorporation	% voting power held as at 31 <sup>st</sup> March 2023 (either directly or through subsidiaries)	% voting power held as at 31 <sup>st</sup> March 2022 (either directly or through subsidiaries)
<b>Subsidiaries:</b>				
1	Ashapura Aluminum Limited	India	100.00	100.00
2	Ashapura Boffa Bauxite SAU	Guinea	100.00	100.00
3	Ashapura Claytech Limited	India	99.44	99.44
4	Ashapura Consultancy Services Pvt Limited	India	100.00	100.00
5	Ashapura Fareast MPA Sdn Bhd <sup>1</sup>	Malasiya	100.00	100.00
6	Ashapura Fareast Acticlcy Sdn Bhd <sup>2</sup>	Malasiya	-	100.00
7	Ashapura Global Infratech - SARLU	Guinea	55.00	100.00
8	Ashapura Guinea Resources SARL	Guinea	100.00	100.00
9	Ashapura Holdings Fareast Pte Ltd	Singapore	100.00	100.00
10	Ashapura Holdings (UAE) FZE	UAE	100.00	100.00
11	Ashapura International Limited	India	100.00	100.00
12	Ashapura Midgulf NV <sup>3</sup>	Belguim	100.00	100.00
13	Ashapura Minechem (UAE) FZE	UAE	100.00	100.00
14	Ashapura Minex Resources SAU	Guinea	80.00	100.00
15	Ashapura Resources Private Limited	India	100.00	100.00

# Ashapura Minechem Limited

16	Bombay Minerals Limited	India	100.00	100.00
17	FAKO Resources SARL	Guinea	90.00	90.00
18	Peninsula Property Developers Private Limited	India	100.00	100.00
19	Prashansha Ceramics Limited	India	100.00	100.00
20	PT Ashapura Bentoclay Fareast	Indonesia	100.00	100.00
21	Sharda Consultancy Private Limited	India	100.00	100.00
22	Societe Guineenne des Mines de Fer	Guinea	80.00	100.00
<b>Joint Ventures:</b>				
1	APL Valueclay Private Limited	India	50.00	50.00
2	Ashapura Dhofar Resources LLC	Oman	70.00	70.00
3	Ashapura Perfoclay Limited	India	50.00	50.00
<b>Associates:</b>				
1	Ashapura Arcadia Logistic Private Limited	India	50.00	50.00
2	Orient Abrasives Limited	India	31.76	31.76
3	Orient Advanced Materials FZE <sup>4</sup>	India	31.76	-
4	Orient Advanced Materials Private Limited <sup>5</sup>	India	31.76	31.76
5	Shantilal Multiport Private Limited	India	50.00	50.00
1	w.e.f. 18 <sup>th</sup> October, 2021			
2	up to 29 <sup>th</sup> June, 2022			
3	w.e.f. 3 <sup>rd</sup> May, 2021			
4	w.e.f. 5 <sup>th</sup> December, 2022			
5	w.e.f. 4 <sup>th</sup> June, 2021			

## Subsidiaries

- A subsidiary is an entity over which the Parent Company has control. The Parent Company controls an entity when the Parent Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Parent Company.
- The Parent Company combines the financial statements of the Parent Company and its subsidiary companies on a line-by-line basis, adding together like items of assets, liabilities, equity, income and expenses. Inter-company transactions, balances and unrealized gains on transactions among the Group are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries are consistent with the policies adopted by the Parent Company.
- A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction. If the Parent Company loses control over a subsidiary, it derecognizes the assets, liabilities, carrying amount of any non-controlling interests and the cumulative translation differences recorded in equity.

## Joint Venture Companies

- A joint venture is a joint arrangement whereby parties that have joint control of the arrangement have rights to the net assets of the arrangement. Interests in joint ventures are initially recognized at cost and thereafter accounted for using the equity method.
- Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses and other comprehensive income of the investee in the Statement of Profit and Loss and Other Comprehensive Income of the Group. Distributions received or receivable from joint ventures are recognized as a reduction in the carrying amount of the investment.
- Unrealized gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures.
- After application of the equity method, at each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there exists such evidences, the Group determines extent of impairment and then recognizes the loss in the statement of profit & loss.
- Upon loss of significant joint control over the joint venture, the Group measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the joint venture and the fair value of the retained investment and proceeds from the disposal is recognized in profit and loss.
- When the Group's share of losses exceeds the carrying value of the joint venture, the carrying value is reduced to nil and recognition of further losses is discontinued, except to the extent that the Group has incurred obligation in respect of the joint venture.



## Associates

- a) An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.
- b) The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.
- c) The Group's investments in its associate are accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognised changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investments and is not tested for impairment individually.
- d) The statement of profit & loss reflects the Group's share of the results of the operations of the associate. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group in the associate are eliminated to the extent of the interest in the associate.
- e) If Group share of losses of an associate exceeds its interest in the associate (which includes any long term interest that, in substance, form part of the Groups net investment in the associate ), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of the losses not recognised.
- f) After application of the equity method, the Group determines whether it is necessary to recognise in impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amounts of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss as 'share of profit of an associate' in the consolidated statement of profit & loss.
- g) Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence or joint control and the fair value retained investments and proceeds from its disposal is recognised in profit or loss.
- h) When the Group's share of losses exceeds the carrying value of the associate, the carrying value is reduced to nil and recognition of further losses is discontinued, except to the extent that the Group has incurred obligation in respect of the associate.

### 1.3 Significant accounting policies:

#### a. System of accounting

The Group follows mercantile system of accounting and recognises income and expenditure on an accrual basis except in case of significant uncertainties. These financial statements are prepared under the historical cost convention unless otherwise indicated.

#### b. Key accounting estimates

The preparation of the financial statements, in conformity with the recognition and measurement principles of Ind AS, requires the management to make estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income, expenses and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

#### c. Current and Non Current Classification

The Group presents assets and liabilities in the balance sheet based on current and non-current classification. Any asset or liability is classified as current if it satisfies any of the following conditions:

- It is expected to be settled in the Group's normal operating cycle;
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.
- It is held primarily for the purpose of being traded;
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- All other liabilities are classified as non-current.
- Deferred tax assets and liabilities are classified as non-current only.

# Ashapura Minechem Limited

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## **d. Property, plant and equipment**

- (i) Property, plant and equipment are stated at historical cost of acquisition including attributable interest and finance costs, if any, till the date of acquisition/installation of the assets less accumulated depreciation and accumulated impairment losses, if any.
- (ii) Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the statement of profit and loss as incurred.
- (iii) The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the statement of profit and loss.
- (iv) Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.
- (v) The Group depreciates property, plant and equipment over the estimated useful life prescribed in Schedule II of the Companies Act, 2013 from the date the assets are ready for intended use after considering the residual value.
- (vi) Intangible assets mainly represent mining rights and implementation cost for software and other application software acquired/developed for in-house use. These assets are stated at cost. Cost includes related acquisition expenses, related borrowing costs, if any, and other direct expenditure.
- (vii) Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.
- (viii) Losses arising from the retirement of and gains or losses arising from disposal of property, plant and equipment which are carried at cost are recognised in the Statement of Profit and Loss.
- (ix) Property, plant and equipment and intangible assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

## **e. Investments properties**

- a) Property which is held for long-term rental or for capital appreciation or both is classified as investment property. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.
- b) Investment properties currently comprise of plots of land and buildings.
- c) Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in statement of profit and loss in the period in which the property is derecognised.

## **f. Goodwill**

Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognised. Goodwill is initially measured at cost, being the excess of the consideration transferred over the net identifiable assets acquired and liabilities assumed, measured in accordance with Ind AS -103 Business Combination.

Goodwill is considered to have indefinite useful life and hence is not subject to amortisation but tested for impairment at least annually. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

## **g. Investments and financial assets**

Financial assets are recognised when the Group becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value, in case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in the statement of profit or loss. In other cases, the transaction costs are attributed to the acquisition value of financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price

Financial assets are subsequently classified measured at –

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVOCI).



Financial assets are not reclassified subsequent to their recognition except if and in the period the Group changes its business model for managing financial assets.

Financial asset is derecognised only when the Group has transferred the rights to receive cash flows from the financial asset. Where the entity has transferred the asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, financial asset is derecognised.

In accordance with Ind AS 109, the Group applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures. The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition.

#### **h. Inventories**

- (i) Raw materials and stores and spares are valued at weighted average cost including all charges in bringing the materials to the present location.
- (ii) Finished and semi-finished goods are valued at the cost plus direct expenses and appropriate value of overheads or net realizable value, whichever is lower.
- (iii) Obsolete, slow moving and defective inventories are written off/valued at net realisable value during the year as per policy consistently followed by the Group

#### **i. Cash and cash equivalents**

##### **Cash and equivalents:**

Cash and cash equivalents in the balance sheet comprises of balance with banks and cash on hand and short term deposits with an original maturity of three month or less, which are subject to insignificant risks of changes in value.

##### **Other bank balances:**

Other bank balances include deposits with maturity less than twelve months but greater than three months and balances and deposits with banks that are restricted for withdrawal and usage.

#### **j. Trade receivables**

A receivable is classified as a trade receivable if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at their transaction price and subsequently measured net of any expected credit losses.

#### **k. Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs.

#### **l. Financial liabilities**

- a. Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.
- b. Financial liabilities are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Financial liabilities carried at fair value through profit and loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.
- c. Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or expires.

#### **m. Trade payables**

A payable is classified as a trade payable if it is in respect of the amount due on account of goods purchased in the normal course of business. These amounts represent liabilities for goods provided to the Group prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

#### **n. Revenue recognition**

- (i) Revenue shall be recognised to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services.
- (ii) Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, return and goods & service tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts.

# Ashapura Minechem Limited

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- (iii) Accumulated experience is used to estimate and provide for the discounts/rights of return, using the expected value method.
- (iv) A return liability is recognised to expected return in relation to sales made corresponding assets are recognised for the products expected to be returned.
- (v) The Group recognises as an asset, the incremental costs of obtaining a contract with a customer, if the Group expects to recover those costs. The said asset is amortised on a systematic basis consistent with the transfer of goods or services to the customers.
- (vi) Export incentives are accounted for on export of goods if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are reasonably expected to be fulfilled.
- (vii) Revenue in respect of other income is recognised on accrual basis. However, where the ultimate collection of the same lacks reasonable certainty, revenue recognition is postponed to the extent of uncertainty.

**o. Indirect taxes**

Purchased of goods and fixed assets are accounted for net of GST input credits. Custom duty paid on import of materials is dealt with in respective material accounts.

**p. Mining expenses**

Expenses incurred on mining including removal of overburden of mines are charged to the profit & loss statement as mining cost on the basis of quantity of minerals mined during the year, overburden of removal and mining being carried out concurrently and relatively within a short period of time. Mining restoration expenses are annually reviewed and provided for.

**q. Research and development expenses and receipts**

Revenue expenditure on research and development is charged against the profit for the year in which it is incurred. Capital expenditure on research and development is shown as an addition to the property, plant and equipment and is depreciated on the same basis as other property, plant and equipment. Receipts of research & development centre of the Group are accounted for as revenue receipts.

**r. Foreign currency transactions**

- (i) Items included in the financial statements are measured using the currency of primary economic environment in which the Group operates ("the functional currency"). The financial statements are presented in Indian Rupee (INR), which is the Parent Company's functional and presentation currency.
- (ii) Foreign currency transactions are initially recorded in the reporting currency at foreign exchange rate on the date of the transaction.
- (iii) Monetary items of current assets and current liabilities denominated in foreign currencies are reported using the closing rate at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.
- (iv) The gain or loss on decrease/increase in reporting currency due to fluctuations in foreign exchange rates are recognised in the statement of profit or loss.

**s. Employee benefit expenses**

- (i) Contributions to defined contribution schemes such as provident fund, employees' state insurance, labour welfare fund etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. These benefits are classified as defined contribution schemes as the Group has no further obligations beyond the monthly contributions.
- (ii) The Group provides for gratuity which is a defined benefit plan, the liabilities of which are determined based on valuations, as at the reporting date, made by an independent actuary using the projected unit credit method. Re-measurement comprising of actuarial gains and losses, in respect of gratuity are recognised in the other comprehensive income in the period in which they occur. The classification of the Company's obligation into current and non-current is as per the actuarial valuation report.
- (iii) The employees are entitled to accumulate leave subject to certain limits, for future encashment and availment, as per the policy of the Group. The liability towards such unutilised leave as at the end of each balance sheet date is determined based on independent actuarial valuation and recognised in the statement of profit and loss.

**t. Leases  
Group as Lessee**

The Group, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Group has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred.





The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

#### **Group as lessor**

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

#### **u. Borrowing costs**

Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. Also, the effective interest rate amortisation is included in finance costs. Borrowing costs relating to acquisition, construction or production of a qualifying asset which takes substantial period of time to get ready for its intended use are added to the cost of such asset to the extent they relate to the period till such assets are ready to be put to use. All other borrowing costs are expensed in the statement of profit and loss in the period in which they occur.

#### **v. Impairment of non financial assets**

As at each reporting date, the Group assesses whether there is an indication that a non-financial asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, the Group determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through the statement of profit and loss.

#### **w. Taxes on income**

Income tax expense comprises current tax expense and the deferred tax during the year. Current and deferred taxes are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current income tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. In case of uncertainty of reversal of the deferred tax assets or when it is no longer probable that sufficient taxable profits will be available in the foreseeable future, deferred tax assets, as a matter of prudence, are not recognised.

The carrying amount of deferred tax is reviewed at each reporting date and measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

#### **x. Provisions and contingent liabilities**

The Group creates a provision when there is present obligation, legal or constructive, as a result of past events that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events. Contingent assets are neither recognised nor disclosed in the financial statements.

#### **y. Earnings per share**

- (i) Basic earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Group by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.
- (ii) For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

# Ashapura Minechem Limited

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## z. Offsetting instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

## aa. Events after the reporting period

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue.

Non-adjusting events are events that are indicative of conditions that arose after end of the reporting period. Non-adjusting events after the reporting date are not accounted, but disclosed.

## bb. Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell. An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of de-recognition. Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised. Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet.

## cc. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the operating decision makers. The decision makers regularly monitor and review the operating result of the Group. The activities of the Group, in the opinion of the management, primarily falls under a single segment of "Minerals and its derivative products" in accordance with the Ind AS 108 "Operating Segments".

## dd. Recent pronouncements

The Ministry of Corporate Affairs has vide notification dated 31st March, 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective 1 April, 2023. The Rules predominantly amends Ind AS 1, Presentation of financial statements and Ind AS 12, Income taxes, whereas the other amendments notified by these rules are primarily in the nature of clarifications. As per the Management's assessment, these amendments are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.



## Note 2

### Property, plant and equipment

(Indian ₹ in lacs)

Particulars	Land (note no. c)	Buildings	Plant & Equipment	Barges	Office Equipment	Furniture & Fixtures	Vehicles	Total
<b>Gross carrying value</b>								
<b>As at 1st April, 2021</b>	<b>2,175.44</b>	<b>32,298.99</b>	<b>37,877.06</b>	<b>75.98</b>	<b>1,468.41</b>	<b>6,877.79</b>	<b>28,692.90</b>	<b>1,09,466.57</b>
Additions	31.06	5,507.26	4,219.86	-	95.09	293.90	190.24	<b>10,337.41</b>
Disposals/transfer*	-	1,184.98	(6,096.33)	-	(9.49)	(3,547.22)	1,669.82	<b>(6,798.24)</b>
Exchange difference on consolidation	-	746.68	263.78	-	0.13	(6.57)	1,062.36	<b>2,066.38</b>
<b>As at 31st March, 2022</b>	<b>2,206.50</b>	<b>39,737.91</b>	<b>36,264.37</b>	<b>75.98</b>	<b>1,554.14</b>	<b>3,617.90</b>	<b>31,615.32</b>	<b>1,15,072.12</b>
Additions	-	5,202.97	2,912.94	-	42.30	7.11	467.52	<b>8,632.84</b>
Disposals/transfers	(61.32)	(669.88)	(3,996.80)	-	(53.78)	(28.72)	(255.43)	<b>(5,065.93)</b>
Exchange difference on consolidation	-	2,357.15	287.70	-	1.66	131.01	2,519.32	<b>5,296.84</b>
<b>As at 31st March, 2023</b>	<b>2,145.18</b>	<b>46,628.15</b>	<b>35,468.21</b>	<b>75.98</b>	<b>1,544.32</b>	<b>3,727.30</b>	<b>34,346.73</b>	<b>1,23,935.87</b>
<b>Accumulated depreciation</b>								
<b>As at 1st April, 2021</b>	-	<b>17,862.09</b>	<b>22,044.02</b>	<b>74.64</b>	<b>1,350.84</b>	<b>3,864.74</b>	<b>22,039.62</b>	<b>67,235.95</b>
Depreciation charged	-	842.51	2,562.00	-	44.56	190.53	1,793.44	<b>5,433.04</b>
Transfers*	-	293.79	1,920.17	-	14.81	(1,742.62)	1,002.56	<b>1,488.71</b>
Disposals	-	(278.08)	(3,524.74)	-	(12.23)	(20.08)	(62.22)	<b>(3,897.35)</b>
Exchange difference on consolidation	-	554.91	34.44	-	0.01	16.44	825.85	<b>1,431.65</b>
<b>As at 31st March, 2022</b>	-	<b>19,275.22</b>	<b>23,035.89</b>	<b>74.64</b>	<b>1,397.99</b>	<b>2,309.01</b>	<b>25,599.25</b>	<b>71,692.00</b>
Depreciation charged	-	1,259.23	2,635.30	-	53.41	206.77	2,282.46	<b>6,437.17</b>
Disposals/transfers	-	(153.34)	(3,572.71)	-	(49.35)	(26.74)	(232.82)	<b>(4,034.96)</b>
Exchange difference on consolidation	-	1,407.85	163.27	-	0.76	45.82	2,122.12	<b>3,739.82</b>
<b>As at 31st March, 2023</b>	-	<b>21,788.96</b>	<b>22,261.75</b>	<b>74.64</b>	<b>1,402.81</b>	<b>2,534.86</b>	<b>29,771.01</b>	<b>77,834.03</b>
<b>Net carrying value</b>								
<b>As at 31st March, 2022</b>	<b>2,206.50</b>	<b>20,462.69</b>	<b>13,228.48</b>	<b>1.34</b>	<b>156.15</b>	<b>1,308.89</b>	<b>6,016.07</b>	<b>43,380.12</b>
<b>As at 31st March, 2023</b>	<b>2,145.18</b>	<b>24,839.19</b>	<b>13,206.46</b>	<b>1.34</b>	<b>141.51</b>	<b>1,192.44</b>	<b>4,575.72</b>	<b>46,101.84</b>

\* includes transfers from subsidiaries acquired during the previous year

### Capital work in progress ageing schedule:

(Indian ₹ in lacs)

Particulars	Capital work in progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>31st March, 2023</b>					
Projects in progress	5,794.89	8,134.17	12,292.92	-	<b>26,221.98</b>
Projects temporarily suspended	-	-	-	-	-
	<b>5,794.89</b>	<b>8,134.17</b>	<b>12,292.92</b>	<b>0.00</b>	<b>26,221.98</b>
<b>31st March, 2022</b>					
Projects in progress	3,338.38	10,675.05	11,328.16	-	<b>25,341.59</b>
Projects temporarily suspended	-	-	7.55	80.48	<b>88.03</b>
	<b>3,338.38</b>	<b>10,675.05</b>	<b>11,335.71</b>	<b>80.48</b>	<b>25,429.62</b>

### Note:

- There are no projects which are overdue for completion or has exceeded its cost as compared to the original plan.
- Refer note no. 35 for disclosure of contractual commitment towards acquisition of property, plant and equipment.
- Charge is created on one of the assets, in favour of a financial institution against the finance availed by an associate company.

# Ashapura Minechem Limited

## Note 3

### Right of use assets

	( Indian ₹ in lacs )	
Particulars	Building	Total
<b>Gross carrying value</b>		
<b>As at 31st March, 2021</b>	<b>198.74</b>	<b>198.74</b>
Additions	369.68	<b>369.68</b>
Disposals	(56.75)	<b>(56.75)</b>
<b>As at 31st March, 2022</b>	<b>511.67</b>	<b>511.67</b>
Additions	34.64	<b>34.64</b>
Disposals	(76.89)	<b>(76.89)</b>
Exchange difference on consolidation	8.82	<b>8.82</b>
<b>As at 31st March, 2023</b>	<b>478.24</b>	<b>478.24</b>
<b>Accumalated depreciation</b>		
<b>As at 31st March, 2021</b>	<b>98.42</b>	<b>98.42</b>
Depreciation charged	<b>90.46</b>	<b>90.46</b>
Additions/transfers*	<b>19.37</b>	<b>19.37</b>
Disposals	(30.92)	<b>(30.92)</b>
<b>As at 31st March, 2022</b>	<b>177.33</b>	<b>177.33</b>
Depreciation charged	<b>116.36</b>	<b>116.36</b>
Disposals	<b>(76.89)</b>	<b>(76.89)</b>
Exchange difference on consolidation	2.27	<b>2.27</b>
<b>As at 31st March, 2023</b>	<b>219.07</b>	<b>219.07</b>
<b>Net carrying value</b>		
<b>As at 31st March, 2022</b>	<b>334.34</b>	<b>334.34</b>
<b>As at 31st March, 2023</b>	<b>259.17</b>	<b>259.17</b>

\*includes transfers from subsidiaries acquired during the previous year.

### Leases - Company as a lessee

(a) Set out below, are the carrying amount of the company's right-of-use assets and lease liabilities and the movements during the period:

	(Indian ₹ in lacs)	
Particulars	Lease liabilities	Right to use of assets
<b>As at April 1, 2022</b>	319.80	334.34
Amortisation for the year	-	116.36
Addition during the year	-	41.19
Deduction during the year	83.96	-
Interest expense	29.89	-
Payments	89.67	-
<b>As at March 31, 2023</b>	<b>176.06</b>	<b>259.17</b>

(b) Set out below, are the amounts recognized in profit and loss:

	(Indian ₹ in lacs)	
Particulars	31st March, 2023	31st March, 2022
Amortisation expense of right-of-use assets	116.36	90.46
Interest expense on lease liability	29.89	17.87
Lease expense- short term and lease of low value assets	1,290.78	675.33
	<b>1,437.03</b>	<b>783.66</b>



#### Note 4

#### Investment Properties

(Indian ₹ in lacs)

Particulars	Building	Total
<b>Gross carrying value</b>		
<b>As at 1st April, 2021</b>	<b>308.69</b>	<b>308.69</b>
Additions	-	-
Disposals	-	-
<b>As at 31st March, 2022</b>	<b>308.69</b>	<b>308.69</b>
Additions	-	-
Disposals	-	-
<b>As at 31st March, 2023</b>	<b>308.69</b>	<b>308.69</b>
<b>Accumulated depreciation</b>		
<b>As at 1st April, 2021</b>	<b>74.77</b>	<b>74.77</b>
Depreciation charged	5.91	5.91
Disposals	-	-
<b>As at 31st March, 2022</b>	<b>80.68</b>	<b>80.68</b>
Depreciation charged	5.91	5.91
Disposals	-	-
<b>As at 31st March, 2023</b>	<b>86.59</b>	<b>86.59</b>
<b>Net Carrying Amount</b>		
As at 31st March, 2022	<b>228.01</b>	<b>228.01</b>
<b>As at 31st March, 2023</b>	<b>222.10</b>	<b>222.10</b>

#### i) Amount recognised in profit or loss for investment properties

(Indian ₹ in lacs)

Particulars	31st March 2023	31st March 2022
<b>Rental income</b>	<b>48.00</b>	<b>48.00</b>
Direct operating expenses	-	-
Gain from investment properties before depreciation	<b>48.00</b>	<b>48.00</b>
Depreciation	5.91	5.91
Gain from investment properties	<b>42.09</b>	<b>42.09</b>

#### ii) Contractual obligations

There are no contractual obligations to purchase, construct or develop investment property.

#### iii) Fair Value

The fair value of the Investment Property as at March 31, 2023 has been arrived at on the basis of a valuation carried out by independent valuers registered with the authority which governs the valuers in India. All fair value estimates for investment properties are included in Level 2. Fair valuation of the investment properties as on 31st March, 2023 is ₹ 950.34 lacs.

# Ashapura Minechem Limited

## Note 5

### Intangible assets

(Indian ₹ in lacs)

Particulars	Mining Rights	Computer Software	Total
<b>Gross carrying value (at deemed cost)</b>			
<b>As at 1st April, 2021</b>	<b>6,281.81</b>	<b>276.01</b>	<b>6,557.82</b>
Additions/transfer*	80.88	22.00	102.88
Exchange difference on consolidation	221.79	-	221.79
<b>As at 31st March, 2022</b>	<b>6,584.48</b>	<b>298.01</b>	<b>6,882.49</b>
Additions	2,056.09	-	2,056.09
Exchange difference on consolidation	554.21	-	554.21
Disposals	-	(22.32)	(22.32)
<b>As at 31st March, 2023</b>	<b>9,194.78</b>	<b>275.69</b>	<b>9,470.47</b>
<b>Accumulated depreciation</b>			
<b>As at 1st April, 2021</b>	258.63	<b>244.97</b>	<b>503.60</b>
Amortisation	266.74	16.68	283.42
Exchange difference on consolidation	7.05	-	7.05
<b>As at 31st March, 2022</b>	<b>532.42</b>	<b>261.65</b>	<b>794.07</b>
Amortisation	686.76	10.16	696.92
Exchange difference on consolidation	58.88	-	58.88
Disposals	-	(12.10)	(12.10)
<b>As at 31st March, 2023</b>	<b>1,278.06</b>	<b>259.71</b>	<b>1,537.77</b>
<b>Net carrying value</b>			
<b>As at 31st March, 2022</b>	<b>6,052.06</b>	<b>36.36</b>	<b>6,088.42</b>
<b>As at 31st March, 2023</b>	<b>7,916.72</b>	<b>15.98</b>	<b>7,932.70</b>

\* includes transfers from subsidiaries acquired during the previous year

## Note 6

### Investments

(Indian ₹ in lacs)

Particulars	31st March 2023	31st March 2022
<b>Non-current Investments</b>		
<b>a. Investments in joint venture entities in india</b>		
Ashapura Perfoclay Limited <sup>1</sup>	15,304.51	13,635.81
8,966,590 Equity Shares of ₹ 10 each fully paid-up		
<b>b. Investments in associate companies in india</b>		
Orient Abrasives Limited	13,462.35	13,074.24
37,999,953 Equity Shares of ₹ 1 each fully paid-up		
Shantilal Multiport Infrastructure Private Limited	54.97	76.54
8,49,975 Equity Shares of ₹ 10 each fully paid-up		
	13,517.32	13,150.78
<b>c. Investment in Government Securities</b>		
National Savings Certificates	2.07	2.07
(under lien with sales tax/mining authorities)		
<b>Total non-current investments</b>	<b>28,823.90</b>	<b>26,788.66</b>

<sup>1</sup> investments in these equity shares are pledged with a creditor.

Aggregate amount of quoted investments	13,462.35	13,074.24
Market value of quoted investments	8,663.99	11,228.99
Aggregate amount of unquoted investments	15,361.55	13,714.42



## Note 7

### Loans

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2023	31st March 2022	31st March 2023	31st March 2022
<b>Unsecured, considered good</b>				
Loans to a joint venture	2,772.90	2,799.73	-	-
Employee loans	7.53	29.18	28.14	22.16
Other loans	-	-	-	60.85
<b>Total loans</b>	<b>2,780.43</b>	<b>2,828.91</b>	<b>28.14</b>	<b>83.01</b>

## Note 8

### Other financial assets

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2023	31st March 2022	31st March 2023	31st March 2022
Term deposits with maturity of more than 12 months *	1,392.64	1,205.36	-	-
Security deposits	2,170.08	1,994.69	-	-
Claims receivables	-	-	13,340.09	6,146.68
Interest receivable	11.96	12.35	707.85	608.01
<b>Total other financial assets</b>	<b>3,574.68</b>	<b>3,212.40</b>	<b>14,047.94</b>	<b>6,754.69</b>

\* under lien ₹ 1,260.55 (₹ 1,012.44) lacs against guarantees to mining authorities, letter of credits and bank guarantees

## Note 9

### Deferred tax assets

(Indian ₹ in lacs)

Particulars	31st March 2023	31st March 2022
On account of timing differences in		
Depreciation on property, plant & equipment	(132.92)	(139.56)
Loss allowance for doubtful debts	470.11	553.06
Carry forward of business losses	355.06	391.48
Difference between right-of-use assets and lease liabilities	(0.78)	2.35
Disallowances 43B of the Income Tax Act and others	712.34	598.38
<b>Total deferred tax assets</b>	<b>1,403.81</b>	<b>1,405.71</b>

# Ashapura Minechem Limited

## Note 10

### Other assets

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2023	31st March 2022	31st March 2023	31st March 2022
Trade advances to suppliers	-	-	34,489.95	24,003.89
Less: Loss allowance for doubtful advances	-	-	2,912.62	2,916.98
	-	-	31,577.33	21,086.91
Capital advances	12.65	82.78	-	-
Prepaid expenses	-	-	2,278.65	1,400.45
Input credit receivables	-	-	6,365.19	6,412.59
Advance payment of royalty	-	-	22.81	24.46
Employee advances	-	-	107.36	31.20
Other advances	45.61	-	6,097.61	6,740.95
<b>Total other assets</b>	<b>58.26</b>	<b>82.78</b>	<b>46,448.95</b>	<b>35,696.56</b>

## Note 11

### Inventories

(Indian ₹ in lacs)

Particulars	31st March 2023	31st March 2022
Stores & spares	4,868.26	3,867.37
Stock-in-trade	5,624.76	5,487.26
Raw materials	4,119.22	3,919.70
Finished goods	14,241.22	9,795.39
Semi finished goods	23,446.40	17,174.22
Packing materials	856.18	1,113.51
<b>Total inventories</b>	<b>53,156.04</b>	<b>41,357.45</b>

## Note 12

### Trade Receivables

(Indian ₹ in lacs)

Particulars	31st March 2023	31st March 2022
Unsecured, considered good	48,324.03	30,167.05
Unsecured, significant increase in credit risk	1,151.51	1,324.03
Unsecured, considered doubtful	2,980.85	3,596.27
Less: Loss allowance for doubtful debts	(3,470.47)	(4,052.70)
<b>Total trade receivables</b>	<b>48,985.92</b>	<b>31,034.65</b>





## 12.1 Trade receivables ageing schedule:

( Indian ₹ in lacs)

Particular	Not due	Outstanding for the following period from due date of payments					Total
		< 6 Months	6 months- 1 year	1 - 2 years	2 - 3 years	> 3 years	
<b>31st March, 2023</b>							
Undisputed, considered good	16,982.50	19,210.76	7,577.79	2,253.28	1,578.34	721.36	48,324.03
Undisputed having significant increase in credit risk	-	-	-	522.51	489.16	139.84	1,151.51
Undisputed trade receivables- credit impaired	-	-	-	-	-	2,780.42	2,780.42
Disputed having significant increase in credit risk	-	-	-	-	-	44.11	44.11
Disputed trade receivables- credit impaired	-	-	-	-	-	156.32	156.32
	<b>16,982.50</b>	<b>19,210.76</b>	<b>7,577.79</b>	<b>2,775.79</b>	<b>2,067.50</b>	<b>3,842.05</b>	<b>52,456.39</b>

**Less: Allowance for credit losses** (3,470.47)

**Total trade receivables** **48,985.92**

## 31st March, 2022

Undisputed, considered good	12,702.30	14,072.21	2,396.14	34.95	388.77	572.68	30,167.05
Undisputed having significant increase in credit risk	-	-	-	671.92	652.11	-	1,324.03
Undisputed trade receivables- credit impaired	-	-	-	-	-	2,495.06	2,495.06
Disputed trade receivables- credit impaired	-	-	-	-	4.17	-	4.17
Disputed trade receivables- credit impaired	-	-	-	-	-	1,097.04	1,097.04
	<b>12,702.30</b>	<b>14,072.21</b>	<b>2,396.14</b>	<b>34.95</b>	<b>1,045.05</b>	<b>4,164.78</b>	<b>35,087.35</b>

**Less: Allowance for credit losses** (4,052.70)

**Total trade receivables** **31,034.65**

## Note 13

### Cash and cash equivalents

(Indian ₹ in lacs)

Particulars	31st March 2023	31st March 2022
Balances with banks	6,677.71	2,195.79
Other term deposits	602.12	292.10
Cash on hand	75.57	146.94
<b>Total cash and cash equivalents</b>	<b>7,355.40</b>	<b>2,634.83</b>

# Ashapura Minechem Limited

## Note 14

### Other bank balances

	(Indian ₹ in lacs)	
Particulars	31st March 2023	31st March 2022
Deposits with maturity more than 3 months*	100.36	279.60
Margin money deposits*	355.07	370.98
Dividend accounts	8.07	11.67
<b>Total other bank balances</b>	<b>463.50</b>	<b>662.25</b>

\* under lien of ₹ 423.79 (₹ 620.16) lacs against guarantees to mining authorities and letter of credits

## Note 15

### Income tax (net)

	(Indian ₹ in lacs)	
Particulars	31st March 2023	31st March 2022
The following table provides the details of income tax assets and liabilities :		
Current income tax assets	12,232.08	10,508.68
Current income tax liabilities	12,811.70	10,023.03
<b>Net balance</b>	<b>(579.62)</b>	<b>485.65</b>
<b>The gross movement in the current tax asset /( liability) :</b>		
Net current income tax asset at the beginning	485.65	436.85
Income tax paid (net of refunds)	1,898.28	1,502.20
Income tax expense	(2,963.55)	(1,453.40)
<b>Net current income tax asset/(liabilities) at the end</b>	<b>(579.62)</b>	<b>485.65</b>

## Note 16

### Equity share capital

	(Indian ₹ in lacs)	
Particulars	31st March 2023	31st March 2022
<b><u>Authorised</u></b>		
30,00,00,000 equity shares of ₹ 2 each	6,000.00	6,000.00
30,00,000 preference shares of ₹ 100 each	3,000.00	3,000.00
	<b>9,000.00</b>	<b>9,000.00</b>
<b><u>Issued, Subscribed and Paid up</u></b>		
91,486,098 equity shares of ₹ 2 each	1,829.72	1,829.72
<b>Total equity share capital</b>	<b>1,829.72</b>	<b>1,829.72</b>

a. Equity shares issued as fully paid-up bonus shares or otherwise than by cash during the preceding five years: Nil



**b. Reconciliation of equity shares outstanding at the beginning and at the end of the year :**

(Indian ₹ in lacs)

Particulars	As on 31st March, 2023		As on 31st March, 2022	
	No. of shares	₹	No. of shares	₹
<b>Balance at the beginning of the year</b>	9,14,86,098	1,829.72	8,69,86,098	1,739.72
Issue of equity shares on conversion of warrants during the year	-	-	45,00,000	90.00
<b>Balance at end of the year</b>	9,14,86,098	1,829.72	9,14,86,098	1,829.72

**c. Shares held by promoters and promoter group :**

Name of Shareholder	As at 31st March, 2023		As at 31st March 2022		Change (%)
	Nos.	% of holding	Nos.	% of holding	
Ashapura Industrial Finance Limited	1,47,81,734	16.16	1,41,61,612	15.48	0.68
Mr. Chetan Navnitlal Shah	1,35,93,814	14.86	1,35,43,814	14.80	0.05
Ms. Dina Chetan Shah	92,02,360	10.06	92,02,360	10.06	-
Mr. Manan Shah	22,39,220	2.45	22,39,220	2.45	-
Ms. Chaitali Salot	12,55,620	1.37	12,55,620	1.37	-
Ms. Himani Shah	1,42,980	0.16	1,42,980	0.16	-
Late Shri Navnitlal R Shah Estate	1,29,460	0.14	1,29,460	0.14	-
Ashapura Overseas Private Limited	1,20,000	0.13	1,00,000	0.11	0.02
Gurbarga Trading Co. Private Limited	2,520	0.01	2,520	0.01	-
Hemprabha Trading Co Private Limited	2,520	0.01	2,520	0.01	-

Name of Shareholder	As at 31st March, 2022		As at 31st March 2021		Change (%)
	Nos.	% of holding	Nos.	% of holding	
Ashapura Industrial Finance Limited	1,41,61,612	15.48	95,14,331	10.94	4.54
Mr. Chetan Navnitlal Shah	1,35,43,814	14.80	1,35,43,814	15.57	(0.77)
Ms. Dina Chetan Shah	92,02,360	10.06	92,02,360	10.58	(0.52)
Mr. Manan Shah	22,39,220	2.45	22,39,220	2.57	(0.13)
Ms. Chaitali Salot	12,55,620	1.37	12,55,620	1.44	(0.07)
Ms. Himani Shah	1,42,980	0.16	1,42,980	0.16	(0.01)
Late Shri Navnitlal R Shah Estate	1,29,460	0.14	1,29,460	0.15	(0.01)
Ashapura Overseas Private Limited	1,00,000	0.11	-	-	0.11
Gurbarga Trading Co. Private Limited	2,520	0.01	2,520	0.01	-
Hemprabha Trading Co Private Limited	2,520	0.01	2,520	0.01	-

**d. Shares held by each shareholder holding more than five percent shares :**

Name of Shareholder	As at 31st March 2023		As at 31st March 2022	
	Nos.	% of holding	Nos.	% of holding
Ashapura Industrial Finance Limited	1,47,81,734	16.16	1,41,61,612	15.48
Mr. Chetan Navnitlal Shah	1,35,93,814	14.86	1,35,43,814	14.80
Mrs. Dina Chetan Shah	92,02,360	10.06	92,02,360	10.06
Albula Investment Fund Limited	47,57,017	5.20	72,57,017	7.93

**e. Rights, preferences and restrictions attached to shares :**

The company has one class of equity shares having a face value of ₹ 2 each ranking pari passu in all respect including voting rights and entitlement to dividend. Each holder of equity shares is entitled to one vote per share. Dividend proposed by the board of directors and approved by the shareholders in the annual general meeting is paid to the shareholders.

# Ashapura Minechem Limited

## Note 17

### Other equity

	(Indian ₹ in lacs)	
Particulars	31st March 2023	31st March 2022
<b><u>General reserve</u></b>		
Balance at the beginning of the year	1,500.00	1,500.00
Additions during the year	-	-
Balance at the end of the year	<u>1,500.00</u>	<u>1,500.00</u>
<b><u>Capital redemption reserve</u></b>		
Balance at the beginning of the year	3.90	3.90
Addition during the year	-	-
Balance at the end of the year	<u>3.90</u>	<u>3.90</u>
<b><u>Securities premium account</u></b>		
Balance at the beginning of the year	19,082.34	17,734.59
Addition during the year	-	1,347.75
Balance at the end of the year	<u>19,082.34</u>	<u>19,082.34</u>
<b><u>Retained earnings</u></b>		
Balance at the beginning of the year	30,659.21	22,464.90
Profit for the year	11,700.64	8,651.74
Dividend	(571.84)	(457.43)
Balance at the end of the year	<u>41,788.01</u>	<u>30,659.21</u>
<b><u>Other components of equity</u></b>		
Remeasurement of defined benefit plans (net of tax)	(474.22)	(441.83)
Exchange differences on foreign currency translation	<u>1,770.93</u>	<u>(510.19)</u>
	<u>1,296.71</u>	<u>(952.02)</u>
<b>Total other equity</b>	<b><u>63,670.96</u></b>	<b><u>50,293.43</u></b>

**General reserve:** The Company has transferred a portion of the net profit of the Company to general reserve.

**Capital redemption reserve:** The Company has created capital redemption reserve from distributable profit upon redemption of preference shares in the past years.

**Securities premium account:** Amount received in excess of face value of the equity shares is recognized in securities premium account. The reserve is utilised in accordance with the provisions of the Companies Act.

**Retained earnings:** Retained earnings are the profits/loss of the Company till date, less transfers to general reserve, dividends or other distributions paid to shareholders.

**Net gain/(loss) on fair value of defined benefit plans:** The Company has recognised remeasurement gains/(loss) on defined benefit plans in OCI. These changes are accumulated within the OCI reserve within other equity. The Company transfers amount from this reserve to retained earning when the relevant obligations are derecognized.

**Foreign currency translation reserve:** Exchange difference on translation of long term monetary asset is accumulated in separate reserve within equity.



## Note 18

### Borrowings

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2023	31st March 2022	31st March 2023	31st March 2022
<b>Secured</b>				
Term loans from bank & Financial institutions*	53,109.68	47,642.03	-	-
Hire Purchase Finance	1,247.44	37.12	8.52	25.43
Working capital finance from banks	-	-	6,021.14	6,776.22
Current maturities of long-term debt	-	-	4,260.81	2,531.58
	<b>54,357.12</b>	<b>47,679.15</b>	<b>10,290.47</b>	<b>9,333.23</b>
<b>Unsecured</b>				
Inter corporate loans	8,404.18	5,215.02	-	-
Term loan from related parties	2,343.62	-	225.00	1,400.00
	<b>10,747.80</b>	<b>5,215.02</b>	<b>225.00</b>	<b>1,400.00</b>
<b>Total borrowings</b>	<b>65,104.92</b>	<b>52,894.17</b>	<b>10,515.47</b>	<b>10,733.23</b>

\* loans obtained by overseas subsidiary against pledge of shares and other investments in group companies. Term loan from financial institutions includes overdue borrowings of Rs. 1,694.74 lacs.

## Note 19

### Other financial liabilities

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2023	31st March 2022	31st March 2023	31st March 2022
Interest accrued and due on borrowings	-	-	7,065.28	4,244.38
Derivatives and other claims payable (Refer note no. 46)	-	-	2,500.00	2,500.00
Shipping claims payable*	29,699.88	22,723.99	5,032.50	13,250.00
Unclaimed dividends	-	-	8.07	11.67
Payable towards services received	-	-	106.76	131.24
<b>Total other financial liabilities</b>	<b>29,699.88</b>	<b>22,723.99</b>	<b>14,712.61</b>	<b>20,137.29</b>

\* investments in two subsidiaries and a joint venture are pledged to one of the creditors.

## Note 20

### Provisions

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2023	31st March 2022	31st March 2023	31st March 2022
Provision for leave encashment	175.49	209.96	51.18	55.84
Provision for minning restoration	971.34	1,046.73	-	-
Provision for gratuity	55.14	91.83	158.28	178.49
Provision for bonus	-	-	215.46	157.92
Provision for royalty	-	-	1,018.03	1,037.85
<b>Total provisions</b>	<b>1,201.97</b>	<b>1,348.52</b>	<b>1,442.95</b>	<b>1,430.10</b>

# Ashapura Minechem Limited

## Note 21

### Other liabilities

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2023	31st March 2022	31st March 2023	31st March 2022
Advances from customers	-	-	28,547.05	25,419.16
Statutory liabilities	-	-	7,223.69	4,336.16
Payable for capital assets	-	-	1,516.97	56.12
Other liabilities	9.07	50.00	20,776.80	5,480.49
<b>Total other liabilities</b>	<b>9.07</b>	<b>50.00</b>	<b>58,064.51</b>	<b>35,291.93</b>

## Note 22

### Trade payables

(Indian ₹ in lacs)

Particulars	31st March 2023	31st March 2022
	Trade payables	
Total outstanding dues of Micro and Small Enterprises (refer note no. 38)	-	627.66
Total outstanding dues of creditors other than Micro and Small Enterprises	45,498.75	34,742.25
<b>Total trade payables</b>	<b>45,498.75</b>	<b>35,369.91</b>

### 22.1 Trade payables ageing schedule:

( Indian ₹ in lacs)

Particular	Not Due	Outstanding for the following period from due date of payments				Total
		Less than 1 year	1 - 2 years	2 - 3 years	> 3 years	
<b>31st March, 2023</b>						
Outstanding dues to MSME	-	-	-	-	-	-
Others	6,251.01	24,510.75	12,152.60	1,273.27	1,311.12	45,498.75
<b>Total....</b>	<b>6,251.01</b>	<b>24,510.75</b>	<b>12,152.60</b>	<b>1,273.27</b>	<b>1,311.12</b>	<b>45,498.75</b>
<b>31st March, 2022</b>						
Outstanding dues to MSME	-	627.66	-	-	-	627.66
Others	7,608.64	21,523.24	2,749.55	1,095.27	1,765.55	34,742.25
<b>Total....</b>	<b>7,608.64</b>	<b>22,150.90</b>	<b>2,749.55</b>	<b>1,095.27</b>	<b>1,765.55</b>	<b>35,369.91</b>

**Note 23****Revenue from operations**

	(Indian ₹ in lacs)	
Particulars	2022-2023	2021-2022
<b>Sale of products</b>		
Export sales	1,49,111.25	95,589.75
Domestic sales	30,553.57	29,567.54
	<u>1,79,664.82</u>	<u>1,25,157.29</u>
<b>Other operating revenue</b>		
Research & development fees receipts	450.00	178.70
Other operating income	2,970.02	2,448.32
	<u>1,83,084.84</u>	<u>1,27,784.31</u>

**Note 24****Other income**

	(Indian ₹ in lacs)	
Particulars	2022-2023	2021-2022
Interest receipts	393.74	446.74
Dividend receipts	4.96	2.79
Profit on sale of investment (net)	-	1,404.31
Lease rent receipts	248.41	212.88
Profit on sale of property, plant & equipment (net)	-	314.89
Sundry balances written back (net)	2,219.74	2,002.05
Gain on foreign currency fluctuation	5,041.89	4,576.61
Miscellaneous income	703.63	599.49
	<u>8,612.37</u>	<u>9,559.76</u>

**Note 25****Cost of materials consumed**

	(Indian ₹ in lacs)	
Particulars	2022-2023	2021-2022
<b>Raw materials consumed</b>		
Opening stock	3,919.70	3,077.98
Add: Purchases	41,470.49	23,736.77
	<u>45,390.19</u>	<u>26,814.75</u>
Less: Closing stock	4,119.22	3,919.70
	<u>41,270.97</u>	<u>22,895.05</u>
<b>Packing materials consumed</b>		
Opening stock	1,113.51	1,044.56
Add: Purchases	2,911.38	2,757.15
	<u>4,024.89</u>	<u>3,801.71</u>
Less: Closing stock	856.18	1,113.51
	<u>3,168.71</u>	<u>2,688.20</u>
Rent and royalty	894.30	564.08
Mining expenses	1,889.60	6,345.93
	<u>47,223.58</u>	<u>32,493.26</u>

# Ashapura Minechem Limited

## Note 26

### Changes in inventories

	(Indian ₹ in lacs)	
Particulars	2022-2023	2021-2022
Closing Stock		
Finished goods	14,241.22	9,795.39
Stock-in-trade	5,624.76	5,487.26
Semi finished goods	23,446.40	17,174.22
	43,312.38	32,456.87
Opening Stock		
Finished goods	9,795.39	9,768.60
Stock-in-trade	5,487.26	5,790.76
Semi finished goods	17,174.22	7,109.69
	32,456.87	22,669.05
<b>Changes in inventories</b>	<b>(10,855.51)</b>	<b>(9,787.82)</b>

## Note 27

### Employee benefit expenses

	(Indian ₹ in lacs)	
Particulars	2022-2023	2021-2022
Salaries, wages, allowances and bonus	8,971.58	8,443.86
Directors' remuneration	309.57	275.02
Contribution to provident fund & other welfare funds	654.08	611.66
Staff welfare expenses	682.67	507.99
<b>Total employee benefit expenses</b>	<b>10,617.90</b>	<b>9,838.53</b>

## Note 28

### Finance costs

	(Indian ₹ in lacs)	
Particulars	2022-2023	2021-2022
Interest		
Banks	778.39	1,142.48
Income tax	68.61	68.91
Others	5,105.68	4,351.23
	5,952.68	5,562.62
Exchange rate difference on loans	-	(128.52)
Other borrowing costs	479.10	110.80
<b>Total finance costs</b>	<b>6,431.78</b>	<b>5,544.90</b>




**Note 29**
**Depreciation and amortisation expenses**

Particulars	(Indian ₹ in lacs)	
	2022-2023	2021-2022
Property, plant and equipment	6,437.17	5,433.04
Right of use assets	116.36	90.46
Investment properties	5.91	5.91
Intangible assets	696.92	283.42
<b>Total depreciation and amortisation</b>	<b>7,256.36</b>	<b>5,812.83</b>

**Note 30**
**Other expenses**

Particulars	(Indian ₹ in lacs)	
	2022-2023	2021-2022
<u>Manufacturing expenses</u>		
Power and fuel	6,369.71	6,976.20
Machinery repairs and maintenance	1,533.82	841.93
Stores and spares	3,299.87	3,098.45
Carriage inward	133.53	73.66
Other expenses	9,216.74	8,053.18
	<u>20,553.67</u>	<u>19,043.42</u>
<u>Selling and distribution expenses</u>		
Sales commission	4,024.44	131.23
Export freight and insurance	44,098.33	28,670.54
Export custom duty	32.57	0.40
Export and other shipment expenses	21,701.11	16,004.86
	<u>69,856.45</u>	<u>44,807.03</u>
<u>Administrative and other expenses</u>		
Advertisement and business promotion	123.46	93.87
Rent	1,290.78	675.33
Rates & taxes	8,059.29	2,597.70
Repairs to buildings and others	472.16	318.22
Insurance premiums	324.67	247.82
Travelling expenses	783.07	425.07
Bank discount, commission and other charges	355.48	241.48
Legal and professional fees	886.45	87.47
Payment to auditors	124.93	108.99
Directors sitting fees	34.50	36.00
Business promotion expenses	-	107.58
Loss on sale of property, plant & equipment (net)	207.18	-
Corporate social responsibility expenses	62.35	403.68
Donations	87.07	48.15
Miscellaneous expenses	2,638.12	2,739.73
	<u>15,449.51</u>	<u>8,131.09</u>
<b>Total other expenses</b>	<b>1,05,859.63</b>	<b>71,981.54</b>

# Ashapura Minechem Limited

## Expenditure towards Corporate Social Responsibility (CSR) activities

1. Amount required to be spent u/s 135(5) of the Companies Act 2013	55.40	386.35
2. Amount spent in cash during the year		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	62.35	403.68
3. (Excess)/Shortfall at the end of the year	(6.95)	(17.33)
4. Nature of CSR activities	Education, healthcare, women empowerment, promoion of arts.	

## Payments to auditors

Audit fees (including quarterly limited review)	102.41	93.31
Tax audit fees	10.63	10.50
Other services	9.24	5.18
Reimbursement of expenses	2.65	-
	<u>124.93</u>	<u>108.99</u>

## **Note 31**

### Earning per share

Particulars	2022-2023	2021-2022
Profit for the year (₹)	11,700.64	8,651.74
Weighted average number of shares (Nos)	9,14,86,098	8,96,61,440
Diluted number of shares (Nos)	9,14,86,098	8,96,61,440
Earnings per share (Basic) ₹	12.79	9.65
Earnings per share (Diluted) ₹	12.79	9.65
Face value per share ₹	2.00	2.00

## **Note 32**

### Fair value measurement

#### **i. Financial instruments by category**

Particulars	(Indian ₹ in lacs)							
	31st March 2023				31st March 2022			
	FVPL	FVOCI	Amortised cost	Fair Value	FVPL	FVOCI	Amortised cost	Fair Value
<b>Financial assets</b>								
Investments	-	-	28,823.90	28,823.90	-	-	26,788.66	26,788.66
Trade receivables	-	-	48,985.92	48,985.92	-	-	31,034.65	31,034.65
Loans non - current	-	-	2,780.43	2,780.43	-	-	2,828.91	2,828.91
Loans - current	-	-	28.14	28.14	-	-	83.01	83.01
Other financial assets - non- current	-	-	3,574.68	3,574.68	-	-	3,212.40	3,212.40
Other financial assets - current	-	-	14,047.94	14,047.94	-	-	6,754.69	6,754.69
Cash and cash equivalents	-	-	7,355.40	7,355.40	-	-	2,634.83	2,634.83
Other bank balances	-	-	463.50	463.50	-	-	662.25	662.25
<b>Total financial assets</b>	<b>-</b>	<b>-</b>	<b>1,06,059.91</b>	<b>1,06,059.91</b>	<b>-</b>	<b>-</b>	<b>73,999.40</b>	<b>73,999.40</b>



### Financial liabilities

Borrowings								
Long term borrowings	-	-	65,104.92	65,104.92	-	-	52,894.17	52,894.17
Short term borrowings	-	-	10,515.47	10,515.47	-	-	10,733.23	10,733.23
Lease liabilities -non-current	-	-	74.72	74.72	-	-	132.28	132.28
Lease liabilities -current	-	-	101.34	101.34	-	-	187.52	187.52
Trade payables	-	-	45,498.75	45,498.75	-	-	35,369.91	35,369.91
Other financial liabilities - non - current	-	-	29,699.88	29,699.88	-	-	22,723.99	22,723.99
Other financial liabilities - current	-	-	14,712.61	14,712.61	-	-	20,137.29	20,137.29
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>1,65,707.69</b>	<b>1,65,707.69</b>	<b>-</b>	<b>-</b>	<b>1,42,178.39</b>	<b>1,42,178.39</b>

### Note 33

#### Financial risk management

The Group's activities expose it to credit risk, liquidity risk and market risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, financial assets and trade receivables	Credit ratings, Aging analysis, credit evaluation	Diversification of counter parties, investment limits, check on counter parties basis credit rating and number of overdue days
Liquidity risk	Borrowings, trade payables and other liabilities	Maturity analysis	Maintaining sufficient cash/ cash equivalents and marketable securities
Market risk	Financial assets and liabilities not denominated in INR	Sensitivity analysis	Constant evaluation and proper risk management policies

The Board provides guiding principles for overall risk management as well as policies covering specific areas such as foreign exchange risk, credit risk and investment of surplus liquidity.

#### A. Credit risk

Credit risk refers to the risk of a counter party default on its contractual obligation resulting into a financial loss to the Group. The maximum exposure of the financial assets represents trade receivables, work in progress and receivables.

Customer credit risk is managed by the Group through established policy and procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally carrying upto 90 days credit terms. The Group has a detailed review mechanism of overdue customer receivables at various levels within organisation to ensure proper attention and focus for realisation. Trade receivables are consisting of a large number of customers. Export receivables are backed by forward contract. In respect of trade receivables, the Group uses a provision matrix to compute the expected credit loss allowances for trade receivables in accordance with the excepted credit loss (ECL) policy of the Group.

#### B. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet its commitments associated with financial instruments.

Liquidity risk may result from an inability to sell a financial assets quickly at close to its fair value.

The Group, to the best extent possible, attempts to manage liquidity risk by maintaining adequate liquid assets and banking facilities by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

# Ashapura Minechem Limited

Contractual maturities of significant financial liabilities are as follows:

	(Indian ₹ in lacs)		
Particulars	Less than or equal to one year	more than one year	Total
<b>As on 31st March 2023</b>			
<b>Financial Liabilities</b>			
Long term borrowings	-	65,104.92	65,104.92
Short term borrowings	10,515.47	-	10,515.47
Lease liabilities	101.34	74.72	176.06
Trade payables	45,498.75	-	45,498.75
Other financial liabilities	14,712.61	29,699.88	44,412.49
<b>Total financial liabilities</b>	<b>70,828.17</b>	<b>94,879.52</b>	<b>1,65,707.69</b>
<b>As on 31st March 2022</b>			
<b>Financial Liabilities</b>			
Long term borrowings	-	52,894.17	52,894.17
Short term borrowings	10,733.23	-	10,733.23
Lease liabilities	187.52	132.28	319.80
Trade payables	35,369.91	-	35,369.91
Other financial liabilities	20,137.29	22,723.99	42,861.28
<b>Total financial liabilities</b>	<b>66,427.95</b>	<b>75,750.44</b>	<b>1,42,178.39</b>

## C. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in foreign currency exchange rates, interest rates, credit, liquidity and other market changes.

The Group has several balances in foreign currency and consequently, the Group is exposed to foreign exchange risk. The Group evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies, to the extent possible.

### a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings, wherever possible.

### b) Interest rate sensitivity:

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

	(Indian ₹ in lacs)	
Particulars	Increase/decrease in basis points	Effect of profit before tax
<b>31st March, 2023</b>	+100	756.20
	-100	(756.20)
<b>31st March, 2022</b>	+100	636.27
	-100	(636.27)

Group's exposure to foreign currency risk at the end of each reporting period is as under:

### c) Exposure in foreign currency - unhedged

	(respective foreign currencies in lacs)	
Currency	31st March 2023	31st March 2022
<b>Receivables</b>		
USD	562.08	354.36
EURO	38.53	24.55
AED	3.18	7.61
GBP	-	-



<b>Payables</b>		
USD	528.51	191.91
EURO	2.06	4.93
AED	2.09	1.41
GBP	0.34	0.33
OMR	1.30	3.73
<b>Loan given to joint ventures/associates</b>		
RO	20.00	19.53

#### d) Foreign currency sensitivity

The Company is mainly exposed to changes in USD and EURO. The below table demonstrates the sensitivity to a 5% increase or decrease in the USD and EURO against INR, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Company as at reporting date. 5% represents management's assessment of reasonably possible change in foreign exchange rate.

				(Indian ₹ in lacs)
	Particulars	Currency	Change in rate	Effect on profit before tax
<b>March 31, 2023</b>		USD	+5%	137.94
		USD	-5%	(137.94)
<b>March 31, 2022</b>		USD	+5%	615.70
		USD	-5%	(615.70)
<b>March 31, 2023</b>		EURO	+5%	162.89
		EURO	-5%	(162.89)
<b>March 31, 2022</b>		EURO	+5%	82.58
		EURO	-5%	(82.58)

#### Note 34

##### Capital management

For the purpose of the Group's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Group. The primary objective of the Group when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

The Group's capital management objective is to maximise the total shareholder returns by optimising cost of capital through flexible capital structure that supports growth. Further, the Group attempts to ensure optimal credit risk profile to maintain/enhance credit rating.

The Group determines the amount of capital required on the basis of annual operating plan and long-term strategic plans. The funding requirements are met through internal accruals and long-term/short-term borrowings. The Group monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Group.

The following table summarises the capital of the Group:

			(Indian ₹ in lacs)	
	Particulars	As at	31st March 2023	31st March 2022
Total debt			75,620.39	63,627.40
Total equity			66,469.88	52,123.15
Total debt to equity ratio			1.14	1.22

#### Note 35

##### Capital and Other Commitments

			(Indian ₹ in lacs)	
	Particulars		31st March 2023	31st March 2022
1	Estimated value of contracts remaining to be executed		1,278.43	120.78

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## Note 36

### Contingent Liabilities

(Indian ₹ in lacs)

No.	Particulars	31st March 2023	31st March 2022
1	Guarantees given to various government authorities and others	33,140.38	26,706.22
2	In respect of disputed excise duty	2,993.81	2,993.81
3	In respect of disputed income tax matters	6,784.43	6,295.38
4	In respect of disputed VAT and Service Tax matters	-	278.37
5	Shipping claims against the Company not acknowledged as debt	6,194.17	6,038.01
6	Other claims against the Company not acknowledged as debt	4,812.51	4,553.85
7	In respect of other matters	18.68	18.68
8	Some retrenched employees of the company have filed suits against the company in the labour court for compensation and reinstatement. The liability in respect of this, in the opinion of the management, is unascertainable.	-	-
	<b>Total...</b>	<b>53,943.98</b>	<b>46,884.32</b>

The amounts disclosed above represent the best possible estimates arrives at on the basis of available information.

## Note 37

### Employee benefits

#### Funded Scheme - Gratuity

Liability for employee gratuity has been determined by an actuary, appointed for the purpose, in conformity with the principles set out in the Indian Accounting Standard 19 the details of which are as hereunder. The Group makes contributions to approved gratuity fund.

(Indian ₹ in lacs)

No.	Particulars	31st March 2023	31st March 2022
<b>Amount recognised in balance sheet</b>			
	Present value of funded defined benefit obligation	1,761.82	1,645.15
	Fair value of plan assets	1,548.40	1,374.83
	<b>Net unfunded obligation/(surplus assets)</b>	<b>213.42</b>	<b>270.32</b>
<b>Expense recognised in the statement of profit and loss</b>			
	Current service cost	90.89	94.52
	Interest on net defined benefit asset	19.92	13.88
	<b>Total expense charged to profit and loss Account</b>	<b>110.81</b>	<b>108.40</b>
<b>Amount recorded as other comprehensive income</b>			
	Opening amount recognised in OCI outside profit & loss Account	339.18	420.29
	Remeasurements during the period due to:	-	-
	Changes in financial assumptions	(46.91)	(78.15)
	Actual return on plan assets less interest on plan assets	(6.13)	(2.96)
	<b>Closing amount recognised in OCI outside profit &amp; loss account</b>	<b>286.14</b>	<b>339.18</b>
<b>Reconciliation of net liability/(asset)</b>			
	<b>Opening net defined benefit liability/(asset)</b>	<b>270.32</b>	<b>190.76</b>
	Expense charged to profit and loss account	110.81	108.40
	Amount recognised outside profit and loss account	53.04	81.11
	Net liability transfer out - (net)	5.86	21.36
	Employer contributions	(226.61)	(131.31)
	<b>Closing net defined benefit liability/(asset)</b>	<b>213.42</b>	<b>270.32</b>



#### Movement in benefit obligation

<b>Opening of defined benefit obligation</b>	<b>1,645.15</b>	<b>1,484.05</b>
Current service cost	90.89	94.52
Interest on defined benefit obligation	118.95	101.80
Actuarial loss/(gain) arising from change in financial assumptions	(0.81)	12.43
Benefits paid from the fund	(140.99)	(132.31)
Net liabilities transfer out (net)	0.89	-
Actuarial loss/(gain) on obligation	47.74	84.66
<b>Closing of defined benefit obligation</b>	<b>1,761.82</b>	<b>1,645.15</b>

#### Movement in plan assets

<b>Opening fair value of plan assets</b>	<b>1,374.83</b>	<b>1,293.29</b>
Prior period - change in limit	0.21	(0.48)
Return on plan assets excluding interest income	(6.13)	(4.90)
Interest income (net)	99.03	87.92
Contributions by employer	226.61	131.31
Net liabilities transfer out (net)	(5.16)	-
Benefits paid	(140.99)	(132.31)
<b>Closing of defined benefit obligation</b>	<b>1,548.40</b>	<b>1,374.83</b>

#### Principal actuarial assumptions

Discount Rate	7.52	7.23
Salary escalation rate p.a.	7.52	7.23
Future salary increase	5.00	5.00
Rate of employee turnover	4.00	4.00

#### Sensitivity analysis for significant assumption is as shown below:

No.	Particulars	Sensitivity level	31st March 2023	31st March 2022
1	Discount Rate	1% Increase	(86.29)	(98.22)
		1% Decrease	96.25	109.96
2	Salary	1% Increase	97.70	111.31
		1% Decrease	(89.05)	(101.09)
3	Employee Turnover	1% Increase	14.49	14.86
		1% Decrease	(15.89)	(16.35)

#### The following are the expected future benefit payments for the defined benefit plan:

No.	Particulars	31st March 2023	31st March 2022
1	Within the next 12 months (next annual reporting period)	378.78	308.59
2	Between 2 and 5 years	573.91	551.62
3	Beyond 5 years	1,927.96	1,852.30

#### Note 38

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2022-23, to the extent the Company has received intimation from the Suppliers regarding their status under the Act.

(Indian ₹ in lacs)

No.	Particulars	31st March 2023	31st March 2022
	Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per MSMED Act)		
1	Principal amount due to micro and small enterprise		627.66
2	Interest due on above	-	-

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## Note 39

As per Ind AS 24, Disclosure of transactions with related parties (as identified by the management) as defined in Ind AS 24 are given below:

Sr No.	Particulars	Country of incorporation
<u>(i) Joint ventures and associates</u>		<u>Refer note no. 1.2(c)</u>
<u>(ii) Entities controlled/significantly influenced by directors</u>		
1	Aeon Procure Private Limited	India
2	Aeonx Digital Solutions Private Limited	India
3	Altage Stone Crushing Industries <sup>1</sup>	India
4	Ambica Logistics Private Limited	India
5	Artha Minerals Resources	India
6	Ashapura Exports Pvt Limited	India
7	Ashapura Foundation	India
8	Ashapura Overeas Private Limited	India
9	Ashok Alco-chem Limited	India
10	Bharat Abrasives & Chemicals Industries	India
11	Chetan N Shah - HUF	India
12	Kutch Navniraman Trust	India
13	Manico Minerals International Private Limited	India
14	Manico Resources Private Limited	India
15	Minologic Corporation	India
16	Minoraj Logistics LLP	India
17	Minotech Resources LLP	India
18	Minotrans Logistic Corporation	India
19	Prabhudas Vithaldas	India
20	Sharda Industrial Corporation	India
<u>(iii) Key managerial personnel</u>		
21	Mr. Chetan Shah	Executive Chairman
22	Mr. Hemul Shah	Executive Director & CEO
23	Ms. Geeta Nerurkar	Whole Time Director & CEO
24	Mr. Harish Motiwala	Independent Director
25	Ms. Himani Shah	Non Independent Director
26	Mr. Manan Shah	Non Independent Director
27	Mr. Ashok Kadakia <sup>1</sup>	Independent Director
28	Mr. Abhilash Munsif	Independent Director
29	Mr. Pundrik Sanyal	Independent Director
30	Ms. Neeta Shah	Independent Director
31	Mr. Sudhir Godabole	Director
32	Mr. Ibrahim Bald <sup>2</sup>	Director
33	Mr. Sachin Polke	Company Secretary & President (Corporate Affairs)
34	Mr. Ashish Desai	Chief Financial Officer
35	Mr. Sandeep Deshpande <sup>3</sup>	Group Head - Human Resources and Administration
36	Mr. Akhilesh Kumar Sinha <sup>4</sup>	Vice President - Human Resources
37	Ms. Dina Shah	Relative of a key managerial personnel
38	Ms. Chaitali Salot	Relative of a key managerial personnel

<sup>1</sup>upto 12th August, 2021

<sup>2</sup>upto 15th December, 2022

<sup>3</sup>w.e.f. 25th June, 2021

<sup>4</sup>upto 9th July, 2021





Nature of transaction	Relationship	(Indian ₹ in lacs )	
		Year ended 31st March 2023	Year ended 31st March 2022
<b>1. Sales of materials</b>			
Ashapura Perfoclay Limited	Joint Venture	1,059.64	1,860.41
APL Valueclay Private Limited	Joint Venture	67.25	670.56
Ashok Alco-chem Limited	Entity controlled/significantly influenced by directors	56.03	-
Orient Advanced Materials Private Limited	Associate	190.08	0.97
Orient Abrasives Limited	Associate	8,277.20	3,569.92
Ashapura Overseas Private Limited	Entity controlled/significantly influenced by directors	57.40	83.40
Aeon Procure Private Limited	Entity controlled/significantly influenced by directors	14.56	0.58
Minotech Resources LLP	Entity controlled/significantly influenced by directors	-	48.20
Artha Minerals Resources	Entity controlled/significantly influenced by directors	11.71	-
Ashapura Midgulf NV	Joint Venture	-	872.98
<b>Total...</b>		<b>9,733.87</b>	<b>7,107.02</b>
<b>2. Sale of property, plant and equipment</b>			
Orient Advanced Materials Private Limited	Associate	36.82	3,288.48
Ashapura Dhofar Resources LLC	Joint Venture	-	42.34
<b>Total...</b>		<b>36.82</b>	<b>3,330.82</b>
<b>3. Purchase of materials</b>			
APL Valueclay Private Limited	Joint Venture	2,644.50	1,848.32
Ashapura Perfoclay Limited	Joint Venture	3,276.56	713.22
Orient Abrasives Limited	Associate	2,866.17	1,222.06
Ashok Alco-chem Limited	Entity controlled/significantly influenced by directors	1,316.22	762.38
Minotech Resources LLP	Entity controlled/significantly influenced by directors	389.83	220.78
Orient Advanced Materials Private Limited	Associate	2,662.86	1,024.76
Ashapura Dhofar Resources LLC	Joint Venture	-	262.81
Mino Trans Logistics Corporation	Entity controlled/significantly influenced by directors	-	239.24
Manico Minerals International Private Limited	Entity controlled/significantly influenced by directors	0.92	-
Minoraj Logistics LLP	Entity controlled/significantly influenced by directors	-	3.40
<b>Total...</b>		<b>13,157.06</b>	<b>6,296.97</b>
<b>4. Interest received</b>			
Ashapura Dhofar Resources LLC	Joint Venture	201.80	117.65
<b>5. Reimbursement of administrative expenses received/(paid)</b>			
Ashapura Overseas Private Limited	Entity controlled/significantly influenced by directors	0.33	(0.07)
Orient Abrasives Limited	Associate	-	5.59
Orient Advanced Materials Private Limited	Associate	16.29	-
APL Valueclay Private Limited	Joint Venture	0.89	4.18
Artha Minerals Resources	Entity controlled/significantly influenced by directors	1.50	-
Ashok Alco-chem Limited	Entity controlled/significantly influenced by directors	0.23	(26.91)
Ashapura Perfoclay Limited	Joint Venture	95.09	100.79
<b>Total...</b>		<b>114.33</b>	<b>83.58</b>

# Ashapura Minechem Limited

## 6. Rent received

Ashapura Overseas Private Limited	Entity controlled/significantly influenced by directors	2.10	2.40
Bharat Abrasives & Chemicals Industries	Entity controlled/significantly influenced by directors	0.30	-
Orient Advanced Materials Private Limited	Associate	9.00	4.79
Orient Abrasives Limited	Associate	13.84	12.00
<b>Total...</b>		<b>25.24</b>	<b>19.19</b>

## 7. R & D charges receipts

Ashapura Perfoclay Limited	Joint Venture	350.00	175.00
Orient Abrasives Limited	Associate	100.00	-
<b>Total...</b>		<b>450.00</b>	<b>175.00</b>

## 8. Dividend received

Ashapura Perfoclay Limited	Joint Venture	134.50	134.50
Orient Abrasives Limited	Associate	57.00	57.00
<b>Total...</b>		<b>191.50</b>	<b>191.50</b>

## 9. Donations/Corporate Social Responsibility

Ashapura Foundation	Entity controlled/significantly influenced by directors	63.76	264.19
Kutch Navmiraman Trust	Entity controlled/significantly influenced by directors	-	126.00
<b>Total...</b>		<b>63.76</b>	<b>390.19</b>

## 10. Purchase of property, plant and equipment

Minotech Resources LLP	Entity controlled/significantly influenced by directors	-	342.69
Minotrans Logistics Corporation	Entity controlled/significantly influenced by directors	22.00	-
Ashapura Perfoclay Limited	Joint Venture	26.00	-
Minotech Resources LLP	Entity controlled/significantly influenced by directors	1.57	-
Prabhudas Vithaldas	Entity controlled/significantly influenced by directors	1.30	-
<b>Total...</b>		<b>50.87</b>	<b>342.69</b>

## 11. Royalty

Chetan N Shah - HUF	Entity controlled/significantly influenced by directors	137.53	244.87
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## 12. Guarantee Commission Receipts

Ashapura Perfoclay Limited	Joint Venture	32.00	32.00
Orient Abrasives Limited	Associate	3.73	-
<b>Total...</b>		<b>35.73</b>	<b>32.00</b>

## 13. Stores, Spares & Packing Materials Purchases

Orient Advanced Materials Private Limited	Associate	0.58	-
Ashapura Perfoclay Limited	Joint Venture	8.95	51.06
Minotech Resources LLP	Entity controlled/significantly influenced by directors	72.18	270.86
Orient Abrasives Limited	Associate	8.64	7.34
<b>Total...</b>		<b>90.35</b>	<b>329.26</b>

## 14. Rent paid

Ashapura Exports Private Limited	Entity controlled/significantly influenced by directors	1.00	0.25
Manico Minerals International Private Limited	Entity controlled/significantly influenced by directors	0.50	-
<b>Total...</b>		<b>1.50</b>	<b>0.25</b>



#### 15. Jobwork charges

Orient Abrasives Limited	Associate	1,354.30	-
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#### 16. Interest paid

Ashok Alco-chem Limited	Entity controlled/significantly influenced by directors	168.50	168.00
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#### 17. Software maintenance expenses

Aeonx Digital Solution Private Limited	Entity controlled/significantly influenced by directors	188.97	161.88
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#### 18. Other selling expenses

Ambica Logistics Private Limited	Entity controlled/significantly influenced by directors	8.25	50.96
Aeonx Digital Solution Private Limited	Entity controlled/significantly influenced by directors	60.50	-
<b>Total...</b>		<b>68.75</b>	<b>50.96</b>

#### 19. Loan received

Ashok Alco-chem Limited	Entity controlled/significantly influenced by directors	700.00	100.00
Ashapura Perfoclay Limited	Joint Venture	1,800.00	-
<b>Total...</b>		<b>2,500.00</b>	<b>100.00</b>

#### 20. Loan repaid

Ashok Alco-chem Limited	Entity controlled/significantly influenced by directors	225.00	-
Ashapura Arcadia Private Limited	Entity controlled/significantly influenced by directors	15.00	-
<b>Total...</b>		<b>240.00</b>	<b>-</b>

### **Outstanding Balances:**

#### 1. Trade receivables

Ashapura Exports Private Limited	Entity controlled/significantly influenced by directors	385.40	385.76
Ashapura Overseas Private Limited	Entity controlled/significantly influenced by directors	833.55	820.58
Manico Resources Private Limited	Entity controlled/significantly influenced by directors	8.33	2.50
Ashapura Dhofar Resources LLC	Joint Venture	50.58	47.11
APL Valueclay Private Limited	Joint Venture	17.60	1.46
Aeon Procure Private Limited	Entity controlled/significantly influenced by directors	2.80	-
Artha Minerals Resources	Entity controlled/significantly influenced by directors	15.15	-
Minotech Resources LLP	Entity controlled/significantly influenced by directors	104.80	221.32
Minologistics Corporation	Entity controlled/significantly influenced by directors	-	23.00
Minotrans Logistics Corporation	Entity controlled/significantly influenced by directors	34.64	14.42
Orient Advanced Materials Private Limited	Associate	24.27	221.55
Orient Abrasives Limited	Associate	354.35	356.11
<b>Total...</b>		<b>1,831.47</b>	<b>2,093.81</b>

#### 2. Security Deposit

Sharda Industrial Corporation	Entity controlled/significantly influenced by directors	45.00	45.00
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# Ashapura Minechem Limited

## 3. Trade Payables

Orient Abrasives Limited	Associate	955.60	2,070.67
Orient Advanced Materials Private Limited	Associate	428.67	34.67
Minotech Resources LLP	Entity controlled/significantly influenced by directors	722.58	244.91
Chetan N Shah - HUF	Entity controlled/significantly influenced by directors	1.50	97.75
Minraj Logistics LLP	Entity controlled/significantly influenced by directors	-	0.10
Ashapura Dhofar Resources LLC	Joint Venture	-	282.98
Ashapura Perfoclay Limited	Joint Venture	3,030.23	1,120.96
Manico Minerals International Private Limited	Entity controlled/significantly influenced by directors	21.45	-
Prabhudas Vithaldas	Entity controlled/significantly influenced by directors	1.30	-
Aeonx Digital Solutions Private Limited	Entity controlled/significantly influenced by directors	26.30	-
Ashapura Exports Private Limited	Entity controlled/significantly influenced by directors	1.18	-
Ashok Alco-chem Limited	Entity controlled/significantly influenced by directors	1,629.67	960.71
APL Valueclay Private Limited	Joint Venture	525.59	2,499.98
<b>Total...</b>		<b>7,344.07</b>	<b>7,312.73</b>

## 4. Advances from customers

Ashapura Perfoclay Limited	Joint Venture	1,594.04	1,397.96
Orient Abrasives Limited	Associate	-	467.14
Orient Advanced Materials Private Limited	Associate	-	30.16
<b>Total...</b>		<b>1,594.04</b>	<b>1,895.26</b>

## 5. Trade Advances

Minotrans Logistics Corporation	Entity controlled/significantly influenced by directors	-	117.04
Manico Resources Private Limited	Entity controlled/significantly influenced by directors	-	52.32
Altage Stone Crushing Industries	Entity controlled/significantly influenced by directors	450.20	448.16
Artha Minerals Resources	Entity controlled/significantly influenced by directors	1.45	-
Aeon Procure Private Limited	Entity controlled/significantly influenced by directors	-	0.12
Ambica Logistics Private Limited	Entity controlled/significantly influenced by directors	107.73	35.93
Minologistics Corporation	Entity controlled/significantly influenced by directors	61.74	46.74
<b>Total...</b>		<b>621.12</b>	<b>700.31</b>

## 6. Loans given

Ashapura Dhofar Resources LLC	Joint Venture	2,772.90	2,799.73
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## 7. Loans payable

Ashok Alco-chem Limited	Entity controlled/significantly influenced by directors	700.00	1,300.00
Ashapura Arcadia Logistics Private Limited	Entity controlled/significantly influenced by directors	85.02	100.00
Ashapura Perfoclay Limited	Joint Venture	1,800.00	-
<b>Total...</b>		<b>2,585.02</b>	<b>1,400.00</b>

## 8. Interest receivables

Ashapura Dhofar Resources LLC	Joint Venture	676.86	454.91
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## Key managerial personnel and relatives :

### 1. Remuneration

Mr. Chetan Shah	Executive Chairman	89.98	84.00
Mr. Hemul Shah	Whole Time Director & CEO	65.87	54.33



Ms. Geeta Nerulakar	Whole Time Director & CEO	74.55	73.04
Mr. Sudhir Godabole	Director	64.90	46.74
Mr. Ibrahim Bald	Director	14.27	16.91
Others		162.77	149.46
	<b>Total...</b>	<b>472.34</b>	<b>424.48</b>

### 2. Sitting fees

Mr. Chetan Shah	Non-Executive Chairman	2.75	2.50
Mr. Harish Motiwala	Independent director	6.75	6.00
Mr. Ashok Kadakia	Independent director	1.00	5.00
Mr. Abhilash Munsif	Independent director	7.75	7.00
Mr. Hemul Shah	Independent director	4.00	5.00
Ms. Geeta Nerurkar	Independent director	1.00	1.00
Mr. Pundrik Sanyal	Independent director	7.75	6.00
Ms. Himani Shah	Non-Independent director	2.00	2.00
Ms. Neeta Sunil Shah	Independent director	1.50	1.50
	<b>Total...</b>	<b>34.50</b>	<b>36.00</b>

### 3. Reimbursement of expenses paid

Mr. Ashish Desai	Chief Financial Officer	5.35	8.95
Mr. Akhileshkumar Sinha	Vice President - HR	-	2.45
Mr. Sachin Polke	Company Secretary & President (Corporate Affairs)	5.35	8.95
Mr. Hemul Shah	Whole Time Director & CEO	6.19	10.39
Mr. Sandeep Deshpande	Group Head - Human Resources and Administration	4.14	1.44
Mr. Sudhir Godabole	Director	3.19	3.19
	<b>Total...</b>	<b>24.22</b>	<b>35.37</b>

### 4. Rent paid

Mr. Chetan Shah	Executive Chairman	0.30	0.30
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### 5. Guarantee Commission

Mr. Chetan Shah	Executive Chairman	2.50	-
Mr. Manan Shah	Non-Independent Director	2.50	-
	<b>Total...</b>	<b>5.00</b>	<b>-</b>

### Outstanding Balances:

#### 1. Security deposits

Mr. Chetan Shah	Non-Executive Chairman	5.00	5.00
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#### 2. Trade payables

Mr. Chetan Shah	Executive Chairman	2.67	-
Mr. Manan Shah	Non-Independent Director	2.82	-
	<b>Total...</b>	<b>5.49</b>	<b>-</b>

# Ashapura Minechem Limited

## Note 40

### Disclosure in terms of Schedule III of the Companies Act, 2013

(Indian ₹ in lacs)

Particulars	Net Assets		Share in Profit or (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated other comprehensive income	Amount	As a % of consolidated total comprehensive income	Amount
	As at 31st March 2023		2022-2023		2022-2023		2022-2023	
<b>Parent Company</b>								
Ashapura Minechem Limited	5.21	3,460.13	(5.99)	(701.12)	(0.34)	(7.70)	(5.08)	(708.82)
<b>Subsidiaries:</b>								
<b>Indian</b>								
Ashapura Aluminum Limited	0.03	22.20	(0.06)	(7.24)	-	-	(0.05)	(7.24)
Ashapura Claytech Limited	0.03	18.49	(0.68)	(79.23)	(0.07)	(1.54)	(0.58)	(80.77)
Ashapura Consultancy Service Private Limited	(0.22)	(148.37)	0.04	4.30	-	-	0.03	4.30
Ashapura International Limited	37.51	24,930.57	31.98	3,741.91	(0.80)	(18.00)	26.70	3,723.91
Bombay Minerals Limited	16.10	10,700.20	3.64	425.44	(0.64)	(14.40)	2.95	411.04
Peninsula Property Developers Private Limited	0.01	5.91	0.02	2.63	-	-	0.02	2.63
Prashansa Ceramics Limited	(0.11)	(74.08)	(0.18)	(21.45)	-	-	(0.15)	(21.45)
Sharda Consultancy Private Limited	(0.11)	(76.11)	0.05	6.34	-	-	0.05	6.34
Ashapura Resouces Private Limited	0.00	0.06	(0.01)	(0.74)	-	-	(0.01)	(0.74)
<b>Foreign</b>								
Ashapura Holdings (UAE) FZE	29.89	19,864.58	45.09	5,275.86	-	-	37.82	5,275.86
Ashapura Holdings Farest Pte Ltd	2.26	1,501.62	10.70	1,251.43	-	-	8.97	1,251.43
Ashapura Guniea Resources SARLU	(8.07)	(5,361.77)	(2.97)	(347.38)	-	-	(2.49)	(347.38)
Ashapura Minex Resources SAU	(1.80)	(1,196.12)	(2.71)	(316.88)	-	-	(2.27)	(316.88)
Societe Guineenne des Mines defer	(6.49)	(4,316.85)	(28.82)	(3,371.64)	-	-	(24.17)	(3,371.64)
FAKO Resources SARL	(0.02)	(16.31)	2.13	248.64	-	-	1.78	248.64
Ashapura Boffa Bauxite SAU	7.10	4,719.67	44.22	5,173.81	-	-	37.09	5,173.81
Ashapura Global Infratech SARLU	0.19	125.27	(0.27)	(31.10)	-	-	(0.22)	(31.10)
Ashapura Minechem (UAE) FZE	(0.46)	(305.13)	(1.64)	(192.35)	-	-	(1.38)	(192.35)
PT Ashapura Bentoclay Farest	(0.35)	(234.24)	(0.32)	(37.12)	-	-	(0.27)	(37.12)
Ashapura Midgulf NV	1.43	948.84	(2.54)	(297.15)	-	-	(2.13)	(297.15)
Ashapura Farest MPA Sdn Bhd	2.79	1,857.57	(0.11)	(12.65)	-	-	(0.09)	(12.65)
<b>Joint Ventures:</b>								
<b>Indian</b>								
Ashapura Perfoclay Limited	22.41	14,895.38	13.30	1,556.11	(0.16)	(3.52)	11.13	1,552.59
APL Valueclay Private Limited	0.62	409.13	2.13	249.63	0.04	0.98	1.80	250.61
<b>Foreign</b>								
Ashapura Dhofar Resources LLC	-	-	(3.86)	(451.88)	-	-	(3.24)	(451.88)
<b>Associates:</b>								
<b>Indian</b>								
Ashapura Arcadia Logistic Private Limited	-	-	-	-	-	-	-	-
Shantilal Multiport Private Limited	0.08	54.97	(0.18)	(21.58)	-	-	(0.15)	(21.58)
Orient Abrasives Limited	20.18	13,413.55	3.27	382.92	0.46	10.44	2.82	393.36
Orient Advanced Materials Private Limited	0.08	50.32	0.46	54.25	0.06	1.35	0.40	55.60
<b>Foreign</b>								
Orient Advanced Materials FZE*	(0.00)	(1.52)	(0.03)	(3.85)	-	-	(0.03)	(3.85)
<b>Non-controlling Interest</b>								
Ashapura Claytech Limited	0.00	0.10	(0.00)	(0.45)	-	-	(0.00)	(0.45)
FAKO Resources SARL	0.01	4.62	0.21	24.86	-	-	0.18	24.86
Societe Guineenne des Mines defer	(1.01)	(674.33)	(5.76)	(674.33)	-	-	(4.83)	(674.33)
Ashapura Minex Resources SAU	(0.10)	(63.38)	(0.54)	(63.38)	-	-	(0.45)	(63.38)
Ashapura Global Infratech SARLU	(0.02)	(13.99)	(0.12)	(13.99)	-	-	(0.10)	(13.99)
Foreign currency traslation reserve/Others	-	-	-	-	-	-	-	-
Total eliminations	(27.13)	(18,031.11)	(0.44)	(51.98)	101.44	2,281.12	15.98	2,229.14
<b>Total...</b>	<b>100.00</b>	<b>66,469.88</b>	<b>100.00</b>	<b>11,700.64</b>	<b>100.00</b>	<b>2,248.73</b>	<b>100.00</b>	<b>13,949.37</b>

\* w.e.f. 5<sup>th</sup> December, 2022



#### 41. Additional Regulatory Information

Additional Regulatory Information pursuant to clause 6L of General Instructions for preparation of Balance Sheet as given in Part I of Division II of Schedule III to the Companies Act, 2013 in respect of the Parent Company and subsidiaries, joint ventures and associates incorporated in India, are given hereunder to the extent relevant and other than those given elsewhere in any other notes to the financial Statement.

- a. The title in respect of all immovable properties (other than properties where the Group is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Group as at the balance sheet date.
  - b. The Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
  - c. The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.
  - d. The Group have not been declared as a willful defaulter by any lender who has powers to declare a the group as a willful defaulter at any time during the financial year or after the end of reporting period but before the date when the financial statements are approved.
  - e. Based on the information furnished to us, the Group do not have any transactions with struck-off companies.
  - f. The Group do not have any transactions which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 ( such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
  - g. The Group have complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act 2013 read with Companies (Restrictions on number of Layers) Rules, 2017.
  - h. The Group have not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities(intermediaries), with the understanding that the intermediary shall;
    - i. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries), or
    - ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
  - i. The Group have not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall;
    - i. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate beneficiaries), or
    - ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
  - j. The Group have used the borrowings from financial institutions and others for the specific purpose for which it was obtained.
  - k. Quarterly returns or statements of current assets filed by the Group with banks or financial institutions are generallyly in aggrement with the books of accunts, to the extent applicable.
  - l. The Group do not have any charges or satisfaction which is yet to be registered with the Registrar of Companies (ROC) beyond the statutory period, to the extent applicable.
42. Pursuant to the approval of the members, the Parent Company has, on 14th February, 2023 issued 40,40,000 equity share warrants on preferential basis to the promoters @ ₹ 95.96 per warrant. Each warrant will be converted into one equity share of the Parent Company within a period of eighteen months from the date of the issue.
43. The Parent Company has waived its entitlement to dividend from the dividend declared and paid by one of its overseas subsidiaries.
44. As on 31st March, 2023, the Parent Company's certain assets aggregating to ₹ 943.85 lacs are classified as "Held for Sale" as they meet the criteria laid out under Ind AS 105 and its value has been measured at the lower of its carrying value and fair value less costs to sell. Breakup of the assets is as under:

Particulars	As on 31 <sup>st</sup> March, 2023 (₹ in lacs)
Land	61.32
Building	658.39
Plant and Machinery	212.01
Furniture & Fixtures/Office Equipment	12.13
<b>Total</b>	<b>943.85</b>

45. Balances for trade payables, trade receivables, for loans and advances are subject to confirmations from the respective parties and reconciliations, if any, in many cases. In absence of such confirmations, the balances as per books have been relied upon by the auditors.

# Ashapura Minechem Limited

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46. Certain immovable and movable assets of the Parent Company at Kutch, Gujarat as well as Thiruvananthapuram, Kerala, are under charge by way of mortgage/hypothecation with Bank of India pending settlement of one claim.
47. Figures pertaining to the subsidiary companies have been reclassified whenever necessary to bring them in line with the Parent Company's financial statements.
48. All the amounts have been stated in Indian ₹ in lacs, unless otherwise stated.
49. Previous year's figures has regrouped and rearranged, wherever necessary.

Signatures to Notes No. 1 to 49

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As per our report of even date

For and on behalf of the Board of Directors

**For P A R K & COMPANY**  
**Chartered Accountants**

Sd/-  
**CHETAN SHAH**  
Executive Chairman  
DIN : 00018960

Sd/-  
**HEMUL SHAH**  
Executive Director & Chief Executive officer  
DIN : 00058558

Sd/-  
**PRASHANT VORA**  
**Partner**

Sd/-  
**ASHISH DESAI**  
Chief Financial Officer

Sd/-  
**SACHIN POLKE**  
Company Secretary & President (Corporate Affairs)

Mumbai  
May 25, 2023

Mumbai  
May 25, 2023





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## NOTES

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# Ashapura Minechem Limited

**FORM AOC – I**  
(Pursuant to first proviso to sub-section (3) of section 129  
**STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT**  
Part "A": Subsidiaries

S.N.	Name of the Subsidiary Cos.	The date since when subsidiary was acquired (date on which entity become subsidiary)	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting Currency and Exchange Rate as on last date of relevant Financial Year (Foreign Subsidiaries)	Share Capital	Reserves & Surplus
1	Ashapura International Ltd.	02.10.1992	Uniform	INR	300.00	24,630.57
2	Ashapura Claytech Ltd.	27.11.1998	Uniform	INR	357.99	(339.50)
3	Bombay Minerals Ltd.	25.09.2001	Uniform	INR	21.81	10,678.39
4	Prashansha Ceramics Ltd.	12.08.2002	Uniform	INR	145.00	(219.08)
5	Peninsula Property Developers Pvt. Ltd.	16.12.1998	Uniform	INR	1.00	4.91
6	Sharda Consultancy Pvt. Ltd.	16.12.1998	Uniform	INR	1.00	(77.11)
7	Ashapura Consultancy Services Pvt. Ltd.	16.12.1998	Uniform	INR	1.00	(149.37)
8	Ashapura Aluminium Ltd.	14.08.2007	Uniform	INR	5.00	17.20
9	Ashapura Resources Pvt. Ltd.	30.11.2017	Uniform	INR	1.00	(0.94)
10	Ashapura Minechem (UAE) FZE	18.07.2004	Uniform	USD	2,283.53	(2,588.66)
11	Ashapura Holdings (UAE) FZE	02.05.2007	Uniform	USD	671.77	19,192.81
12	Ashapura Guinea Resources SARL	06.12.2019	Uniform	USD	6.04	(5,367.81)
13	PT Ashapura Bantoclay Fareast	22.05.2017	Uniform	USD	147.18	(381.42)
14	Ashapura Holding Fareast Pte Ltd	22.07.2020	Uniform	USD	205.45	1,296.17
15	Ashapura Midgulf NV	04.05.2021	Uniform	EURO	2,679.90	(1,731.06)
16	Ashapura Fareast SDN BHD	18.10.2021	31.12.2022	RM	1,262.08	595.49

USD 1 = Rs. 82.18 (As on 31/03/2023) (rounded off to the nearest Rupee) Items belong to balance sheet

USD 1 = Rs. 78.99 (As on 31/03/2023) (rounded off to the nearest Rupee) Items belong to Profit & Loss

RM 1 = Rs. 18.56 (As on 31/03/2023) (rounded off to the nearest Rupee) Items belong to balance sheet

RM 1 = Rs. 18.31 (As on 31/03/2023) (rounded off to the nearest Rupee) Items belong to Profit & Loss

EURO 1 = Rs. 89.33 (As on 31/03/2023) (rounded off to the nearest Rupee) Items belong to balance sheet

EURO 1 = Rs. 86.77 (As on 31/03/2023) (rounded off to the nearest Rupee) Items belong to Profit & Loss

#### Details of Investment by the Company's Subsidiaries:

S.N.	Name of the Subsidiary Company	Particulars of Investment	Nature of Investment
1	Bombay Minerals Ltd.	Prashansha Ceramics Ltd.	Eq. Shares
2	Bombay Minerals Ltd.	Orient Abrasives Limited	Eq. Shares
3	Ashapura Minechem (UAE) FZE	Ashapura Holdings (UAE) FZE	Shares
4	Ashapura Holdings (UAE) FZE	Ashapura Guinea Resources SARL	Shares
5	Ashapura Holdings (UAE) FZE	PT Ashapura Bantoclay Fareast	Shares
6	Ashapura Holdings (UAE) FZE	Ashapura Holding Fareast Pte Ltd.	Shares
7	Ashapura Holdings (UAE) FZE	Ashapura Dhofar Resources LLC	Shares
8	Ashapura Holdings (UAE) FZE	Ashapura Fareast SDN BHD	Shares
9	Ashapura Minechem (UAE) FZE	Ashapura Midgulf NV	Shares



read with rule 5 of Companies (Accounts) Rules, 2014)  
**OF THE SUBSIDIARY COMPANIES FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2023**

(₹ in Lacs)

Total Assets	Total Liabilities	Investments	Turnover (includes Other Income)	Profit before taxation	Provision for tax	Profit after taxation	Proposed Dividend	% of Share-holding
46,182.38	21,251.81	0.86	50,831.68	5,187.43	1,445.52	3,741.91	-	100.00
409.29	390.80	-	65.02	(104.96)	(25.73)	(79.23)	-	99.44
28,227.74	17,527.54	10,801.46	11,120.60	572.37	146.93	425.44	5.45	100.00
124.25	198.33	-	4.30	(21.45)	-	(21.45)	-	100.00
12.24	6.33	-	7.78	4.08	1.45	2.63	-	100.00
29.13	105.24	-	23.04	8.59	2.25	6.34	-	100.00
51.98	200.35	-	45.11	7.91	3.61	4.30	-	100.00
22.20	-	-	-	(7.24)	-	(7.24)	-	100.00
1.66	1.60	-	-	(0.70)	0.04	(0.74)	-	100.00
3,606.73	3,911.86	2,854.00	-	(192.35)	-	(192.35)	-	100.00
1,22,024.27	1,02,159.69	2,508.90	1,01,944.39	5,275.86	-	5,275.86	-	100.00
73,299.85	78,661.63	37.30	10,486.12	(347.38)	-	(347.38)	-	100.00
178.66	412.90	-	549.78	(37.12)	-	(37.12)	-	100.00
1,759.43	257.81	-	10,164.44	1,495.51	244.08	1,251.43	-	100.00
15,406.26	14,457.42	-	14,426.78	(296.78)	0.37	(297.15)	-	100.00
2,794.16	936.58	-	2,115.96	(12.15)	0.50	(12.65)	-	100.00

Face Value	No. of Shares	Amount (Rs. In Lakhs)
Rs. 10/-	7,50,000	75.00
Rs. 1/-	3,79,999,53	10,726.46
AED 1000	3000	671.77
GNF 100000	700	6.04
USD 1	2,50,000	147.18
USD 1	2,50,000	205.45
OMR 1	1,05,000	224.39
RM 1.43	68,00,000	1,925.88
Euro 1	30,00,000	2,182.23

Part "B": Associates and Joint Ventures  
**STATEMENT PURSUANT TO SECTION 129(3) OF THE COMPANIES ACT, 2013 RELATED TO ASSOCIATE COMPANIES AND JOINT VENTURES**

Sl. No.	Name of Associates/ Joint Ventures	Latest audited Balance Sheet Date	Date on which the associate or joint venture was associated or acquired	Shares of Associates/Joint Ventures held by the Company on the year end		Description of how there is significant influence	Reason why the Associate/ Joint Venture is not consolidated	Networth attributable to shareholder- ing as per latest audited Balance Sheet	Profit/(Loss) for the year	
				No. of Shares	Amount of Investment in Associate/ Joint Venture				Extent of Holding %	Considered in Consolidation
1	Ashapura Perfoclay Ltd.	31.03.2023	06.05.1998	8,966,590	896.66	50.00	By Board & Equity Holding	15,037.05	1,451.82	-
2	Orient Abrasives Ltd.#	31.03.2023	15.06.2017	37,999,953	10,726.46	31.76	By Equity Holding/ Voting Power	8,221.30	401.02	-
3	Ashapura Arcadia Pvt. Ltd.	31.03.2023	28.09.2007	55,000	5.5	50.00	Equity Holding	-229.02	0.00	-
4	Emo Ashapura Energy and Mining Ltd.-Nigeria	-	-	6,720,000	-	48.00	By Equity Holding/ Voting Power	0.00	0.00	-
5	APL Valueclay Pvt. Ltd.##	31.03.2023	30.12.2016	10,000	1.00	100.00	By Board & Equity Holding	409.13	248.65	-
6	Ashapura Dhofar Resources LLC*	31.03.2023	30.11.2017	105,000	197.89	70.00	By Board & Equity Holding	-1,791.98	-451.88	-
7	Shantil Multiport Infrastructure Pvt. Ltd.	31.03.2023	23.08.2021	849,975	91.38	50.00	By Board & Equity Holding	1,353.86	-21.58	-

NOTES:-

\* THE SHARES HELD THROUGH COMPANY'S STEP DOWN SUBSIDIARY COMPANY VIZ. ASHAPURA HOLDING (UAE) FZE.

# THE SHARES HELD THROUGH COMPANY'S SUBSIDIARY COMPANY VIZ. BOMBAY MINERALS LIMITED

## THE SHARES HELD THROUGH COMPANY'S JOINT VENTURE COMPANY VIZ. ASHAPURA PERFOCLOY LIMITED.

For and on behalf of the Board of Directors

Sd/- Chetan Shah Chairman (Executive)	Sd/- Hemul Shah Executive Director & Chief Executive Officer	Sd/- Sachin Polke Company Secretary & President (Corporate Affairs)	Sd/- Ashish Desai Chief Financial officer
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Place : Mumbai  
 Date : 10<sup>th</sup> August, 2023

