



Ref No.: Minechem/Stock Exch/Letter/7994

8th December, 2020

The Dy. General Manager,
Bombay Stock Exchange Limited
Corporate Relations & Services Dept.,
Phirojsha Jeejibhoy Towers,
Dalal Street,
Mumbai - 400 001

The Dy. General Manager,
National Stock Exchange of India Ltd.,
Corporate Relations Dept.,
Exchange Plaza,
Bandra-Kurla Complex, Bandra (E),
Mumbai – 400 051

Scrip Code: 527001

Scrip Code: ASHAPURMIN

Dear Sir/Madam,

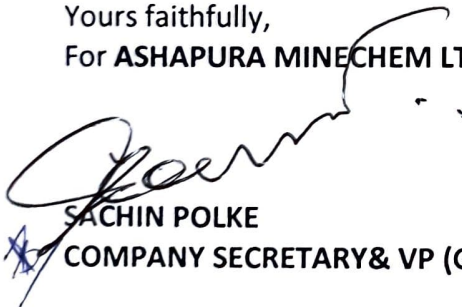
Sub: Annual Report of the Company for the Financial Year 2019-2020

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith Annual Report of the Company for the financial year 2019-2020.

Kindly take the same on record.

Thanking you,

Yours faithfully,
For **ASHAPURA MINECHEM LTD.**


SACHIN POLKE
COMPANY SECRETARY & VP (Group Affairs)

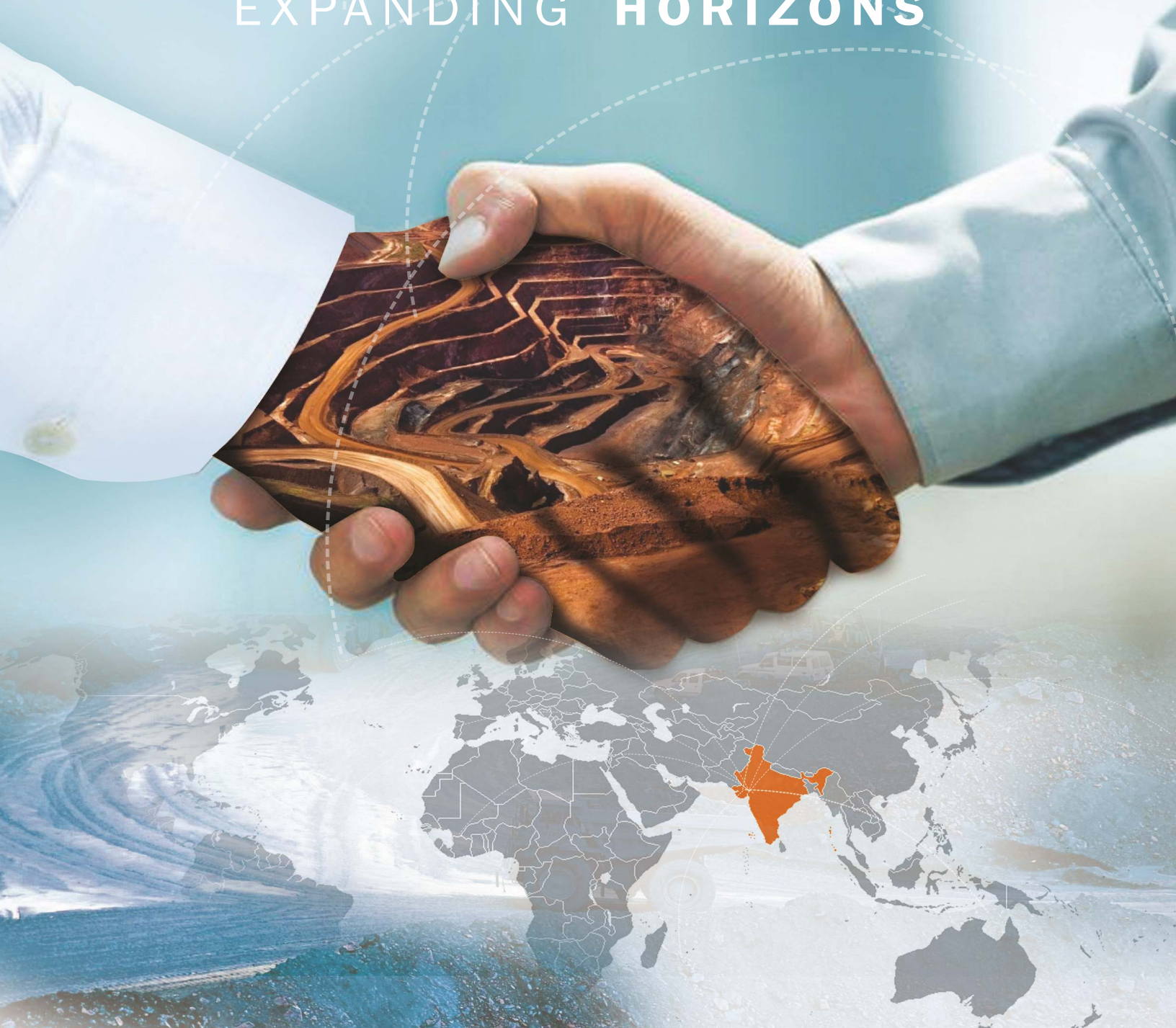
Encl.: As Above



**ASHAPURA
MINECHEM LIMITED**

ANNUAL REPORT 2020

EXPANDING HORIZONS



REGISTERED OFFICE

Jeevan Udyog Bldg., 3rd Floor,
278, D. N. Road, Fort,
Mumbai – 400 001.
Tel.: +91-22-66221700
Fax : +91-22-22074452
Website : 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.: +91-22-49186000
Fax : +91-22-49186060
E-mail : rnt.helpdesk@linkintime.co.in

PLANT LOCATION

1. Village Baraya, Bhuj-Mundra Highway, Tal. Mundra, Kutch, Gujarat.
2. Chitra, GIDC Bhavnagar, Gujarat.
3. Village Paddhar, Taluka - Bhuj, Dist. Kutch, Gujarat.
4. Mamuara, Taluka - Bhuj, Dist. Kutch, Gujarat.
5. KINFRA Apparel Park, Menamkulam, Thiruvananthapuram, Kerala.
6. Industrial Area, Baikampady, Mangalore.

SHAREHOLDER'S 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
(w.e.f. 24.10.2019)
- Shri Hemul Shah
(DIN: 00058558) Executive Director &
Chief Executive Officer
(w.e.f 16.02.2020)
- Smt. Himani Shah
(DIN: 02467277) Non-Executive,
Non-Independent
Director
(w.e.f 10.02.2020)
- Shri Harish Motiwalla
(DIN : 00029835) Non-Executive,
Independent Director
Chairman – Audit Committee
- Shri Ashok Kadakia
(DIN :- 00317237) Non-Executive,
Independent Director
- Shri Abhilash Munsif
(DIN :- 02773542) Non-Executive,
Independent Director
- Shri Pundarik Sanyal
(DIN :- 01773295) Non-Executive,
Independent Director
- Smt. Navita Gaiha
(DIN :- 07248115) Non-Executive,
Independent (Woman) Director
(Resigned w.e.f 10.06.2020)
- Smt. Neeta Shah
(DIN :- 07134947) Non-Executive,
Independent (Woman) Director
(Appointed w.e.f 11.11.2020)
- Shri Sachin Polke Company Secretary
& Vice President (Group Affairs)
- Shri Ajay Phalod Chief Executive Officer
(Resigned w.e.f 15.02.2020)
- Shri Ashish Desai Chief Financial Officer
- M/s. PARK & Company Statutory Auditors
- Bank of India &
Other Banks in the Consortium Bankers

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NOTICE

NOTICE is hereby given that the 39th Annual General Meeting of the Members of **ASHAPURA MINECHEM LIMITED** will be held on **Wednesday, 30th December, 2020 at 3.00 p.m. through Video Conferencing / Other Audio Visual Means (VC/OAVM)** in accordance with the applicable provisions of the Companies Act, 2013 read with MCA General Circular No. 20/2020 and 14/2020 dated 5th May, 2020 and 8th April, 2020 respectively to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company (including consolidated financial statements) for the financial year ended 31st March, 2020, together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri 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 all other applicable provisions, if any, of the Companies Act, 2013 and rules framed there under, as amended from time to time and subject to such guidelines and approval as may be required, appointment of M/s. S. K. Rajani & Co., Cost Accountants as Cost Auditors, for conducting audit of the cost accounting records relating to the Company's Products for the Financial Year 2020-2021 at a remuneration of Rs. 1,62,565/- (Rupees One lakh Sixty Two Thousand Five Hundred and Sixty Five only) per annum plus Goods and Service Tax (GST) and out of pocket expenses, as recommended by Audit committee and subsequently confirmed by the Board of the Company, be and is hereby ratified.”

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

“RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013 (Act) read with rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and in terms of recommendation of Nomination and Remuneration Committee and approval of the Board of Directors, Smt. Himani Shah (DIN : 02467277), who was appointed as an Additional Director with effect from 10th February, 2020 by the Board of Directors of the Company, who holds office upto the date of this Annual General Meeting pursuant to section 161 of the Act and in respect of whom the Company has received a notice in writing proposing her candidature pursuant to section 160 of the Act, be and is hereby appointed as a Non-Executive Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company 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 a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152, 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof), the provision of Articles of Association of the company and in terms of recommendations of the Nomination & Remuneration Committee and approval of the Board of Directors, the shareholders are hereby requested to accord their approval and consent for the appointment of Shri Hemul Shah (DIN :- 00058558) as an Executive Director and Chief Executive Officer (CEO) of the Company for the period of 3 years i.e. from 16th February, 2020 till 15th February, 2023 on terms and conditions including remuneration as are set out in the Statement pursuant to Section 102 of the Act annexed to this Notice and which forms part of the Agreement between the Company and 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 appointment, including the remuneration, subject to ceiling as specified in Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company 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.”

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

“RESOLVED THAT that pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (the Act) and the Rules made there under and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (including any statutory modification(s) or amendment(s) thereto or reenactment(s) thereof for the time being in force) and in terms of recommendation of Nomination and Remuneration Committee and approval of the Board of Directors, Shri Pundarik Sanyal (DIN: 01773295), who was appointed as a Non-executive, Independent Director w.e.f. 9th February, 2016 and is eligible for being re-appointed as an Independent Director and who has submitted a declaration confirming the criteria of independence under Section 149(6) of the Act and Regulation 16 of the Listing Regulations, be and is hereby re-appointed as a Non-executive, Independent Director of the Company, not liable to retire by rotation and who shall hold office for a second term of five

consecutive years commencing from 9th February 2021, on the Board of the Company.

RESOLVED FURTHER THAT pursuant to Regulation 17 of the Listing Regulations, approval of the Members of the Company be and is hereby accorded to Shri Pundarik Sanyal who shall attain the age of 75 years during the above term of re-appointment, to continue such appointment as Non-Executive Independent Director of the Company for five years on the same terms and conditions of such re-appointment even after attaining the age of 75 years.

RESOLVED FINALLY THAT the Board of Directors of the Company 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."

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

"RESOLVED THAT pursuant to Sections 13 and 61 and other applicable provisions, if any, of the Companies Act, 2013, (the Act) and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof) and the Article of association of the company, the consent of members be and is hereby accorded for reclassification of the Authorized Share Capital of the Company comprising of 12,50,00,000 (Twelve Crores Fifty Lakhs) Equity shares of Rs. 2 (Rupees Two only) each and 65,00,000 (Sixty Five Lakhs) Preference shares of Rs. 100 (Rupees One Hundred only) each into 30,00,00,000 (Thirty Crores) equity shares of Rs. 2 (Rupees Two only) each and 30,00,000 (Thirty Lakhs) Preference shares of Rs. 100 (Rupees One Hundred only) each aggregating to Rs. 90,00,00,000 (Rupees Ninety Crores only) and consequently the existing Clause V of the Memorandum of Association of the Company, relating to the share capital be and is hereby altered by deleting the same and substituting in its place and stead the following new Clause V:

'V. The Authorized Share Capital of the Company is Rs. 90,00,00,000/- (Rupees Ninety Crores only) divided into 30,00,00,000 (Thirty Crores) Equity Shares of Rs. 2/- (Rupees Two only) each and 30,00,000 (Thirty Lakhs) Preference Shares of Rs. 100/- (Rupees Hundred only) each with power to the Company to increase, reduce or modify the said capital and to divide the shares for the time being of the Company into several classes and attach thereto such preferential, qualified or special rights privileges or conditions as may be determined by or in accordance with the Article of Association of the Company and to vary, modify or abrogate such rights, privileges or conditions in such manner as may for the time being be provided for by the Articles of Association of the Company.'

RESOLVED FURTHER THAT subject to requisite approvals for the purpose of giving effect to the above resolution, the Board, be and is hereby authorized on behalf of the Company to take such steps and to do all such acts, deeds, matters and things as the Board may in its absolute discretion consider necessary, expedient, usual, proper or incidental to this resolution and to settle any question, remove any difficulty or doubt that may arise from time to time in relation to the offer, issue and allotment of the Share/Securities and to suitably revise, substitute and/or alter the Memorandum of Association of the Company to give effect to the foregoing resolution without being required to seek any further consent or approvals of the Members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of these resolution.

RESOLVED FINALLY THAT the Board be and is hereby authorized, to delegate all or any of the powers herein conferred to any of its Committee in this regard.

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and Rules framed thereunder, read with Schedule IV to the Act, (including any statutory modification(s) or re-enactment thereof for the time being in force) and in terms of recommendation of Nomination and Remuneration Committee and approval of the Board of Directors, Smt. Neeta Shah (DIN-07134947), who was appointed as an Additional Director in the capacity of Independent Director w.e.f. 11th November, 2020 by the Board of Directors of the Company, who holds office upto the date of this Annual General Meeting pursuant to section 161 of the Act and in respect of whom the Company has received a notice in writing proposing her candidature pursuant to section 160 of the Act, be and is hereby appointed as a Non-Executive Independent Director of the Company not liable to retire by rotation and who shall hold office for a term of five consecutive years w.e.f. 11th November, 2020."

RESOLVED FURTHER THAT the Board of Directors of the Company 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."

By Order of the Board of Directors
Sd/-
SACHIN POLKE
COMPANY SECRETARY &
VICE PRESIDENT (GROUP AFFAIRS)

Mumbai, 11th November 2020



NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, ('the Act') relating to the Special Business to be transacted at the Annual General Meeting ('AGM') is annexed hereto. The Board of Directors have considered and decided to include the Item Nos. 3 to 8 given above as Special Business in the forthcoming AGM, as they are unavoidable in nature.
2. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (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 is annexed.
3. In view of the COVID-19 outbreak and the lock down in the country followed by the restrictions on the movement of people at several places, MCA via General Circular No. 20/2020 dated 5th May, 2020 read with General Circular No. 14/2020 dated 8th April, 2020 and General Circular No. 17/2020 dated 13th April, 2020 and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 issued by the Securities and Exchange Board of India (SEBI) (hereinafter collectively referred to as "the Circulars"), has permitted companies to conduct Annual General Meeting ('AGM') through VC/OAVM during the calendar year 2020, subject to the compliance of various conditions mentioned therein. In Compliance with the relevant circulars issued by MCA and SEBI, 39th AGM of the Company is being convened and conducted through VC on 30th December, 2020 herein after called as "e-AGM".
4. 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 e-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.
5. 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 e-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 bhattivirendra1945@yahoo.com with a copy marked to cosec@ashapura.com.
6. The Company's Transfer Books will remain closed from 24th December, 2020 (Thursday) to 30th December, 2020 (Wednesday) (both days inclusive).

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

7. 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, 2020 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 Participant(s) through electronic means and no physical copy of the Notice has been sent by the Company to any member.
8. Those shareholders who have not yet registered their email address are requested to get their email addresses registered by following the procedure given below:

Physical Holding	Please Send a request to the Registrar and Share Transfer Agents of the Company, AML at rnt.helpdesk@linkintime.co.in 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.

9. 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.
10. The Notice has also been hosted on the website of the Company 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 and www.nseindia.com.
11. In compliance with the said Circulars, the Company has also published a public notice by way of an advertisement made dated 28th November 2020 in Free Press Journal and Navashakti both having a wide circulation in Mumbai, inter alia, advising the members whose e-mail ids 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

12. The Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting and Annual General Meeting through electronic means, as the authorized e-Voting's 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.
13. 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 here after. The facility of participation at the AGM through VC/OAVM will be made available to atleast 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.

14. 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.
15. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
16. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at 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 and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
17. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:

- (i) The voting period begins on 27th December, 2020 (Sunday) at 9.00 a.m. and ends on 29th December, 2020 (Tuesday) 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 (record date) of 23rd December, 2020 (Wednesday) 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 during the meeting.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on "Shareholders" module.
- (v) 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.

Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from **Login - Myeasi** using your login credentials. Once you successfully log-in to CDSL's **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.

- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Shareholders holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • 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 OR 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. <ul style="list-style-type: none"> • 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 as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) 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.
- (xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.



- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) 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.
- (xix) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

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 mt.helpdesk@linkintime.co.in.
2. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to mt.helpdesk@linkintime.co.in.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. 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.
5. 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 cosec@ashapura.com. 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 cosec@ashapura.com. These queries will be replied to by the company.
6. **Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.**

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. 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.
3. 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.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

(xx) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to 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.
- 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 and on approval of the accounts they would be able to cast their vote.

Ashapura Minechem Limited

- 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; bhattivendra1945@yahoo.co.in, cosec@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.
- If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, 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 022-23058542/43.

The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. 23rd December, 2020 (Wednesday)

- (xxi). 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. 23rd December, 2020 (Wednesday) may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com or cosec@ashapura.com.
- (xxii). 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 e-AGM.
- (xxiii). Shri Virendra Bhatt, Practicing Company Secretary (Membership No. 1157) has been appointed as the Scrutinizer to scrutinize the voting at the e-AGM and remote e-voting process in a fair and transparent manner.

PROCEDURE FOR INSPECTION OF DOCUMENTS:

18. 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.
19. 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

20. Members, holding shares in physical form, may avail of the facility of nomination in terms of Section 72 of the Act and rules made thereunder, by filing prescribed Form No. SH. 13 (in duplicate) with the Company's Registrar & Share Transfer Agent. In case of shares held in dematerialized form, the nomination has to be lodged with the respective Depository Participants (DP).

During the Financial Year 2018-19, the Securities and Exchange Board of India ('SEBI') and the Ministry of Corporate Affairs ('MCA') has mandated that existing Members of the Company who hold securities in physical form and intend to transfer their securities after April 1, 2019, can do so only in dematerialized form. In view of the above and the inherent benefits of holding shares in electronic form, Members holding shares in physical form are requested to consider converting their shareholding to dematerialized form.

21. 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.

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.

22. The Securities and Exchange Board of India (SEBI) vide its Circular No. SEBI/HO/MIRSD/ DOP1/CIR/P/2018/73 dated 20th April, 2018 has mandated the registration of Permanent Account Number (PAN) and Bank Account Details of all their shareholders holding shares in physical mode through their RTA.

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.



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23. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
 24. The Scrutinizer shall, immediately after the conclusion of voting at the e-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 e-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.
 25. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.ashapura.com and on the website of CDSL 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 Bombay Stock Exchange Limited & the National Stock Exchange of India Limited.

By Order of the Board of Directors
Sd/-
SACHIN POLKE
COMPANY SECRETARY &
VICE PRESIDENT (GROUP AFFAIRS)

Mumbai
Date: 11th November, 2020

Registered Office:
Jeevan Udyog Building,
3rd 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:

RATIFICATION OF REMUNERATION OF COST AUDITOR:

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s. S. K. Rajani & Co., Cost Accountants as Cost Auditors, of the Company for the financial year ending on 31st March 2021, to conduct audit of cost accounting records of the Company as may be required for cost audit under the Companies Act, 2013, and Rules made thereunder, at a remuneration of Rs. 1,62,565/- (Rupees One lakh Sixty Two Thousand Five Hundred and Sixty Five only) per annum plus Goods and Service Tax (GST) and out of pocket expenses, if any.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration proposed to be paid to the Cost Auditor is required to be ratified by the shareholders of the Company. 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:

APPOINTMENT OF SMT. HIMANI SHAH AS NON-EXECUTIVE DIRECTOR:

The Board of directors, on the recommendation of Nomination and Remuneration committee, at its meeting held on 10th, February, 2020, appointed Smt. Himani Shah (02467277) as an Additional Director, subject to the approval of the Shareholders of the Company.

Pursuant to the provisions of Section 161 of the Companies Act, 2013 ('Act'), Smt. Himani Shah holds office up to the date of the ensuing Annual General Meeting. She is not dis-qualified from being appointed as director in terms of Section 164 of the Act and has consented to act as a Non-Executive director of the Company. The Company has also received a notice in writing proposing her candidature to be appointed as Director of the Company.

Smt. Himani Shah aged 41, is a commerce graduate and has completed International Diploma Program in Marketing & Communication from University of California Berkeley Ext., USA. She has working experience in Marketing, Business Development & Human Resource domain. Considering her experience and exposure and understanding of the Company's business, the Board of Directors is of the opinion that it would be in the interest of the Company to appoint her as a Director of the Company.

Brief profile of Smt. Himani Shah as stipulated in Secretarial Standards on General Meeting (SS-2) and Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given herein below in Annexure A.

Except Smt. Himani Shah and Shri Chetan Shah, none of the Directors, Key Managerial Personnel of the Company and their relatives are in any way concerned or interested financially or otherwise in the said resolution, except to the extent of their shareholding in the Company.

The Board recommends the resolution set out at Item No. 4 for the approval of members to be passed as an Ordinary Resolution.

Item 5:

APPOINTMENT OF SHRI HEMUL SHAH AS EXECUTIVE DIRECTOR AND CEO OF THE COMPANY:

The Board of Directors, on recommendation of Nomination and Remuneration Committee, at its meeting held on 10th February, 2020, appointed Shri Hemul Shah (DIN: 00058558) as an Additional Director w.e.f. 16th February, 2020, who holds office up to the date of this Annual General Meeting.

Shri Hemul Shah has been associated with the Ashapura Group at different levels for more than two decades. He has strong business acumen, strategic intelligence, execution abilities and also has rich experience in Planning; Operational and General Management. Taking into consideration his expertise and profound knowledge in mining industry, the board in the same meeting designated him as an Executive Director and Chief Executive Officer (CEO) of the Company for a period of 3 years w.e.f. 16th February, 2020 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.

a.	Salary	:	Rs. 5,00,000/- (Rupees Five Lakhs only) per month, 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.

Shri Hemul Shah aged 59, is a Commerce Graduate and has been supervising the accounts, marketing and operation functions of the Company and is associated with the Ashapura Group at different levels for more than two decades.

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 th 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																																	
4.	Financial performance based on given indicators: (Rs. in Lakhs)																																	
	<table border="1"> <thead> <tr> <th></th> <th>2019-2020</th> <th>2018-2019</th> </tr> </thead> <tbody> <tr> <td>Paid up Capital</td> <td>1,739.72</td> <td>1,739.72</td> </tr> <tr> <td>Reserves & Surplus</td> <td>(2,433.98)</td> <td>(41,887.87)</td> </tr> <tr> <td>Revenue from Operations</td> <td>20,585.63</td> <td>33,747.86</td> </tr> <tr> <td>Other Income</td> <td>700.42</td> <td>933.11</td> </tr> <tr> <td>Total Expenditure</td> <td>28,006.82</td> <td>(39,528.06)</td> </tr> <tr> <td>Exceptional Items</td> <td>46,051.51</td> <td>(2,584.36)</td> </tr> <tr> <td>Profit before Taxation</td> <td>39,330.74</td> <td>(7,431.45)</td> </tr> <tr> <td>Tax Expenses including Deferred Tax</td> <td>-</td> <td>-</td> </tr> <tr> <td>Profit after Taxation</td> <td>39,330.74</td> <td>(7,431.45)</td> </tr> <tr> <td>Managerial Remuneration</td> <td>37.11</td> <td>29.29</td> </tr> </tbody> </table>		2019-2020	2018-2019	Paid up Capital	1,739.72	1,739.72	Reserves & Surplus	(2,433.98)	(41,887.87)	Revenue from Operations	20,585.63	33,747.86	Other Income	700.42	933.11	Total Expenditure	28,006.82	(39,528.06)	Exceptional Items	46,051.51	(2,584.36)	Profit before Taxation	39,330.74	(7,431.45)	Tax Expenses including Deferred Tax	-	-	Profit after Taxation	39,330.74	(7,431.45)	Managerial Remuneration	37.11	29.29
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5.	Foreign investments or collaborators, if any The holdings of Foreign Portfolio Investor (Corporate), Foreign Institutional Investors and NRIs as on 31 st March, 2020 is 27.40 % of the equity share capital.																																	
II Information about the Appointee :																																		
1.	Background details The background details/profile of Shri Hemul Shah are stated in 'Annexure - A' to this Notice.																																	
2.	Past remuneration -																																	
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.																																	
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.																																	

Ashapura Minechem Limited

III Other Information:		
1.	Reasons of loss or inadequate profits	The Company along with regular expenditure items, Volatile economic conditions and certain relative difficulties in industry, both in India and overseas, with additional pressure on the world economy has led to inadequate profits.
2.	Steps taken or proposed to be taken for improvement & expected increase in productivity and profits in measurable terms	Over the last decade, the company has been keen to geographically diversify its Bauxite resource base. Through its wholly owned step-down subsidiary Ashapura Guinea Resources SARL ('AGRS'), company had an active presence in Guinea for over the last 5 years. In this short period, AGRS has already acquired an estimated resource base of more than 500 million tons of Bauxite and 450 million tons of Iron Ore. AGRS is planning its major shipments of ore in next quarter and expects to export approximately 2 million tons of ore in FY 2020-21. The challenges faced by group over the last decade, haven't been able to impede the Group's vision to become a global multi-mineral powerhouse; in the interim it has developed capabilities in white performance minerals, ceramic & silica proppants, advanced refractory products. Geographically, Company has expanded its resource and operations in Oman and Guinea.
IV. Disclosures:		
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 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 within the limit prescribed under the Companies Act, 2013, or any amendment thereto or modification thereof.

The copy of the agreement containing terms & conditions of the appointment between the Company and Shri Hemul Shah is available for inspection electronically 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 is attached and forms part of this Notice.

Shri Hemul Shah is concerned or interested in the said resolution as set out in Item No. 5 of the accompanying Notice.

Save and except the above, none of the Directors, Key Managerial Personnel of the Company and their relatives is, 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. 5 accompanying the Notice for the approval of Shareholders of the Company as an Special Resolution.

Item 6:

RE-APPOINTMENT OF SHRI PUNDARIK SANYAL AS A NON-EXECUTIVE, INDEPENDENT DIRECTOR OF THE COMPANY FOR A SECOND TERM:

Shri Pundarik Sanyal (DIN: 01773295), aged 70 years, was appointed as Non-executive, Independent director w.e.f 9th February 2016, for the term of 5 consecutive years. His term shall be accordingly expired on 8th February 2021.

As per Section 149(10) of the Act, an Independent Director shall hold office for a term of up to 5 consecutive years on the Board of a Company but shall be eligible for re-appointment for another term of up to five consecutive years on passing a Special Resolution by the Company.

Shri Pundarik Sanyal, B.Sc. Tech. (Textile Technology), has varied experience in the field of banking sector spanning over 30 years. Further considering his experience and substantial contribution during his initial term, the Nomination and Remuneration Committee, on the basis of performance evaluation of Independent Directors, has opined that continued association of Shri Pundarik Sanyal as Non-executive, Independent Director would be beneficial to the Company.

Based on their performance evaluation and recommendation of the Nomination and Remuneration Committee and in terms of the provisions of Sections 149, 152 read with Schedule IV and any other applicable provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements)



Regulations, 2015, ('the Listing Regulations') Shri Pundarik Sanyal, being eligible for re-appointment as an Independent Director and who has offered himself for re-appointment, is proposed to be re-appointed as an Independent Director for another term of Five consecutive years with effect from 9th February, 2021, and will not be liable to retire by rotation.

The said Directors has also submitted his declaration of independence, as required pursuant to section 149(7) of the Act stating that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. Copy of the draft Letter of Appointment of the Independent Director is available for inspection electronically as stated in the notice above.

He is not dis-qualified from being re-appointed as director in terms of Section 164 of the Act and has consented to act as Non-Executive, Independent director of the Company.

Brief profile of Shri Pundarik Sanyal as required under Secretarial Standard on General Meeting ('SS-2') and Regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, is given herein below in Annexure A.

Save and except the above, none of the Directors, Key Managerial Personnel of the Company and their relatives is, 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. 6 accompanying the Notice for the approval of Shareholders of the Company as an Special Resolution.

Item 7:

RECLASSIFICATION OF THE AUTHORISED SHARE CAPITAL OF THE COMPANY

The present Authorized Share Capital of the Company is Rs. 90,00,00,000/- (Rupees Ninety Crores only) divided into 12,50,00,000 (Twelve Crores Fifty Lakhs) Equity Shares of Rs. 2/- (Rupees Two only) each and 65,00,000 (Sixty Five Lakhs) Preference Shares of Rs. 100/- (Rupees One Hundred only) each.

The Board of Directors at its meeting held on 11th November, 2020, considering the future business plans and to be in readiness to encash the probable business opportunity fund requirements of the Company, proposed to reclassify the Authorized Share Capital of the Company by shifting the certain unissued part of Preference Share Capital to the Equity Share Capital of the Company.

In terms of provisions of Section 13 & such other applicable provisions of the Companies Act, 2013, if any and pursuant to applicable provisions of Articles of Association of the Company, the shareholders' approval is sought for such re-classification of Share Capital and Alteration of Clause V of Memorandum of Association.

As such the Company proposes to amend its Share capital Clause specified in Memorandum of Association of Company by reclassifying the Preference Share Capital Component of Authorized Share Capital by shifting the certain unissued part of Preference Share Capital as mentioned above into Equity Share Capital and reclassify part of existing Authorized Share Capital of the Company.

After reclassification, the Authorized Share Capital of the Company will consist of 30,00,00,000 (Thirty Crores) Equity Shares of Rs. 2/- (Rupees Two only) each and 30,00,000 Preference shares of Rs. 100 each aggregating to Rs. 90,00,00,000/- (Rupees Ninety Crores only). Consequently the existing Clause V of the Memorandum of Association of the Company, relating to the Share Capital needs to be altered.

Save and except the above, none of the Directors, Managers or any other Key Managerial Personnel and their respective relatives is/are concerned or interested 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. 7 accompanying the Notice for the approval of Shareholders of the Company as a Special Resolution.

Item 8

APPOINTMENT OF SMT. NEETA SHAH AS NON-EXECUTIVE INDEPENDENT DIRECTOR:

The Board of directors, on the recommendation of Nomination and Remuneration committee, at its meeting held on 11th November, 2020, appointed Smt. Neeta Shah (DIN- 07134947) as an Additional Director in the capacity of Independent Director for a term of five consecutive years, subject to the approval of the Shareholders of the Company.

Pursuant to the provisions of Section 161 of the Companies Act, 2013 ('Act'), Smt. Neeta Shah holds office up to the date of the ensuing Annual General Meeting. She is not dis-qualified from being appointed as director in terms of Section 164 of the Act and has consented to act as an Independent Director of the Company. The Company has also received a notice in writing proposing her candidature to be appointed as Director of the Company.

She has also submitted declaration of independence as required pursuant to section 149(7) of the Act, stating that she meets the criteria of independence as provided in section 149(6) of the Act and Reg 16 of the SEBI Listing Regulations. The company hereby also complies with the provision of Reg. 17 of SEBI Listing Regulations. Copy of the draft Letter of Appointment of the Independent Director is available for inspection electronically as stated in the notice above.

Smt. Neeta Shah is Bachelor of Arts and has completed Bachelor of Education. She has good exposure in Marketing and also been prominently involved in various social welfare activities. The Board is of the opinion that Smt. Neeta Shah possesses requisite skills, experience and knowledge which would

Ashapura Minechem Limited

be in the best interest of the Company to appoint her as an Independent Director for a period of five years with effect from 11th November, 2020.

Brief profile of Smt. Neeta Shah as stipulated in Secretarial Standards on General Meeting (SS-2) and Regulation 36(3) of SEBI Listing Regulations, is given herein below in Annexure A.

Save and except the above, none of the Directors, Key Managerial Personnel of the Company and their relatives is, 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. 8 accompanying the Notice for the approval of Shareholders of the Company as an Ordinary Resolution.

By Order of the Board of Directors
Sd/-
SACHIN POLKE
COMPANY SECRETARY &
VICE PRESIDENT (GROUP AFFAIRS)

Mumbai, 11th November 2020

Registered Office:

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

E & O E are 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 Himani Shah	Shri Hemul Shah
Date of Birth	10/03/1979	04/01/1961
Qualification	Commerce Graduate and International Diploma Program in Marketing & Communication from University of California Berkeley Ext., USA	Commerce Graduate
Brief Profile & Expertise in specific functional areas	Smt. Himani Shah has considerable exposure in Marketing, Business Development & Human Resource domain.	Shri Hemul Shah has been supervising the accounts, marketing and operation functions of the Company and is associated with the Ashapura Group at different levels for more than two decades.
Directorship in other Public Companies	NIL	1. Orient Abrasives Limited 2. Ashapura Claytech Limited 3. Ashapura International Limited 4. Prashansha Ceramics Limited 5. Bombay Minerals Limited
Chairmanship / Membership of the Committees of the Board*	NIL	Chairmanship Orient Abrasives Limited - SRC Membership Orient Abrasives Ltd. - ACM
No. of shares held in the Company as on 31.03.2020	1,42,980	33,007
Name of Director	Shri Pundarik Sanyal	Smt. Neeta Shah
Date of Birth	28/01/1950	27/01/1965
Qualification	B.Sc. Tech. (Textile Technology)	Arts Graduate
Brief Profile & Expertise in specific functional areas	Shri Pundarik Sanyal has varied experience in the field of banking sector spanning over 30 years. He joined Bank of India in the year 1973 as a Direct Recruit Officer. In a span of 34 years, he worked in London Branch as an officer in Credit and Management Information Department, posted as country head in Africa for over three and a half years and worked as a Top Executive Grade VII - General Manager from May 2001. He showed 6 years of consistent high performance as MD on deputation to a lending NBFC & holding company for a Primary dealer in G-Sec, Equity Broking & Commodity Broking. He also served as a Govt. of India nominated Director in Central Warehousing Corporation of India under the Ministry of Food & Agriculture.	Smt. Neeta Shah exposure in Marketing and also been prominently involved in various social welfare activities.
Directorship in other Public Companies	1. Ashapura International Limited 2. Asit C Mehta Financial Services Limited 3. Ashapura Perfoclay Limited 4. Orient Abrasives Limited	NIL
Chairmanship / Membership of the Committees of the Board*	Chairmanship Orient Abrasives Ltd. - ACM Membership Orient Abrasives Ltd. - SRC Ashapura International Ltd. - ACM Ashapura Perfoclay Ltd. - ACM Ashapura Minechem Ltd. - ACM, SRC	NIL
No. of shares held in the Company as on 31.03.2020	NIL	NIL

*Represents only membership of Indian Public Listed Companies & Chairmanship of Indian Public Companies of the Audit committee (ACM) & Stakeholder's Relationship Committee (SRC).

DIRECTORS' REPORT

To
The Members,

Your Directors are pleased to present the 39th Annual Report of the Company together with the Audited Financial Statements (Standalone & Consolidated) for the year ended 31st March, 2020.

1. FINANCIAL RESULTS AND PERFORMANCE:

(Rs. In Lakhs)

Particulars	Standalone		Consolidated	
	2019-2020	2018-2019	2019-2020	2018-2019
Net Sales / Income from Operations	20,585.63	33,747.86	33,432.34	62,166.59
Less: Total Expenditure	25,914.47	41,803.04	42,260.99	64,881.12
Profit/(Loss) from Operations before Dep., Other Income and Exceptional Items	(5,328.84)	(8,055.18)	(8,828.65)	(2,714.53)
Less: Depreciation	2,092.35	2,274.98	2,838.94	3,251.73
Profit/(Loss) from Operations before Other Income and Exceptional Items	(7,421.19)	(5,780.20)	(11,667.59)	(5,966.26)
Add: Other Income	700.42	933.11	1,594.67	1,655.37
Profit/(Loss) before Exceptional Items, share of net profit of investments accounted for using the equity method and Tax	(6,720.77)	(4,847.09)	(10,072.92)	(4,310.89)
Share of net profit of Joint Ventures & associates accounted for using the equity method	-	-	891.25	1,213.97
Profit/(Loss) before exceptional items	(6,720.77)	(4,847.09)	(9,181.67)	(3,096.92)
Add: Exceptional Items	46,051.51	(2,584.36)	47,397.97	(29,074.60)
Profit/(Loss) before tax	39,330.74	(7,431.45)	38,216.30	(32,171.52)
Tax Expenses				
Current Tax	-	-	106.00	730.00
Earlier Year's Tax	-	-	14.55	4.49
Deferred Tax	-	-	(223.62)	(216.47)
Profit/(Loss) after tax	39,330.74	(7,431.45)	38,319.37	(32,689.54)
Profit attributable to non-controlling interest		-	448.87	(412.52)
Profit/(Loss) for the year	39,330.74	(7,431.45)	38,319.37	(33,102.06)

a) Performance of the company:

The performance of the Company for the year under review was not very satisfactory, as there was decline in top-line which was mainly attributable to drop in sale of Bauxite and Bentonite. Income from operations at Standalone Level dropped by 39% and stood at Rs. 20,585.63 Lakhs as against Rs. 33,747.86 Lakhs for the previous financial year ended 31st March, 2019 and that the total expenses stood at Rs. 28,006.82 Lakhs which resulted into loss of Rs. 6,720.77 Lakhs before exceptional items and tax, however after taking into account the exceptional items of Rs. 46,051.51 Lakhs, the Company reported positive bottom line of Rs. 39,330.74 Lakhs for the year under review.

At Consolidated Level, the income from operations dropped by 46% and stood at Rs. 33,432.34 Lakhs as against Rs. 62,166.59 Lakhs for the previous financial year ended 31st March, 2019 and that total expenses stood at Rs. 45,099.92 Lakhs which resulted into loss of Rs. 10,072.91 Lakhs before exceptional items and tax, however after taking into account the exceptional items of Rs. 47,397.97 Lakhs, the Company at Consolidated Level reported positive bottom line of Rs. 38,319.37 Lakhs for the year under review.

b) Business outlook:

In the last week of March 2019, an outbreak situation arose on account of Covid 19. The Company's performance may get hampered due to COVID-19 outbreak which has put the country under lockdown for few months. The impact on the operations and earnings/cash flows of the Company due to Covid 19 pandemic may be assessed only after future developments and clarity about domestic and export customers manufacturing facility which are still uncertain and may lead it impracticable for the Company to estimate projected revenue from operations and earnings for the next year and impact thereon due to Covid 19.

Nevertheless, the management will continue to closely monitor any material changes arising out of future economic conditions and impact on its business. The Company will also continue to focus expanding its business in foreign countries in order to explore better quality of minerals and to achieve economies of scale. Further, considering the provisions of new Mining bill, Companies with captive mines and good reserves have good opportunity to improve business and your Company has an advantage in this regard.



2. SIGNIFICANT EVENTS DURING THE FY 2019-20 and TILL THE DATE OF REPORT:

a) Closure of Insolvency Proceedings:

The Company, on 12th December, 2018 moved to the National Company Law Tribunal (NCLT), Mumbai Bench, under appropriate and relevant provisions of the Insolvency and Bankruptcy Code, 2016 (IBC). The said petition was admitted by the NCLT and by its order dated 15th March, 2019, Corporate Insolvency Resolution Process ("CIRP") was initiated for the Company with effect from 15th March, 2019. By the same Order, Mr. Arun Chadha (Registration no. as IBBI/IPA-001/IP-P00165/2017-18/10334) was appointed as an Interim Resolution Professional ('IRP') of the Company and pursuant to the provisions of Section 17 of IBC, the power of the Board of Directors of the Company stood suspended and such powers were to be exercised by the said IRP.

Further, the Hon'ble National Company Law Appellate Tribunal (NCLAT) had vide its order dated 8th April, 2019, stayed the above referred NCLT Order to the exception that the IRP may function and report to the office.

In furtherance, upon filing an application for withdrawal of insolvency proceedings from NCLT, Mumbai Bench, the Hon'ble NCLAT, vide its order dated 30th September, 2019, set aside the said order of the NCLT, Mumbai Bench dated 15th March, 2019. The said order of NCLAT also ordered the closure of the insolvency proceedings at NCLT, Mumbai. Consequently, the appointment of Mr. Arun Chadha as an IRP stood cancelled and the Company was released from all the rigours of law and as such was allowed to function independently under the able guidance and authority of the Board of Directors w.e.f. 30th September, 2019.

b) Arbitration award:

During the previous Financial Year, ASQ Connect Ltd. (ASQ), one of the creditors, with whom the Company had entered into a settlement agreement of US \$ 45 million payable over 25 years and had also entered a Pledge Agreement to secure the said settlement; terminated the said agreement and invoked pledge of shares of the Company's two Indian Subsidiaries and a joint venture Company on 19th September, 2018 and 4th October, 2018 respectively. Accordingly, 100% shares of a Wholly-owned-Subsidiary, Ashapura International Limited (AIL); 47.86% shares of a Subsidiary Company Bombay Minerals Limited (BML); and Company's entire holding of 50% in a Joint venture Company, Ashapura Perfoclay Limited (APL) had been taken over by the said creditor on trigger of these pledged shares.

The Company had suitably challenged with the said invocation of pledge by the creditor in arbitration and finally an arbitration award dated 28th February, 2020 was received in favour of the Company.

Under the said award, the aforesaid invocation of the pledged shares of AIL, BML and APL being void ab-initio, was set aside. The Learned Arbitrator also reinstated the Settlement Agreement dated 21st July, 2017 with ASQ with immediate effect and also declared AML as the rightful owner of the said pledged shares by virtue of setting aside such invocation.

Accordingly, the Company has during the year under review regained its ownership and control over its two wholly-owned subsidiaries viz. AIL & BML and a joint venture company (50:50 JV) viz. APL w.e.f. 28th February, 2020.

Further, the Company and ASQ Connect Limited have revised the settlement terms and thus have amended and modified the Settlement Agreement dated 21st July, 2017 by entering into an Addendum Agreement dated 22nd June, 2020.

Since, the Settlement Agreement dated 21st July, 2017 has been reinstated and the Addendum to the Settlement Agreement executed on 22nd June, 2020, the said shares of AIL, BML and APL shall continue to be in pledge in favour of ASQ Connect Limited (held by Milestone Trusteeship Services Pvt. Ltd. Mumbai, India 'Milestone' on its behalf), as a collateral security towards the revised settlement in accordance with the said Addendum Agreement.

c) Preferential Issue of Convertible Warrants :

During the year under review, the Company had issued and allotted convertible Warrants to M/s. Ashapura Industrial Finance Limited, a Promoter Group Member through postal ballot process:

Name of Security	Convertible Warrants
Date of Issue and Allotment	28 th February 2020
Number of warrants	45,00,000
Method of allotment	Preferential Issue
Issue Price	Rs. 31.95 (Rupees Thirty One and Ninety Five 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"> • Subject to lock- in as per SEBI Regulations. • Warrants shall not be sold, transferred, hypothecated or encumbered in any manner during the period of lock-in provided under SEBI (ICDR). • Warrants shall be issued only in dematerialized form. • 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. • The Warrants by itself until converted into Equity Shares, do not give to the Warrant Holder any voting rights in the Company in respect of such Warrants.

d) Novel Coronavirus Outbreak:

The COVID-19 pandemic is an evolving human tragedy declared as a global pandemic by the World Health Organisation in last month of FY 2019-2020. The outbreak started with restrictions on movement of people, goods, closure of borders etc., in several states followed by a nationwide lockdown from 25th of March 2020 announced by the Indian Government, to stem the spread of COVID-19.

To ensure social distancing and employee-safety first approach, Company's corporate offices and manufacturing facilities were closed as declared by the authorities. From a centralized model consisting of work spaces, the switch to work from home model for employees was carried out seamlessly and without disruptions. Our teams reacted with speed and efficiency, and quickly leveraged technology to shift the workforce to an entirely new 'work-from-home' model.

The COVID-19 pandemic had an immediate impact on the global economy and that impact goes across all industries, including mining. It has affected the entire value chain, as organizations and companies limit access to offices, mine sites and manufacturing facilities, and restrictions on transportation and shipping. Consequently, revenues and profitability have been adversely affected. The Company is quite confident that the demand situation will pick up progressively. However, the Company has been continuously monitoring the situation and has readiness to adapt to the changing business environment and respond suitably.

3. DIVIDEND:

To conserve the resources and to meet the Company's future growth plans, your Directors do not recommend any dividend for the year under review.

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. 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.

7. DIRECTORS & KEY MANAGERIAL PERSONNEL:

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, Shri Chetan Shah, 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.

b) Re-designation of Shri Chetan Shah, as an Executive Chairman of the Company:

The Board of Directors at its meeting held on 24th October, 2019, considering the recommendation of Nomination & Remuneration committee as also considering dynamics of the mining business viz-a-viz the need and the turn of events during the year under review, proposed that Shri Chetan Shah (DIN-00018960) should occupy the driver's seat and lead the Company by assuming the position of an 'Executive Chairman' of the Company.

Accordingly, Shri Chetan Shah was re-designated as an Executive Chairman of the Company, for a period of three years with effect from 24th October, 2019, on the terms & conditions that forms part of the agreement. Further, his appointment was duly approved by shareholders in 38th Annual General Meeting of the Company which was held on 27th December 2019.

In terms of provisions of the Companies Act, 2013, from the date of appointment of Shri Chetan Shah as an Executive Chairman, he is forthwith considered as a Key Managerial Personnel (KMP) of the Company.

c) Appointment of Shri Hemul Shah, as an Executive Director and Chief Executive Officer:

The Board of Directors at its meeting held on 10th February, 2020, on the recommendation of Nomination and Remuneration Committee, appointed Shri Hemul Shah (00058558) as an Additional Director w.e.f. 16th February, 2020, subject to the approval of shareholders in ensuing General Meeting.



Further, on the recommendation of Nomination & Remuneration Committee as also considering his long association with Company; his rich & varied experience in planning, execution abilities and strategic intelligence, the Board of Directors at its meeting held on 10th February, 2020, proposed that he should be appointed as an Executive Director and Chief Executive Officer (CEO) of the company.

Accordingly, Shri Hemul Shah was appointed as an Executive Director and CEO of the Company, for a period of three years w.e.f. 16th February 2020, on the terms & conditions that forms part of the agreement, which is subject to the approval of the Shareholders of the Company. In terms of provisions of the Companies Act, 2013, from the date of appointment of Shri Hemul Shah as an Executive Director and CEO, he is forthwith be considered as a Key Managerial Personnel (KMP) of the Company.

Accordingly, pursuant to provisions of the Companies Act, 2013, resolution seeking approval of the shareholders for his appointment as an Executive Director and CEO of the Company forms part of the Notice convening 39th 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 39th Annual General Meeting.

d) Appointment of Smt. Himani Shah, as a Non-executive Woman Director:

The Board of directors at its meeting held on 10th February, 2020, on the recommendation of Nomination and Remuneration committee, appointed Smt. Himani Shah (DIN : 02467277) as an Additional Non-Executive Director, subject to the approval of shareholders at ensuing Annual General Meeting.

Accordingly, pursuant to provisions of the Companies Act, 2013, resolution seeking approval of the shareholders for her appointment as a Non-Executive Director of the Company forms part of Notice convening 39th Annual General Meeting.

The relevant details of Smt. Himani Shah as required pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations are furnished in the Notice of the 39th Annual General Meeting.

e) Re-appointment of Shri Pundarik Sanyal, Non-Executive, Independent Director:

Shri Pundarik Sanyal was appointed as a Non-Executive, Independent Director w.e.f. 9th February 2016 for the term of five consecutive years. Accordingly, in terms of the provisions of Sections 149, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 and applicable provisions of Securities and Exchange Board of India (Listing Obligation & Disclosures Requirements) Regulation, 2015 (Listing Regulations), and based on the performance evaluation and recommendation of Nomination and Remuneration Committee, it is proposed to re-appoint Shri Pundarik Sanyal as a Non-Executive, Independent Director for a further term of five consecutive years w.e.f. 9th February, 2021. A special resolution seeking approval of the shareholders for his re-appointment as a Non-Executive, Independent Director on the Board of Directors of the Company forms part of Notice convening 39th Annual General Meeting.

The relevant details of Shri Pundarik Sanyal as required pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations are furnished in the Notice of the 39th Annual General Meeting.

f) Appointment of Smt. Neeta Shah as an Independent Woman Director w.e.f. 11th November 2020.

The Board of Directors, on the recommendation of Nomination and Remuneration Committee, at its meeting held on 11th November, 2020, appointed Smt. Neeta Shah (DIN- 07134947) as an Additional Director in the capacity of Independent Director for a term of five consecutive years, subject to the approval of the Shareholders of the Company.

An Ordinary resolution seeking approval of the shareholders for her appointment as Non-Executive, Independent Woman Director on the Board of Directors of the Company forms part of Notice convening 39th Annual General Meeting.

The relevant details of Smt. Neeta Shah as required pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations are furnished in the Notice of the 39th Annual General Meeting.

g) Resignation of Whole Time Director & Chief Executive Officer:

Shri Rajnikant Pajwani (DIN-00086007) resigned from his position of Whole-Time Director & Chief Executive Officer (CEO) of the Company citing his personal commitment towards his family and was relieved from his services as such w.e.f. 1st June, 2019. Since, the Company was then under CIRP, his resignation was submitted to the kind attention of Shri Arun Chadha, IRP which was subsequently taken on record and ratified by the Board of Directors at its meeting held post NCLAT award on 24th October, 2019.

The Board takes this opportunity to acknowledge his service and also express its appreciation for the purposeful contribution made by him during his long association of 43 years at different levels and positions with Ashapura Group.

h) Resignation of Smt. Navita Gaiha, Non-Executive Independent Director:

Smt. Navita Gaiha who was appointed as Non-Executive, Independent Director of the company, resigned w.e.f. 10th June, 2020 due to her other professional commitments & responsibilities. The Board takes this opportunity to acknowledge her service and places on record its appreciation for the contribution made by her as a member of Board.

i) Resignation of Shri Ajay Phalod, Chief Executive Officer of the Company:

During the period under review, Shri Ajay Phalod who was appointed as Chief Executive Officer (CEO) of the company, resigned w.e.f. 15th February 2020, citing pursuance of better prospects. The Board takes this opportunity to acknowledge his service and places on record its appreciation for the contribution made by him during his tenure.

j) 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).

k) 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.

l) Appointment of Key Managerial Personnel (KMP):

- a. From the date of appointment of Shri Chetan Shah as an Executive Chairman w.e.f. 24th October, 2019, he is forthwith considered as a Key Managerial Personnel (KMP) of the Company.
- b. In accordance with the provisions of Sections 2(51) and 203 of the Companies Act, 2013, Shri Sachin Polke, Company Secretary & Vice President, is recognized as the KMP of the Company.
- c. From the date of appointment of Shri Hemul Shah as an Executive Director & CEO w.e.f. 16th February, 2020, he is forthwith considered as a KMP of the Company.
- d. During the time, when the Company was under CIRP, the Interim Resolution Professional, as on 12th June, 2019, in his capacity and to comply with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), had nominated and appointed Shri Ashish Desai as Chief Financial Officer (CFO) of the Company, to carry out the functions/duties as may be entrusted upon them in terms of provisions of the Companies Act, 2013, Listing Regulations and/or any other applicable legislations, till the time the Company would be under CIRP.

Later, the Board of Directors at its meeting held post NCLAT award on 24th October, 2019, considering the applicable provisions of law, decided to ratify the appointment of Shri Ashish Desai as CFO of the Company and that he continues to be considered as KMP of the Company.

- e. 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:
 1. Smt. Surekha Sathe - Vice President – IT (Superannuated w.e.f. 30th June, 2020)
 2. Shri Akhilesh Sinha - Vice President - HR

8. DISCLOSURES RELATING TO SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES:

a) Business performance and overview of the principal subsidiaries and joint venture companies:

Ashapura Internationa Limited (AIL):

For the year under review, the Company has registered a 10% increase in revenue i.e. Rs. 45,800.76 Lakhs from Rs. 41,743.41 Lakhs in the previous financial year and a 15% rise in its profit before tax i.e. Rs. 3,732.02 Lakhs from Rs. 3,236.52 Lakhs in the previous financial year on account of its robust portfolio of bulk Bentonite sales and Bentonite based specialty products.

Bombay Minerals Limited (BML):

Excessive government levies of royalty and export duty continue to erode the export competitiveness of Indian Bauxite versus other global suppliers, Bauxite exports from India have virtually ground to a halt. The Company continues to sell Bauxite and Bauxite-based value-added products in the domestic market. The Company has seen a marked reduction in its revenues i.e. Rs. 7,959.60 Lakhs from Rs. 13,033.43 Lakhs in the previous financial year and has registered a post-tax loss of Rs. 1,396.91 Lakhs for the year under review. The Company intends to focus on value added products such as brown tubular alumina and proppants hereon.

Ashapura Perfoclay Ltd. (APL):

The Company saw modest reduction of revenue for the year under review i.e. Rs. 28,423.32 Lakhs versus Rs. 28,938.43 Lakhs in the previous financial year, but registered an 8% increase in profit before tax i.e. Rs. 3,492.74 Lakhs versus Rs. 3,227.50 Lakhs in the previous financial year on account of cost efficiencies. The Company continues to dominate the premium grade Bleaching Clay segment in India and is now directing its efforts to ram-up exports in the mid-tier Bleaching Clay segment in South East Asia.

Other Overseas Subsidiaries:

The other overseas subsidiaries and joint ventures of the Company in UAE, Oman exhibited modest increases in revenues. The Company's step-down subsidiary in Guinea is slated to commence operations next year.



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

During the year under review, Ashapura Guinea Resources SARL - Guinea, Ashapura Minex Resources SAU - Guinea and Societe Guineenne des Mines de Fer - Guinea became wholly owned overseas step down subsidiaries and FAKO Resources SARL - Guinea became overseas step down subsidiary with 90% interest.

Further pursuant to the Arbitration award dated 28th February, 2020, the company has regained the ownership and control of its two Wholly Owned Subsidiaries viz. Ashapura International Limited and Bombay Minerals Limited and one Joint venture company viz. Ashapura Perfoclay Limited, however, their shares are continued to be under pledge with ASQ Connect Limited.

Ashapura Maritime FZE - UAE ceased to be subsidiary of the company w.e.f. 15th March, 2020.

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

9. 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

10. STATUS OF THE PENDING LITIGATIONS:

A. SHIPPING MATTERS:

The Contracts of Affreightment ('COA') were entered into by the Company with certain Shipping Companies - viz. [1] Pacific Basin I.H.X. (UK) Ltd. (Pacific Basin) [2] Eitzen Bulk A/S [now known as Ultrabulk A/S] (Ultrabulk) and [3] Armada Singapore Pte Ltd. (Armada), (collectively referred to as 'COAs')

In pursuance to disputes with regard to termination of COAs, the above said shipping companies, obtained favourable foreign arbitration awards, which were subsequently declared enforceable by the Hon'ble Bombay High Courts.

In the matter of Pacific Basin and Ultrabulk, ASQ Connect Limited (ASQ), a Company incorporated under the laws of England and Wales, purchased the enforceable rights to recover the decreed amounts by way of assignment deeds. Pursuant to these deed of assignment, ASQ entered into a settlement agreement on 21st July, 2017 with the Company wherein it agreed to recover USD 45 million over a period of 25 years on terms and conditions as described in the said settlement agreement. However, on an alleged breach of the said settlement agreement, ASQ invoked the pledge of shares of AML's Subsidiaries and Joint Venture namely Bombay Minerals Limited, Ashapura International Limited and Ashapura Perfoclay Limited which was created for securing performance of the said settlement agreement. AML, initiated Arbitration against ASQ for such invocation of pledge in October 2019 and by an Arbitration award dated 20th February 2020, the said invocation of pledge was set aside. The Arbitrator also reinstated the above settlement agreement and declared AML to be the rightful owner of these Subsidiaries and Joint Venture.

Subsequently, AML has settled with ASQ once again and accordingly executed an addendum on 22nd June 2020 revising certain terms of the settlement agreement dated 21st July 2017. Pursuant to the said addendum, ASQ shall withdraw its execution proceedings from Bombay High Court in due course of time.

In the matter of Armada, the said shipping company had filed an execution application in Hon'ble Bombay High Court for recovery of its claims granted by the arbitration awards dated 16th February, 2010.

Later, Armada has assigned its awards to Global Value Investments Pte Ltd (Singapore) (GVI). The Bombay High Court has allowed substitution of GVI in place of Armada in the above execution proceedings.

The Company has settled with GVI and accordingly has executed a settlement agreement on 27th February 2020. GVI shall withdraw its execution application from Bombay High Court in due course of time.

B. FOREX DERIVATIVES:

The Company had approached the Bankers and has successfully settled the claims amicably with most of the bankers.

The Company has settled with HDFC Bank Ltd. and almost all the proceedings filed by the said Bank at various tribunal and Courts of Law are withdrawn.

The company has also settled with J P Morgan and payments are being made as per terms of settlement agreement; post which Proceedings filed by J P Morgan will be withdrawn by them in due course.

11. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN 31st MARCH, 2020 AND 11th NOVEMBER, 2020 (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:

During the year under review, since the powers of board were suspended due to corporate Insolvency Resolution Process (CIRP), no board of directors meeting were held during first two quarters of Financial Year 2019-2020. Pursuant to the order of NCLAT, the Board of Director were allowed to function independently w.e.f. 30th September 2019. Accordingly, five Meetings of the Board of Directors were convened after closure of Corporate Insolvency Resolution Process (CIRP). The dates of the meetings are provided in the Report on Corporate Governance which forms a part of this Annual Report.

14. 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 Companies Act, 2013), 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 Profit 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.

15. 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.

16. 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).

17. 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. 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 10th February 2020 and discussed, inter-alia, the performance of the Chairman, Whole-Time 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. The Composition of the CSR Committee is given in the Report on Corporate Governance.

During the year under review, considering the continued reflection of negative Net Worth; taking into account the performance of the Company, your Company has not specifically made provision for CSR activities for the Financial Year 2019-2020 as required under Section 135 of the Companies Act, 2013.

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

E. Risk Management Policy:

The Board of Directors of your Company has laid down a Risk Management Policy that identifies elements of risks involved in all the activities of the Company and the same are systematically addressed through mitigating actions on a continuing basis. The policy is reviewed by the Audit Committee on regular basis considering the industry & global risk associated with the business of the Company.

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 regards, 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.

G. Related Party Transactions Policy:

Pursuant to the applicable provisions of the Companies Act 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. 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, were on arm's length basis and in the ordinary course of business. Further, there were no material related party transactions entered into by the Company during the financial year under review and hence, the disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable to your Company.

The details of related party transaction are disclosed in the notes to Financial Statements. (Note No. 38).

18. 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.

19. 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 the 41st Annual General Meeting to be held in the year 2022. 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, 2020 on the Financial Statements (standalone & consolidated) of the Company forms part of this Annual Report.

B. Branch Auditors:

In terms of provisions of Section 139, 143(8) and other applicable provisions, if any, of the Companies Act, 2013 and rules framed thereunder, M/s. Sri Sessa & Ravi, Chartered Accountants, Chennai, appointed as the Branch Auditors for carrying out the audit of the books of accounts of the Company's Branches at Chennai and Kodur and as such holds their office till the conclusion of the 41st Annual General Meeting to be held in the year 2022.

C. Cost Auditors:

Pursuant to the provisions of Section 148 of the Companies Act, 2013, M/s. S. K. Rajani & Co., 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 2020-2021 at the remuneration of Rs. 1,62,565/- (Rupees One lakh Sixty Two Thousand Five Hundred and Sixty Five only) per annum plus Goods and Service Tax (GST) and out of pocket expenses.

Your Company has received consent from M/s. S. K. Rajani & Co., Cost Accountants, to act as the Cost Auditors of your Company for the financial year 2020-2021 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 2019-2020 was filed with the Ministry of Corporate Affairs on 27th October, 2020.

D. 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 G. Bhatt, Company Secretary in Practice, Mumbai to undertake the Secretarial Audit of the Company for the financial year ended 31st March, 2020.

The Secretarial Audit Report in **Form No.: MR – 3** for the Financial Year ended 31st March, 2020 is annexed with this report as **“Annexure - B”**.

Company’s reply to the Secretarial Auditor’s Observations:

In terms of the provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014, the Company had mentioned the date of declaration of result in Postal Ballot Notice as 20th February, 2020. As such, in order to abide by the timeline already communicated to the Shareholders’ through the Postal Ballot Notice, the Postal Ballot result was filed/submitted on 20th February, 2020.

The Company has started the filing of quarterly reports as required to be filed under Regulation 74(5) of SEBI (Depositories and Participants) Regulations, 2018 from the quarter ended 30th September, 2019 onwards.

The Company has not filed Form CHG-1 (for Creation of charge) as confirmation from respective Banks not yet received and it is under process.

20. 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 HMV & Associates LLP, Chartered Accountants as its Internal Auditors for Financial Year 2019-2020 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.

21. 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

22. 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.

23. EXTRACT OF ANNUAL RETURN:

The Extract of Annual Return of the Company in Form MGT-9 as provided under Section 92(3) of the Companies Act, 2013 is annexed herewith as **“Annexure - D”** to this Report.

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

Ashapura Minechem Limited

24. 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.

25. BUSINESS RESPONSIBILITY REPORT:

The Business Responsibility Report for the year ended 31st March, 2020 as stipulated under Regulation 34 of the SEBI Listing Regulations is set out separately which forms part of this Report.

26. EXTENSION GRANTED FOR HOLDING 38TH ANNUAL GENERAL MEETING:

During the period under review the company was under Corporate Insolvency Resolution Process (CIRP), an application was made by IRP Shri Arun Chaddha to the Registrar of Companies, Mumbai for an extension for convening the 38th Annual General Meeting for the Financial Year ended 31st March, 2019. Accordingly vide an order dated 3rd September 2019, an extension of three months was granted to company for holding 38th Annual General Meeting. Accordingly, the Company duly convened its 38th Annual General meeting on 27th December, 2019.

27. 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)

Place : Mumbai
Date : 11th November, 2020

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 2019-2020

- a) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the Financial Year : **20.99 times***
* Ratio calculated on the basis of remuneration of Whole-time Director & CEO.
- 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 : **0%**
- c) The percentage increase in the median remuneration of employees in the financial year: **1.58 %**
- d) The number of permanent employees on the rolls of company; **468 (Previous year 566)**
- 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	:	-18.59%
Increase in salary for Managerial person	:	8.47%
Increase in salary for other than Managerial person	:	-21.54%

- Note: 1) The Managerial Personnel include the other Whole Time Key Managerial Personnel recognized by the Board of Directors of the Company.
2) Overall decrease in salary by 18.59% as on 31.03.2020 is due to reduction in manpower to 468 versus last Year 566 (31.03.2019).
- 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.

Note: Considering the financial position of the Company and the negative Effective Capital for the year ended 31st March, 2020, calculated as per the provisions of Schedule V of the Companies Act, 2013, the Managerial Personnel continued to receive minimum remuneration during the Financial Year 2019-2020 as prescribed under Schedule V of the of the Companies Act, 2013 and for which approval was obtained from the members of the Company at the Annual General Meeting held on 27th December 2019.

For and on Behalf of the Board of Directors
Sd/-
CHETAN SHAH
EXECUTIVE CHAIRMAN
(DIN: 00018960)

Place : Mumbai
Date : 11th November, 2020

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

[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 Ashapura Minechem 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 my verification of the Company's statutory registers, papers, 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, agents 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 31st March, 2020, 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 statutory registers, papers, minute books, forms and returns filed with the ROC and other relevant records maintained by the Company for the financial year ended on 31st March, 2020 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 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;

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 31st March, 2020:-

- (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (b) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (e) The Securities and Exchange Board of India (Issue and listing of Debt securities) Regulations, 2008;
- (f) 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) The management has identified and confirm the other laws as specifically applicable to the Company and the Company have proper system to comply with the provisions of the respective Acts, rules and Regulations;

I have also examined compliance with the applicable clauses of the following:

- (a) The Listing agreements entered into by the Company with Stock Exchanges read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (b) Secretarial Standards 1 and 2 issued by the Institute of Company Secretaries of India.
During the period under review, 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 above except the following:
 - i) **The Company has delayed in submission of Postal Ballot result as required to be filed in Regulation 44(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, in terms of the provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014, the Company had mentioned the date of declaration of result in Postal Ballot Notice as 20th February, 2020. As such, in order to abide by the timeline already communicated to the Shareholders' through the Postal Ballot Notice, the Postal Ballot result was filed/submitted on 20th February, 2020.**
 - ii) **The Company has not filed quarterly reports as required to be filed under Regulation 74(5) of SEBI (Depositories and Participants) Regulations, 2018 but has started the filing under from quarter ended 30th September, 2019 onwards.**
 - iii) **The Company has not filed Form CHG-1 (for Creation of charge) as confirmation from respective Banks not yet received and it is under process.**

I further report that:-

1. The Hon'ble National Company Law Appellate Tribunal had vide its order dated 8th April, 2019, stayed the NCLT Order to the exception that the Interim Resolution Professional (IRP) may function and report to the office.
In this connection, upon filing an application for withdrawal of insolvency proceedings from NCLT, Mumbai Bench, the Hon'ble National Company Law Appellate Tribunal (NCLAT) has, vide its order dated 30th September, 2019, set aside the said order of the NCLT, Mumbai Bench dated 15th March, 2019.



As a result, the appointment of Mr. Arun Chadha (Registration No.: IBBI/IPA-001/IP-P00165/2017-18/10334) as an IRP stands cancelled and that the Company has been released from all the rigours of law and is allowed to function independently through its Board of Directors from immediate effect. The said order of NCLAT has also closed the insolvency proceedings at NCLT, Mumbai.

2. The Company, on 28th February, 2020 allotted 45,00,000 (Forty-Five Lakhs) Convertible Warrants at Rs. 31.95/- (Rupees Thirty-One and Ninety-Five Paise) per warrant, convertible in Equity Shares of Rs. 2/- each in one or more tranches, to M/s. Ashapura Industrial Finance Limited, a Promoter Group Member.
3. The Company has received Arbitration Award dated 28th February, 2020, under the said award, the invocation of the pledged shares of M/s Ashapura International Limited and M/s Bombay Minerals Limited (Wholly owned Subsidiaries of AML) and M/s Ashapura Perfoclay Limited (a Joint Venture Company of AML) that was triggered in September, 2018 and October, 2018 by ASQ Connect Ltd. (ASQ) under Share Pledge Agreement dated 03rd January, 2018, being void ab-initio, has been set aside. Further, the Learned Arbitrator has reinstated the Settlement Agreement dated 21st July, 2017 with immediate effect and has also declared AML as the rightful owners of the said pledged shares by virtue of setting aside such invocation.
4. 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 etc., For these matters, I rely on the report of statutory auditors for Financial Statement for the financial year ended 31st March, 2020.
5. An Interim Resolution Professional was appointed by Hon'ble National Company Law Tribunal, Mumbai Bench vide its Order dated 15th March, 2019, for initiation of Corporate Insolvency Resolution Process and suspended power of the Board of Directors and insolvency proceedings was withdrawn by the Hon'ble National Company Law Appellate Tribunal (NCLAT) has, vide its order dated 30th September, 2019, setting aside the said order of the NCLT, Mumbai Bench dated 15th March, 2019, therefore there were no Board Meetings from 15th March, 2019 to 30th September, 2019. The board of directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors after the withdrawal of insolvency proceedings as stated above. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
6. As per the information provided, the company has prima facie given adequate notice to all directors to schedule the Board Meetings held after 30th September, 2019, 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.
7. As per the minutes of the meetings, majority decisions of the Board were unanimous and no dissenting views were found as part of the minutes.
8. 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.
9. The management is responsible for compliances of all business laws. This responsibility includes maintenance of statutory registers/files required by the concerned authorities and internal control of the concerned department.
10. During the period under review, as per the information provided by the Company, prima facie there were no instances of transaction in the securities of the Company during the closure of window.
11. I further report that during the audit period, there were no instances of:
 - i. Public/ Rights/debentures/ sweat equity, etc, except issue of Convertible Warrants
 - 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 COVID - 19 and continuous Lockdown, we were able to partially verify the information physically, therefore we rely on the information as provided by the Company in electronic mode.

Virendra G. Bhatt

ACS No – 1157

COP No – 124

UDIN: A001157B001206218

Place: Mumbai

Date: 11th November, 2020

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

A. CONSERVATION OF ENERGY

a) Energy Conservation measures taken:

1. Process Heating –
 - Introduce the Centralize AC provision (semi-automated system) in Process Laboratory to reduce the energy and save electricity.
 - Perforated water-proof false ceiling is used in heightened area of Process Laboratory works as power saving and acoustic.
 - Maintenance plan and its periodic implementation for all equipment and machinery reduced wear-tear and shut down saves cost and energy.
 - Utilization of waste/excess heat from kiln flue in drier with recovery rate 12-15% of the total fuel consumption of drier.
 - In pilot plant, installed separate low consumption fuel burner (for lower temperature) and provision of outlet in drier, obviate the need of material movement from Kiln and cooler. It saves heat, mechanical and electrical energy.
 - Software use i.e. PLC- SCADA integration, VFD use in dryer & kiln and pyrometer use for temperature control.
2. Motors and Equipment –
 - Equipment's vibro-sieve shakers and RST-machine (2 stages process) reduces material losses and save time/energy clay processing.
 - Proper use machinery and equipment's by implementation of SOP's and on-job staff training, reduces maintenance of equipments/machinery i.e. granulator, pulverizer, ball mill, jaw crusher, filter press, and types of grinding mills, etc.
 - Installation of VFD in equipment's like induced draft fan, blunger, agitator and air blowers enhanced process efficiency.
 - Introduction of Silo to feed material in bucket elevator to enhance automation in process.
 - Designed a new S.S Shaft specialized for slurry and acid agitations provides a barrier between man and material ensures safety aspect.
3. Lighting –
 - Energy-saving lightings – CFL/LED, transparent sheets for day lights, turbo natural fans for ventilation are used for natural light and ventilation.
4. Utilities –
 - Other utilities such as Trolleys, Forklift and Hydraulic lifter are used to lift and shift the material.
5. Employees –
 - Implementation of on-job training followed by SOP's and their periodic training enhance the efficient use reduced breakdown or operational damage to machinery and equipment.
 - In-house developed software is used by the IKC-employees for day to day activities introduces paper less working and save time and energy.
 - Assessment of energy load and reduction of contract load by 50% (400 KVA to 200 KVA) saves cost by 15-20% of the total energy bill.
 - Good practices followed by employees for optimal use of all energy sources such as tube-light/bulbs.
 - Safety and Housekeeping of their own sections/ working areas becomes part of the activity taken care by the employees.

b) Impact of above measures:

Overall impact of the measures taken to save energy consumption in terms of power load, equipment/machinery break-down, SOP's introduction, paperless working and employees awareness cum training is remarkable and save cost also.

B. TECHNOLOGY ABSORPTION:

	2019-2020	2018-2019
1. Efforts made towards technology absorption	1. Specialty Mineral Products <ol style="list-style-type: none"> a. New product development of Pharma and Cosmetic grade Mineral based micronized and Ultra micronized size products i.e. Talc, Calcite, Attapulгите, Kaolin, Bentonite, Multani- Mitti, Magnesium Aluminium Silicate, etc. b. Product development for purification of resin base oil and amines. c. Direct Compressive grade - Calcium Carbonate for Pharma application. d. Mineral based more efficient water treatment products for Fluoride and Arsenic treatment. e. Product Development for Rice Bran Oil/Tire Oil/ Plastic Oil/ Engine Oil purification. 	1. Specialty Mineral Products <ol style="list-style-type: none"> a. Developed value added products i.e. CrystaCIL/ MetaCIL - F/As/Fe products for water purification application. b. Development and performance evaluation of water treatment products for Heavy metal removal from drinking water/wastewater. c. Synthetic clay – an efficient adsorbent development for water treatment purpose. d. Development of Pharma grade minerals such as Attapulгите, Bentonite, Kaolin, GCC, Talc, MAS, etc. e. Developed Attapulгите Mineral products for edible oil-purification and its stability using alkali hydroxide/ carbonate activation.



	<ul style="list-style-type: none"> f. Development of Clay based Sanitizer and Disinfectant. g. Feasibility study of Rice Husk Ash and Siliceous Earth for its use in Bleaching Earth products as filtering aid. h. Raw Material suitability of BTX and BE grade products. i. Enhance Net Acidity value in BTX grade product using natural mineral blending. j. Development of Micronized Bleaching Clay Products using organic acid. k. Synthetic Clay development for Selenium and Chromium removal. l. Zeolite based products for water hardness removal using kaolin clay. m. Proppant development (HSP & ISP – grade) from various clay and bauxite raw material. n. CC and LCC grade - Castable research for low and high Iron content product. o. BFA replacement by BTA in making CC and LCC products. p. Exploration of new additives use in making Proppant. 	<ul style="list-style-type: none"> f. Development of White Tabular Alumina (WTA) with promising value of AP & BD. g. Development of refractory products BTA- 91, BTA-95 using lean grade minerals and scale up process at Pilot Plant level. h. Development of Earthing Grade Material. i. Development of mineral based product for Tyre-Oil purification. j. Organo-clay development - various grades for paint and plastic industry. k. Development of desiccant grade products using Attapulgite, Bentonite and Bauxite.
	<p>2. Industrial Functional Minerals</p> <ul style="list-style-type: none"> a. Development of polymers for improvement of IOP and Foundry- grade Bentonite. b. Natural Mineral based products – granules processing for Heavy metal i.e. Lead, Zinc, Copper, Chromium removal from waste-water industries. c. New product development for Selenium (VI), Chromium (III), Phosphate and Ammonia removal media from drinking water. d. Application based study of Geo-synthetic clay liners using T-Polymer. e. Identification and process improvement study on clay settling rate using polymers in Kaolin and Silica plant. f. Evaluation of various polymers to enhance bentonite properties and its comparison with in-house developed polymers. g. Suitability study of Polymer and Clay based composites for construction and other applications. h. Spent Clay treatment through Microbial treatment. i. Development of Biocides for Paper grade Kaolin. 	<p>2. Industrial Functional Minerals</p> <ul style="list-style-type: none"> a. Upgradation and re-define use of lean grade Bentonite (Phase – 1 & 2 study completed). Approximately 4.5 lakhs MT of material is upgraded by use of additives/define processing. b. Optimization of processing parameters used for Bentonite activation RST and field activation parameters i.e. Drying Temperature & water quality effect. c. Activation study using Sigma mixing of Bentonite raw to enhance the material properties. d. Layer wise study of bentonite mines and its characterization. e. Scale-up implementation of High and Medium strength proppant production at plant level. f. Grindability study of various Mills and its impact on properties of Bentonite mineral. g. Upgradation of B-grade kaolin to A-grade kaolin through process optimization. h. Developed castable products and evaluate its performance by measuring the mechanical and chemical properties. i. Feasibility of different low-grade Bauxite in making proppants.

	<ul style="list-style-type: none"> j. Grinding feasibility and properties evaluation of Cement clinkers from cement plant and available cement from market. k. Feasibility of making chamotte product using various sources of Bauxite. l. Development of Nono-Graphene product. m. Zirmul development through sintering method. 	<ul style="list-style-type: none"> j. Silica Sand mines material quality evaluation and its suitability for various applications. k. Oil extraction and Bio-decomposition study using Spent Bleaching Earth. l. Characterization and use of processed agro-waste in Bleaching Clay product as active in-gradient. m. Evaluation of Kutch Bauxite suitability for Proppant application. n. COD removal from wastewater using mineral and natural organic material. o. Increase of Net Acidity value of Bleaching Clay through chemical treatment. p. Feasibility study of GCC mineral in Soap and detergent products and its performance evaluation.
	<p>3. White Performance Mineral</p> <ul style="list-style-type: none"> a. Alumina Leaching and Purification study using Kaolin and Aluminium Tri-hydroxide material. b. Catalyst product development using Kaolin. c. Beneficiation of Silica – Iron removal using spiral technology. d. Quartz purification study using acid – Iron and Alumina removal. e. Size fraction-based study of Kutchh Sand to reduce Iron impurity. f. Suitability study of Silica Sand samples from various sources for applications i.e. Construction, Glass grade, Silica-Proppant grade, etc. g. Gypsum and Silica based light weight board development. h. Development of hydrophobic kaolin using Stearate coating. i. Meta-kaolin product with High lime-reactivity properties. j. Silica Sand Proppant feasibility of samples from Kutchh region. k. Evaluation and feasibility of Kaolin and Sand for various applications from Kutch Mines. 	<p>3. White Performance Minerals & Products</p> <ul style="list-style-type: none"> a. Improvement of Kaolin properties such as flow point, Oil Absorption value, Gloss, Brightness, etc. b. Development of meta-Kaolin for Cable and Construction industry. c. Evaluation of quality of Ground Calcium Carbonate resourced material and its suitability in manufacturing of FMB product. d. Route cause analysis for the GCC complaints received by customer. e. Development of Silane- Treated Kaolin and its feasibility for preparation in cost-effective manner. f. Delamination of Kaolin mineral and optimization of process of making commercial product. g. Development of various grade Kaolin products (hydrous, semi and fully calcined) as per the required specifications. h. Development of Kaolin for paper industry.



	<p>4. Technology Absorption Center</p> <ul style="list-style-type: none"> a. Pilot scale facilities (200 kg capacity) created for Bleaching Earth trials. b. Setup prepared for small scale processing of Polymers at Pilot Plant. c. Grinding feasibility study of Bentonite using different grinding mills i.e. ACM, Bitter Mill, Roller mill etc. d. Grinding efficiency evaluation of Air Classifier Mill/Roller Mill for various Raw Material/Products i.e. Bentonite (Pharma Grade), Calcite, Calcined Alumina, Kaolin, Aluminous-White & Red Clay. e. Earthing Grade Material Processing through extrusion and Calcination. f. Small scale processing of Iron removal media using Bauxite and Laterite. g. Mullite 70 preparation and parameters optimization. h. Drying and Semi-calcination of Pharma grade Kaolin for pharma industry. 	<p>4. Technology Absorption Center</p> <ul style="list-style-type: none"> a. Pilot scale trial of HAC-70 and HFST trial – SOP optimization. b. Production and process optimization of pilot trials for production of water treatment products such as Fe, As & F – removal media. c. Optimization of process for making BTA- 91, BTA- 95 at Pilot Plant level. d. Pilot scale trials for pharma grade products of Talc, Kaolin, GCC and Bentonite. e. Pilot scale trial for Earthing grade material. f. Production trial of Iron removal media for water treatment application.
	<p>5) Other Activities</p> <ul style="list-style-type: none"> a. Construction and establishment of the New Process Cum Application Lab for sample process and facilities for application-wise testing. b. 'Ashapura Glimpses' facilities for visitors is completed at IKC to have virtual round of all Ashapura – Plants located at various locations. c. Temple construction activity completed in IKC-premises. d. NABL-Accreditation vigilance Audit completed for Advanced Characterization Center at IKC. e. Employees internal, external and on-job trainings are organized and conducted different session in-house (for IKC-junior staff, given by the seniors). f. Successful implementation working of IKC-activities on inhouse designed software results paper less working. 	<p>5. Other Activities</p> <ul style="list-style-type: none"> a. New Process and Application laboratory establishment for evaluation of product and its feasibility in application. b. NABL-Accreditation renewal of Advance Characterization Center facilities at IKC. c. 5S – certification process completed. d. Safety training and awareness program for IKC employees conducted through internal/external trainers. e. Initiated and working on paperless function or system to save energy and time.

<p>2. Benefits derived like product improvement, cost reduction, product development, import substitution, etc.</p>	<p>a. Indigenous technologies for product development at R&D center (IKC) in Refractory & Castables, Pharma & Cosmetics, Oil purification and refining, Water Treatment – Drinking/Wastewater, Catalysis, Polymer development, etc. areas, saves cost and energy for product and technological development at Ashapura company. Added value to the current product portfolio and obviate the need or support for technology transfer/import from outside institute/university/research organization.</p> <p>b. Infrastructure establishment as New facilities i.e. Microbial Testing Laboratory and Building Product testing facilities in Process cum Application laboratory add value to develop range of new and value added products.</p> <p>c. To transfer technology from Lab to Plant, scale up of all in-house developed product at Technology Adsorption Center (TAC) center. This intermediate steps make us understand - the process SOPs and save energy and time to establish plant level SOPs.</p> <p>d. Introduce efficient product range with higher performance/working efficiency in Water treatment and Oil purification process would serve chemical free treatment solution for drinking water.</p>	<p>a. In-house product development of Refractory aggregates i.e. Brown and White tabular Alumina at low temperature save energy and replaces the conventional products such as Fused Alumina products.</p> <p>b. The new range of niche product for Pharma and Water treatment industries, added value to the current business and in-house development, obviate the need to import such product which develop country economy.</p> <p>c. Establishment of New process cum application laboratory add value to the current product testing in terms of application.</p> <p>d. Scale-up of the developed R&D-products at Technology Adsorption Center saves raw material, fuel, energy and time which require to optimize the SOP for product establishment at Plant.</p> <p>e. Introduction of low capacity machinery and equipment at TAC center and process laboratory make working job easier and economical processing of mineral and product at small scale.</p> <p>f. Mineral based efficient product development provides solutions to Oil and water treatment purification industries and introduce safe and economical solutions.</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> <p>a. Details of technology imported</p> <p>b. Year of import</p> <p>c. Whether the technology been fully absorbed</p> <p>d. If not fully absorbed, areas where absorption has not taken place, and the reasons, therefore.</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>



4. Expenditure on Research & Development:		
	2019-2020 (Rs. In Lakhs)	2018-2019 (Rs. In Lakhs)
a) Capital	56.66	80.02
b) Recurring	421.36	385.05
c) Depreciation and Amortization	108.56	115.86
d) Total	586.42	581.11
e) Total R&D Expenditure as a Percentage of total turnover	2.75%	2.33%

C. FOREIGN EXCHANGE EARNING & OUTGO:

	2019-2020 (Rs. In Lakhs)	2018-2019 (Rs. In Lakhs)
a. Foreign Exchange earned in terms of actual inflows during the year(F.O.B.)	3,259.95	10,783.64
b. Foreign Exchange outgo during the year in terms of actual outflows	2,975.01	4,028.88

For and on Behalf of Board of Directors

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

Place: Mumbai
Date: 11th November 2020

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2020
 [Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the
 Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L14108MH1982PLC026396
ii)	Registration Date	19/02/1982
iii)	Name of the Company	Ashapura Minechem Limited
iv)	Category / Sub-Category of the Company	Company Limited by Shares/Indian-Non Government Company
v)	Address of the Registered office and contact details	Jeevan Udyog Building, 3 rd Floor, 278, D. N. Road, Fort, Mumbai-400001 Tel. No.:022-66651700 Email Id: cosec@ashapura.com
vi)	Whether listed company Yes / No	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any: -	M/s. Link Intime India Pvt. Ltd. C-101, 247 Park, L. B. S Marg, Vikhroli (West), Mumbai – 400083 Tel.:+91-22-49186000; Fax: +91-22-49186060 E-mail: rnt.helpdesk@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/Services	% to total turnover of the Company
1.	Bentonite	08108	26.60%
2.	Bauxite	07292	17.06%
3.	Calcined China Clay	08108	17.69%
4.	Ground Calcium Carbonate	08107	11.36%
5.	China Clay – Kaolin	08108	11.32%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Ashapura International Ltd.* Jeevan Udyog Building, 3 rd Floor, 278, D. N. Road, Fort, Mumbai -01	U14108MH1989PLC054664	Wholly-owned Subsidiary	100%	2(87)
2.	Bombay Minerals Ltd.* Jamnagar-Dwarka Highway, Opp. Ashok Petrol Pump, Khambhalia, Gujarat – 361001	U14100GJ1953PLC000699	Wholly-owned Subsidiary	100%	2(87)
3.	Ashapura Aluminium Ltd. Plot No. 206, Madhapar, Bhuj Kutch, Gujarat – 370020	U27203GJ2007PLC051421	Wholly-owned Subsidiary	100%	2(87)
4.	Ashapura Consultancy Services Pvt. Ltd. Jeevan Udyog Building, 3 rd Floor, 278, D. N. Road, Fort, Mumbai - 01	U74140MH1993PTC075194	Wholly-owned Subsidiary	100%	2(87)
5.	Sharda Consultancy Pvt. Ltd. Jeevan Udyog Building, 3 rd Floor, 278, D. N. Road, Fort, Mumbai -01	U74140MH1993PTC075195	Wholly-owned Subsidiary	100%	2(87)
6.	Peninsula Property Developers Pvt. Ltd. Jeevan Udyog Building, 2 nd Floor, 278, D. N. Road, Fort, Mumbai - 01	U45202MH1997PTC109395	Wholly-owned Subsidiary	100%	2(87)
7.	Ashapura Resources Pvt. Ltd. Jeevan Udyog Building, 2 nd Floor, 278, D. N. Road, Fort, Mumbai - 01	U14200MH2013PTC242002	Wholly-owned Subsidiary	100%	2(87)



8.	Ashapura Claytech Ltd. Jeevan Udyog Building, 3 rd Floor, 278, D. N. Road, Fort, Mumbai - 01	U26939MH1995PLC090484	Subsidiary	99.44%	2(87)
9.	Prashansa Ceramics Ltd. Jamnagar-Dwarka Highway, Opp. Ashok Petrol Pump, Khambhalia, Gujarat – 361001	U51909GJ1995PLC028159	Subsidiary	48.28% (51.72% BML)	2(87)
FOREIGN SUBSIDIARIES:					
10.	Ashapura Minechem (UAE) FZE – (AMUF) Leased Office Building- 2, Office No.2G-11, P.O. Box - 42236, Hamriyah Free Zone, Sharjah, U.A.E.	Foreign Company	Wholly-owned Subsidiary	100%	2(87)
11.	Ashapura Holdings (UAE) FZE - (AHUF) Leased Office Building- 2, Office No.2G-18, P.O. Box - 49270, Hamriyah Free Zone, Sharjah, U.A.E.	Foreign Company	Step Down Subsidiary	100% held by AMUF	2(87)
12.	PT Ashapura Bentoclay Fareast J1. Agung Niaga 2 Block G2/24, RT. 014/RW. 013, Kel. Sunter Agung, Kec. Tanjung Priok, Jakarta Utara – 14350	Foreign Company	Step Down Subsidiary	100% held by AHUF	2(87)
13.	Ashapura Guinea Resources SARL, Guinea Koulewondy, 6 th Avenue Street, Immeuble ALY next to Dounia voyage; BP: 4082, Commune of Kaloum, Conakry, Republic of Guinea	Foreign Company	Step Down Subsidiary	100% held by AHUF	2(87)
JOINT VENTURE COMPANIES/ASSOCIATE COMPANIES:					
14.	Ashapura Perfoclay Ltd (APL)* Jeevan Udyog Building, 3 rd Floor, 278, D. N. Road, Fort, Mumbai -01	U14108MH1997PLC107300	Joint Venture	50%	2(6)
15.	Ashapura Arcadia Logistic Pvt. Ltd. 5 th Floor, City Point, Opp. Town Hall, Jamnagar, Gujarat- 361001	U63032GJ2006PTC049157	Associate	50%	2(6)
16.	Ashapura Midgulf NV 2030 Antwerp, 12 Mulhouseaan Noord, Haven 158	Foreign Company	Joint Venture	50% (48.98 % held by AMUF & 1.02% by AML)	2(6)
17.	Ashapura Fareast SDNBHD (MALAYSIA) 24A (Room No. 1) Jalan 21/19, Sea Park, 46300 Petaling Jaya, Selangor Darul Ehsan, Malaysia	Foreign Company	Associate	25% held by AMUF	2(6)
18.	Sohar Ashapura Chemicals LLC PO Box 1160, Ruwi, Postal Code 112, Muscat, Sultanate of Oman	Foreign Company	Joint Venture	40% held by AHUF	2(6)
19.	Orient Abrasives Limited GIDC Industrial Area, Porbandar, Gujarat- 360577	L24299GJ1971PLC093248	Associate	31.76% Held by BML	2(6)
20.	Ashapura Dhofar Resources LLC Al Awadi Building, Floor No M – 2, P.O. Box 111, Postal Code 214, Salalah, Sultanate of Oman	Foreign Company	Joint Venture	70% held by AHUF	2(6)
21.	EMO Ashapura Energy and Mining Limited Bank of the North Building, Plot 785, Herbert, Macaula Way, Central Business District, Abuja, Nigeria	Foreign Company	Associate	48% held by AMUF	2(6)

* The entire shareholding that was taken over by ASQ Connect Ltd., on invocation of pledged Equity Shares has been reinstated in favour of AML, post arbitration award dated 28th February, 2020.

Ashapura Minechem Limited

IV. SHARE HOLDING PATTERN:

(Equity share capital breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Sr. No.	Category of Shareholders	Shareholding at the beginning of the year [As on 1st April, 2019]				Shareholding at the end of the year [As on 31st March, 2020]				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Promoter and Promoter Group									
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	26513454	0	26513454	30.48	26513454	0	26513454	30.48	0.00
(b)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Any Other (Specify)									
	Bodies Corporate	8093040	0	8093040	9.30	8093040	0	8093040	9.30	0.00
	Sub Total (A)(1)	34606494	0	34606494	39.78	34606494	0	34606494	39.78	0.00
[2]	Foreign									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Government	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub Total (A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	34606494	0	34606494	39.78	34606494	0	34606494	39.78	0.00
(B)	Public Shareholding									
[1]	Institutions									
(a)	Mutual Funds / UTI	118000	12000	130000	0.15	118000	12000	130000	0.15	0.00
(b)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Alternate Investment Funds	0	0	0	0	0	0	0	0.00	0
(d)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Foreign Portfolio Investor	20862166	0	20862166	23.98	20676663	0	20676663	23.77	-0.21
(f)	Financial Institutions / Banks	8200	0	8200	0.01	8000	0	8000	0.01	0.00
(g)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Provident Funds/ Pension Funds	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Any Other (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub Total (B)(1)	20988366	12000	21000366	24.14	20802663	12000	20814663	23.93	-0.21



[2]	Central Government/ State Government(s)/ President of India	0	0	0	0.00	0	0	0	0.00	0.00
	Sub Total (B)(2)	0	0	0	0.00	0	0	0	0.00	0.00
[3]	Non-Institutions									
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh.	16886519	283243	17169762	19.74	14729640	254243	14983883	17.26	-2.47
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	5394387	0	5394387	6.20	7785384	0	7785384	8.95	2.75
(b)	NBFCs registered with RBI	14400	0	14400	0.02	2600	0	2600	0.00	-0.01
(c)	Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Any Other (Specify)									
	Hindu Undivided Family	889909	0	889909	1.02	981733	0	981733	1.13	0.11
	Non Resident Indians (Non Repat)	1546478	0	1546478	1.78	1559376	0	1559376	1.79	0.01
	Other Directors	28550	0	28550	0.03	19861	0	19861	0.02	-0.01
	Non Resident Indians (Repat)	2190232	2000	2192232	2.52	1577825	2000	1579825	1.82	-0.70
	Clearing Member	252534	0	252534	0.29	181774	0	181774	0.21	-0.08
	Market Maker	12279	0	12279	0.01	2	0	2	0.00	-0.01
	Bodies Corporate	3801707	77000	3878707	4.46	4434496	3000	4437496	5.10	0.64
	Sub Total (B)(3)	31016995	362243	31379238	36.07	31305698	259243	31564941	36.29	0.21
	Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3)	52005361	374243	52379604	60.22	52108361	271243	52379604	60.22	0.00
	Total (A)+(B)	86611855	374243	86986098	100.00	86714855	271243	86986098	100.00	0.00
(C)	Non Promoter - Non Public									
[1]	Custodian/DR Holder	0	0	0	0.00	0	0	0	0.00	0.00
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0.00	0	0	0	0.00	0.00
	Total Non-Promoter- Non Public Shareholding (C)= (C)(1)+(C)(2)	0	0	0	0.00	0	0	0	0.00	0.00
	Total (A)+(B)+(C)	86611855	374243	86986098	100.00	86714855	271243	86986098	100.00	0.00

Ashapura Minechem Limited

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year [As on 1st April, 2019]			Shareholding at the end of the year [As on 31st March, 2020]			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Chetan Navnitlal Shah	13543814	15.57	0.00	13543814	15.57	15.57	0.00
2	Dina Chetan Shah	9202360	10.58	0.00	9202360	10.58	10.57	0.00
3	Estate of Late Navnitlal Ratanji Shah	129460	0.15	0.00	129460	0.15	0.00	0.00
4	Fizzah Navnitlal Shah	0	0.00	0.00	0	0.00	0.00	0.00
5	Manan Chetan Shah	2239220	2.57	0.00	2239220	2.57	0.00	0.00
6	Chaitali Chetan Shah	1255620	1.44	0.00	1255620	1.44	0.00	0.00
7	Himani Chetan Shah	142980	0.16	0.00	142980	0.16	0.00	0.00
8	Ashapura Industrial Finance Ltd.	8088000	9.30	0.00	8088000	9.30	0.00	0.00
9	Hemprabha Trading Co. Pvt. Ltd.	2520	0.00	0.00	2520	0.00	0.00	0.00
10	Gurbarga Trading Co. Pvt. Ltd.	2520	0.00	0.00	2520	0.00	0.00	0.00
	Total	34606494	39.78	0.00	34606494	39.78	26.14	0.00

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year [As on 1st April, 2019]		Transactions during the year		Cumulative Shareholding at the end of the year [As on 31st March, 2020]	
		No. of shares held	% of total shares of the company	Date of transaction	No. of shares	No of shares held	% of total shares of the company
1	Chetan Navnitlal Shah	13543814	15.57	-	0	13543814	15.57
2	Dina Chetan Shah	9202360	10.58	-	0	9202360	10.58
3	Estate of Late Navnitlal Ratanji Shah	129460	0.15	-	0	129460	0.15
4	Fizzah Navnitlal Shah	0	0.00	-	0	0	0.00
5	Manan Chetan Shah	2239220	2.57	-	0	2239220	2.57
6	Chaitali Chetan Shah	1255620	1.44	-	0	1255620	1.44
7	Himani Chetan Shah	142980	0.16	-	0	142980	0.16
8	Ashapura Industrial Finance Ltd.	8088000	9.30	-	0	8088000	9.30
9	Hemprabha Trading Co. Pvt. Ltd.	2520	0.00	-	0	2520	0.00
10	Gurbarga Trading Co. Pvt. Ltd.	2520	0.00	-	0	2520	0.00



(iv) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year [As on 1st April, 2019]		Transactions during the year		Cumulative Shareholding at the end of the year [As on 31st March, 2020]	
		No. of shares held	% of total shares of the company	Date of transaction	No. of shares	No of shares held	% of total shares of the company
1	ALBULA INVESTMENT FUND LTD	7857345	9.0329			7857345	9.0329
	AT THE END OF THE YEAR					7857345	9.0329
2	LTS INVESTMENT FUND LTD	4100000	4.7134			4100000	4.7134
	AT THE END OF THE YEAR					4100000	4.7134
3	ERISKA INVESTMENT FUND LTD	3757345	4.3195			3757345	4.3195
	AT THE END OF THE YEAR					3757345	4.3195
4	LGOF GLOBAL OPPORTUNITIES LIMITED	2998517	3.4471			2998517	3.4471
	AT THE END OF THE YEAR					2998517	3.4471
5	NAYANA MAHENDRA RAMANI	1435517	1.6503			1435517	1.6503
	Market Buy			26 Jul 2019	10000	1445517	1.6618
	Market Buy			23 Aug 2019	9999	1455516	1.6733
	AT THE END OF THE YEAR					1455516	1.6733
6	MAHENDRA JETHALAL RAMANI	952670	1.0952			952670	1.0952
	Market Buy			19 Jul 2019	10000	962670	1.1067
	Market Buy			02 Aug 2019	5000	967670	1.1124
	Market Buy			11 Oct 2019	1000	968670	1.1136
	Market Buy			18 Oct 2019	2000	970670	1.1159
	Market Buy			25 Oct 2019	2000	972670	1.1182
	AT THE END OF THE YEAR					972670	1.1182
7	EDELWEISS CUSTODIAL SERVICES LIMITED	734047	0.8439			734047	0.8439
	Market sell			05 Apr 2019	-406	733641	0.8434
	Market sell			12 Apr 2019	-1099	732542	0.8421
	Market sell			19 Apr 2019	-1766	730776	0.8401
	Market Buy			26 Apr 2019	150	730926	0.8403
	Market Buy			03 May 2019	2090	733016	0.8427
	Market sell			10 May 2019	-2817	730199	0.8394
	Market sell			17 May 2019	-500	729699	0.8389
	Market sell			31 May 2019	-1338	728361	0.8373
	Market sell			14 Jun 2019	-942	727419	0.8362
	Market sell			29 Jun 2019	-1150	726269	0.8349
	Market sell			05 Jul 2019	-300	725969	0.8346
	Market sell			26 Jul 2019	-3001	722968	0.8311
	Market sell			02 Aug 2019	-1000	721968	0.83

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	Market sell			09 Aug 2019	-1096	720872	0.8287
	Market Buy			16 Aug 2019	657	721529	0.8295
	Market sell			23 Aug 2019	-400	721129	0.829
	Market sell			30 Aug 2019	-25	721104	0.829
	Market sell			13 Sep 2019	-8009	713095	0.8198
	Market sell			20 Sep 2019	-427	712668	0.8193
	Market sell			30 Sep 2019	-93	712575	0.8192
	Market sell			04 Oct 2019	-25	712550	0.8192
	Market sell			11 Oct 2019	-241	712309	0.8189
	Market sell			18 Oct 2019	-1121	711188	0.8176
	Market sell			25 Oct 2019	-500	710688	0.817
	Market sell			01 Nov 2019	-4257	706431	0.8121
	Market Buy			22 Nov 2019	732	707163	0.813
	Market sell			03 Jan 2020	-2563	704600	0.81
	Market sell			10 Jan 2020	-900	703700	0.809
	Market sell			17 Jan 2020	-1000	702700	0.8078
	Market Buy			24 Jan 2020	100000	802700	0.9228
	Market sell			14 Feb 2020	-2500	800200	0.9199
	Market sell			21 Feb 2020	-500	799700	0.9193
	Market sell			28 Feb 2020	-10000	789700	0.9078
	Market sell			27 Mar 2020	-1750	787950	0.9058
	AT THE END OF THE YEAR					787950	0.9058
8	INDIA MAX INVESTMENT FUND LIMITED	1262405	1.4513			1262405	1.4513
	Market sell			20 Dec 2019	-300000	962405	1.1064
	Market sell			21 Feb 2020	-200000	762405	0.8765
	AT THE END OF THE YEAR					762405	0.8765
9	GANESH SRINIVASAN	722500	0.8306			722500	0.8306
	AT THE END OF THE YEAR					722500	0.8306
10	KODAI INVESTMENT AND TRADING CO PVT LTD	374279	0.4303			374279	0.4303
	Market Buy			24 May 2019	53820	428099	0.4921
	Market Buy			07 Jun 2019	8000	436099	0.5013
	Market Buy			26 Jul 2019	61000	497099	0.5715
	Market Buy			29 Nov 2019	2000	499099	0.5738
	Market Buy			28 Feb 2020	200000	699099	0.8037
	Market Buy			13 Mar 2020	4094	703193	0.8084
	Market Buy			20 Mar 2020	5706	708899	0.815
	AT THE END OF THE YEAR					708899	0.815
11	NEW LEAINA INVESTMENTS LIMITED	647554	0.7444			647554	0.7444
	AT THE END OF THE YEAR					647554	0.7444



(v) Shareholding of Directors & Key Managerial Personnel:

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year [As on 1st April, 2019]		Transactions during the year		Cumulative Shareholding at the end of the year [As on 31st March, 2020]	
		No. of shares held	% of total shares of the company	Date of transaction	No. of shares	No of shares held	% of total shares of the company
Directors							
1	Shri Rajnikant B. Pajwani (1)	19800	0.02%	-	-	19800	0.02%
2	Shri Ashok Kadakia	8250	0.01%	-	-	8250	0.01%
	Market Buy			04/10/2019	4111	12361	0.01%
	Market Buy			18/10/2019	2035	14396	0.02%
	Market Buy			25/10/2019	7965	22361	0.03%
	Market Sell			22/11/2019	-1901	20460	0.02%
	Market Sell			29/11/2019	-3099	17361	0.02%
	Market Buy			21/02/2020	2000	19361	0.02%
	AT THE END OF THE YEAR					19361	0.02%
3	Shri Harish Motiwalla	500	0.00%	-	-	500	0.00%
4	Shri Abhilash Munsif	-	0.00%	-	-	-	0.00%
5	Shri Pundarik Sanyal	-	0.00%	-	-	-	0.00%
6	Shri Hemul Shah (2)	7245	0.01%			7245	0.01%
	Market Buy			30/08/2019	15762	23007	0.03%
	Market Buy			11/10/2019	10000	33007	0.04%
	AT THE END OF THE YEAR					33007	0.04%
7	Smt. Himani Shah (3)	142,980	0.16%	-	-	142,980	0.16%
8	Smt. Navita Gaiha (4)	-	0.00%	-	-	-	0.00%
Key Managerial Personnel							
1	Shri Sachin Polke	1144	0.00%	-	-	1144	0.00%
2	Shri Akhilesh Kumar Sinha	-	0.00%	23/08/2019	1100	1100	0.00%
	Market Buy			22/11/2019	200	1300	0.00%
	Market Buy			29/11/2019	600	1900	0.00%
	Market Buy			13/12/2019	600	2500	0.00%
	Market Buy			28/02/2020	200	2700	0.00%
	Market Buy			20/03/2020	200	2900	0.00%
	AT THE END OF THE YEAR					2900	0.00%
3	Smt. Surekha Sathe	10500	0.01%	-	-	10500	0.01%
4	Shri Ashish Desai	-	0.00%	-	-	-	0.00%
5	Shri Ajay Phalod (5)	-	0.00%	-	-	-	0.00%

- 1) Shri Rajnikant Pajwani has resigned from his position of Whole-Time Director & Chief Executive Officer (CEO) of the Company w.e.f. 1st June, 2019.
- 2) Mr. Hemul Shah has been co-opted as an Additional Director and designated as an Executive Director (Whole Time Director) and Chief Executive Officer (CEO) of the Company w.e.f. 16th February, 2020.
- 3) Ms. Himani Shah has been co-opted as an Additional Director (Non-Executive, Non-Independent) w.e.f. 10th February, 2020.
- 4) Smt. Navita Gaiha, Independent Director, had resigned w.e.f. 10th June, 2020.
- 5) Shri Ajay Phalod has resigned from his position of Chief Executive Officer of the Company w.e.f. 15th February, 2020.

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V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs. In Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year				
i. Principal amount	4494.00			4494.00
ii. Interest due but not paid	2397.74	NIL	NIL	2397.74
iii. Interest accrued but not due	-			-
Total(i+ii+iii)	6891.74	NIL	NIL	6891.74
Changes in Indebtedness during the financial year				
• Addition	7800.00			7800.00
• Reduction	5347.74	NIL	NIL	5347.74
Net Change	2452.26	NIL	NIL	2452.26
Indebtedness at the end of the Financial Year				
i. Principal amount	9318.00			9318.00
ii. Interest due but not paid	26.00	NIL	NIL	26.00
iii. Interest accrued but not due	-			-
Total (i+ii+iii)	9344.00	NIL	NIL	9344.00

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Remuneration to Managing Director, Whole-time Director and/or Manager:

The details of Remuneration paid to Executive Director for the year ended 31st March, 2020 are as under:

Name	Salary*	
Shri Rajnikant Pajwani (Whole-Time Director & CEO)	Rs. 4,35,966/-	Resigned w.e.f 01.06.2019
Shri Chetan Shah (Executive Chairman)	Rs. 2,629,032/-	w.e.f 24.10.2019
Shri Hemul Shah (Executive Director & CEO)	Rs. 6,46,000/-	w.e.f 16.02.2020

* Considering the financial position of the Company combined with negative Effective Capital for the year ended 31st March, 2020, calculated as per the provisions of Schedule V of the Companies Act, 2013, the Whole-time Director and Executive Director continued to receive minimum remuneration during the Financial Year 2019-2020 as prescribed under Schedule V of the Companies Act, 2013 and for which due approval was obtained / to be obtained from the members of the Company.

B. Remuneration to other directors:

During the year under review, the Non-Executive Independent Directors were paid Sitting Fees @ Rs. 50,000/- each for attending every meeting of the Board of Directors and Audit Committee and Rs. 25,000/- each for attending every meeting of the Nomination and Remuneration Committee. The details of Sitting Fees paid to Non-Executive, Independent Directors were provided in the Corporate Governance Report which forms part of this Annual Report.

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD:

During the year under review, Remuneration paid to the Company Secretary and other Whole Time Key Managerial Personnel (as recognized by the Board of Directors) aggregates to approximately Rupees Two Crores Sixty Four Lakhs Thirty Eight Thousand only.

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Save as reported herein above, no penalty was levied, nor any punishment was pronounced or meted out, neither any offences were compounded against the Company and/or any of its Directors and/or any of its officers were in default during the year under review.

For and Behalf of the Board of Directors

Sd/-

CHETAN SHAH
EXECUTIVE CHAIRMAN
(DIN: 00018960)

Place: Mumbai

Date: 11th November, 2020



Business Responsibility Statement
[See Regulation 34(2) (f) of SEBI Listing Regulations]

About Ashapura

Ashapura means “fulfilling aspirations” of all our stakeholders such as customers, employees, shareholders, the environment and the society as a whole. With a legacy of more than 60 years, Ashapura is a leading multi-mineral solutions provider company with a global footprint, having a wide network of operations pan-India and in 7 other countries. From soaps to steel, energy to edible oils, metal to medicine and cement to ceramics, we offer multi-mineral solutions across several industries. We firmly believe in enriching nature’s mineral bounties in harmony with society.

In conformance to the requirements of the clause (f) of sub-regulation (2) of regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI Listing Regulations’), the Business Responsibility Report of Ashapura Minechem Limited for financial year 2019-20 is aligned with the nine principles of the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVG-SEE) notified by the Ministry of Corporate Affairs, Government of India.

Principles

- ✓ **Principle 1:** Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
- ✓ **Principle 2:** Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
- ✓ **Principle 3:** Businesses should promote the wellbeing of all employees
- ✓ **Principle 4:** Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
- ✓ **Principle 5:** Businesses should respect and promote human rights
- ✓ **Principle 6:** Business should respect, protect, and make efforts to restore the environment
- ✓ **Principle 7:** Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
- ✓ **Principle 8:** Businesses should support inclusive growth and equitable development
- ✓ **Principle 9:** Businesses should engage with and provide value to their customers and consumers in a responsible manner.

The link to policies is given wherever required in report and further all the policies referred under report are uploaded on website of www.ashapura.com in Investor section.

Section A : General Information about the Company

1.	Corporate Identity Number (CIN) of the Company	L14108MH1982PLC026396	
2.	Name of the Company	Ashapura Minechem Limited	
3.	Registered Address	Jeevan Udyog Building, 278, 3 rd Floor, D. N. Road, Fort, Mumbai – 400001, Maharashtra.	
4.	Website	www.ashapura.com	
5.	Email Id	cosec@ashapura.com	
6.	Financial Year reported	2019-2020	
7.	Sector(s) that the Company is engaged in	Sector	NIC Code
		Mining & quarrying	729, 810
8.	List three key products/services that the Company manufactures/provides (Assuming standalone)	1. Bauxite 2. Bentonite 3. Kaolin 4. Calcined China Clay (CCC) 5. Ground Calcium Carbonate (GCC) 6. Trading 7. Logistics	
9.	Total number of locations where business activity is undertaken by the Company	The total number of locations of Ashapura Group of Companies is as follows: (i) Number of international locations: 6 (ii) Number of national location at states level : 5	
10.	Markets served by the Company - Local/State/ National/ International	Ashapura serves both national and international markets	

Section B: Financial Details of the Company

1.	Paid up Capital (INR)	Rs. 17,39,72,196
2.	Total Turnover (INR)	Rs. 205,85,63,000
3.	Total Profit after taxes (INR)	Rs. 393,30,74,000
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	During the year under review, considering the continued reflection of negative Net Worth; taking into account the performance of the Company, your Company has not specifically made provision for CSR activities for the Financial Year 2019-2020 as required under Section 135 of the Companies Act, 2013.
5.	List of activities in which expenditure in 4 above has been incurred:	

Section C: Other Details

1. Does the Company have any Subsidiary Company/ Companies?

Following are the subsidiary companies:

- I. Ashapura International Ltd.*
- II. Bombay Minerals Ltd.*
- III. Ashapura Claytech Ltd.
- IV. Prashansha Ceramics Ltd.
- V. Peninsula Property Developers Pvt. Ltd.
- VI. Sharda Consultancy Pvt. Ltd.
- VII. Ashapura Consultancy Services Pvt. Ltd.
- VIII. Ashapura Aluminium Ltd.
- IX. Ashapura Resources Private Ltd.
- X. Ashapura Minechem (UAE) FZE

*The entire shareholding that was taken over by ASQ Connect Ltd., on invocation of pledged Equity Shares has been reinstated in favour of the Company, post arbitration award dated 28th February, 2020.

2. Do the Company/Companies participate in the BR initiatives of the parent Company? If yes, then indicate the number of such subsidiary Company(s) –

The Company encourages its subsidiaries to adopt Business Responsibility (BR) initiatives. All the Company's subsidiaries are expected to conduct their business in an ethical, transparent and accountable manner.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%] - No

Section D: BR Information

1. Details of Director/Directors responsible for implementation of BR policy:

- | | | | |
|----|------------------|---|---------------------------|
| a. | DIN Number | - | 00018960 |
| b. | Name | - | Mr. Chetan Navnitlal Shah |
| c. | Designation | - | Executive Chairman |
| d. | Telephone Number | - | 022-66221700 |
| e. | Email id | - | cosec@ashapura.com |



2. Principle-wise (as per NVGs) BR Policy/Policies

a. Details of compliances (Reply in Y/N)

Questions	Principle 1	Principle 2	Principle 3	Principle 4	Principle 5	Principle 6	Principle 7	Principle 8	Principle 9
Do you have a policy/ policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
Does the policy conform to any national / international standards? If yes, specify?	The policies conformance to the spirit of the regulatory requirements such as Companies Act, 2013, SEBI Listing Regulations and Industrial Laws .								
Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board of Directors	Mandatory polices namely Corporate Social Responsibility Policy, Whistle Blower Policy, Code of Conduct have been approved and adopted by the board and other polices are Internal Policies approved and adopted by the Management.								
Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
Indicate the link for the policy to be viewed online?	www.ashapura.com								
Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been communicated to all relevant stakeholders.								
Does the company have In – house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	The whistle blower mechanism provides stakeholders to report any concerns or grievances pertaining to any potential or actual violation of Code of Conduct, which covers all principles of Business Responsibility Report.								
Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

b. If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Questions	Principle 1	Principle 2	Principle 3	Principle 4	Principle 5	Principle 6	Principle 7	Principle 8	Principle 9
The company has not understood the Principles	-	-	-	-	-	-	-	-	-
The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
The company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
Any other reason	-	-	-	-	-	-	-	-	-

3. Governance related to BR

a. Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3 - 6 months, Annually, More than 1 year;

The financial year 2019-20 is the first year for which the provisions of Business Responsibility Reporting of the Listing Regulations are applicable to the Company. The Board of Directors has decided to discuss the BR performance annually and the action points that will emerge from the discussions at these meetings are to be reviewed to ensure their closure.

b. Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The BR Report is available as a part of the Annual Report. Business Responsibility Report for 2019-20 is available at www.ashapura.com.

Section E: Principle Wise Performance

PRINCIPLE 1

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

The Company has Code of Conduct and Whistle Blower Policy relating to ethics, bribery and corruption. Code of Conduct which is applicable to all the employees of the Company. It does not extend to the suppliers/contractors/NGOs etc. Whistle Blower Policy is applicable to the Directors of the Company or a person who is in direct or indirect employment with the company who makes a protected disclosure under this policy. This Policy provides a platform to these stakeholders for making any communication made in good faith that discloses or demonstrates evidence of any fraud or unethical activity within the company and had provisions to ensure protection of the whistleblower against victimization for the disclosures made by him/her.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

Our Stakeholders include Investors, Customers, Employees, Clients, Statutory authorities, and Vendors. During the reporting period no complaint was received except investor related queries which were resolved by the company from time to time.

PRINCIPLE 2

1. List upto 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities:

The Company is principally involved in mining and mineral processing, ergo the character and design of our products is primarily natural. The Company has long since been mindful of the social and environmental dimensions of all the **three aspects of its operations i.e. mining, mineral processing and logistics** and has accordingly aligned its processes.



Social impact: The Company continues to involve and engage local communities throughout the chain of its operations and activities. Preference is given to local contractors, labourers, trainees and employees to participate in the Company's mining, processing and logistical operations. In addition to direct socio-economic development of the adjacent communities, these practices foster vocational training, skill development and entrepreneurship in the human assets in the community.

Furthermore, the company at group level and has promulgated several institutions that promote healthcare, education and culture via its extensive CSR activities to bring about an ameliorative social impact.

Environmental impact: The Company adheres to all the requisite regulations and guidelines to minimise its environmental footprint and carry out sustainable operations.

Products: The Company at group level has also pioneered several value- added products that have a positive socio-environmental impact.

Geosynthetic Clay Liners: Geosynthetic Clay liners (GCLs) are carpet like barriers consisting of a layer of Bentonite supported by geotextiles held together by needling and stitching. GCLs used for lining landfills, industrial ponds, canals etc. to prevent seepage into the surrounding soil.

Ceramic & Silica Proppants: A proppant is a solid material, used during hydraulic fracturing (i.e. fracking) – a globally acclaimed process for extracting natural gas from deposits. Natural gas is a relatively cleaner fuel and preferred world over as compared to petrol, diesel or coal.

- Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

The primary activities of the Company involve mining, mineral processing, logistics. A better part of the Company's inputs are minerals that are mined in open cast mines. The Company adheres to all the requisite regulations and guidelines both in letter and in spirit to carry out responsible and sustainable mining. The Company also engages in responsible sourcing practises from local accredited mine owners.

- Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Yes, the Company sources packing materials and has awarded contracts like security, housekeeping and other repairs and maintenance through local sources. As we deal in Mining, our purchases are mostly from organized sector. However, we do buy some engineering items from small producers. We also hire contractors from the areas neighboring our plant and improve their capability by imparting training in various fields like safety, hazard handling, compliances etc.

- Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5 - 10%, >10%). Also, provide details thereof, in about 50 words or so.

Nearly all of the Company's products are natural ores or additives that form a part of the end-product obviating the need to recycle. Even though certain specific applications of our customers could generate a mineral residue, transporting the same for any recycling processing is both environmentally and economically unsustainable.

PRINCIPLE 3

- Please indicate the total number of employees:- 468
- Please indicate the total number of employees fired on temporary/contractual/casual Basis:- NIL
- Please indicate the number of permanent women employees:- 35
- Please indicate the Number of permanent employees with disabilities:- NIL
- Do you have an employee association that is recognized by management? No
- What percentage of your permanent employees is members of this recognized employee association? NIL
- Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

Sr. No.	Category	No of complaints filed during the Financial Year	No of complaints pending as on end of the Financial Year
1.	Child labour/forced labour/involuntary labour	0	0
2.	Sexual harassment	0	0
3.	Discriminatory employment	0	0

8. What percentage of your under mentioned employees were given safety & skill up gradation training in the last year?
- a) Permanent Employees:- 38.24%
 - a) Permanent Women Employees:- 22.86%
 - b) Casual/Temporary/Contractual Employees:- 85.71
 - b) Employees with Disabilities:- NIL

PRINCIPLE 4

1. Has the company mapped its internal and external stakeholders?

Yes. The Company has mapped its internal and external stakeholders. It uses both formal and informal mechanisms to engage with various stakeholders to understand their concerns and expectations. Individual departments within the organization have roles and responsibilities identified and defined to engage with various stakeholders:

- (1) Employees and their families
- (2) Local community and society
- (3) Environment and regulatory authorities
- (4) Customers and their families
- (5) Shareholders and investors
- (6) Dealers, suppliers and other business partners

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.

Yes, the Company has identified disadvantaged, vulnerable & marginalized stakeholders from the local community and the work force and has also engaged them for their socio-economic development through various CSR at Group level and Affirmative Action interventions. Local communities have been engaged under the CSR framework to work on good quality teaching-learning opportunities.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

Yes, the Company at group level, in partnership with the local communities, has taken many initiatives under Affirmative Action and CSR focused upon Education, Skill and Livelihood development of the local community. In addition, recruitment of the equally qualified people from the local community is also encouraged.

PRINCIPLE 5

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

Company does not have a separate Human Rights Policy. Aspects of human rights such as child labour, forced labour, occupational safety, Prevention of Sexual Harassment, Non-discrimination, Health and Safety of the employees, associates, customers and societies are covered by its various Human Resource Policies, Code of Conduct, Prevention of Sexual Harassment policy and Whistleblower Policy.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

No complaint was received pertaining to human rights violation during the past financial year.

PRINCIPLE 6

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.

Protection of the environment ranks high among Company's corporate goals and as a responsible corporate citizen, the Company is committed to putting a specific policy in place to ensure to take definite steps to protect the environment. The Company has implemented the Consolidated Environment, Health and Safety Policy for all its plants which covers all its Business verticals and it applies to the contractors working for the company.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

Yes, at plant level Company take all mitigation measures prevent pollution contributing to global environmental issues. No web page is designed for such activities.

3. Does the company identify and assess potential environmental risks? Y/N

Yes, the Company regularly identifies and assesses environmental risk during all stages of its existing and planned projects. In case of significant risks appropriate controls are established to minimize the impact on environment



4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

Not Applicable

5. Has the company undertaken any other initiatives on clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

Yes, the company use the features such as dust collector, sensors, ventilators, products from lean grade raw material and other possible automation at plant level. No web page is designed for such activities.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes, the company complies with all the Central Pollution Control Board /State Pollution Control Board norms of emission and waste generation.

7. Number of show cause/ legal notices received from PCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year:

There are no show cause / legal notices received from CPCB/SPCB which are pending as of end of financial year.

PRINCIPLE 7

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with: -

(a) Chemicals & Allied Products Export Promotion Council (CAPEXIL)

(b) Federation of Indian Export Organisations (FIEO)

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others) - No

PRINCIPLE 8

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

Yes, for the inclusive growth and equitable development of the local community, based upon the need assessment, the Company at group level under CSR, has taken many initiatives, Community focused upon Education, Vocational Skill, Natural Resource Management and Rural Development. Details of the specified programmes/initiatives/ projects in pursuit of the CSR Policy are available in the said Policy which is available on the website of the Company at www.ashapura.com.

2. Are the programmes/projects undertaken through in - house team/own foundation/external NGO/government structures/any other organization?

Programmes pertaining to Principle 8 are developed and executed by Ashapura Foundation and Kutch Navnirman Trust, a nonprofit entities formed by the Company.

3. Have you done any impact assessment of your initiative?

Yes, CSR Committee/Board of Directors of the Company assesses on the efficacy of the programme in terms of delivery of the desired benefits to the beneficiaries of the projects.

4. What is your company's direct contribution to community development projects - Amount in INR and the details of the projects undertaken.

The Company due to negative net worth and accumulated losses couldn't make the specific provision for the CSR activities. However, Company at the group level through its subsidiaries/associates made its contribution towards the CSR activities.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

Yes. As based upon the need assessment, the Company undertakes all its CSR activity.

PRINCIPLE 9

1. What percentage of customer complaints/consumer cases are pending as on the end of Financial Year:

Since the Company's products are sold through B2B channels, the process of addressing and attending to customer grievances is real-time. Although rare, customer grievances if any are received by the respective marketing channels and are duly communicated to the logistics, QC or production department depending on the nature of the complaint. There is a well-established grievance redressal mechanism which involves calling back product sample, testing batch samples at mines/factory or sending technical personnel at the customer's site for resolution.

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2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)

Yes

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, an about 50 words or so:

There were no such pending cases against the Company in a court of law.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

The Company carries out surveys for specific products from time to time.

E. & O.E. are Regretted

----- x ----- x ----- x ----- x ----- x ----- x ----- x -----



REPORT ON CORPORATE GOVERNANCE

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

Corporate Governance continues to be a strong focus area for the Company. At Ashapura, we believe that good Corporate Governance strengthens the investor's trust and ensures long term relationship with its other stakeholders which helps the Company to achieve its objectives.

Your Company believes that adherence to Corporate Governance stems not only from the letter of law but also from its inherent belief in doing business the right way. 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 31st March, 2020 in compliance with Regulation 34(3) read with Schedule V of the Listing Regulations.

2. BOARD OF DIRECTORS:

The Company, on 12th December, 2018 moved to the National Company Law Tribunal (NCLT), Mumbai Bench, under appropriate and relevant provisions of the Insolvency and Bankruptcy Code, 2016 (IBC). The said petition was admitted by the NCLT and by its order dated 15th March, 2019, Corporate Insolvency Resolution Process ("CIRP") was initiated for the Company with effect from 15th March, 2019. By the same Order, Mr. Arun Chadha (Registration no. as IBBI/IPA-001/IP-P00165/2017-18/10334) was appointed as an Interim Resolution Professional ('IRP') of the Company and pursuant to the provisions of Section 17 of IBC, the power of the Board of Directors of the Company stood suspended and such powers were to be exercised by the said IRP.

Further, the Hon'ble National Company Law Appellate Tribunal (NCLAT) had vide its order dated 8th April, 2019, stayed the above referred NCLT Order to the exception that the Interim Resolution Professional (IRP) may function and report to the office.

In furtherance, upon filing an application for withdrawal of insolvency proceedings from NCLT, Mumbai Bench, the Hon'ble National Company Law Appellate Tribunal (NCLAT) has, vide its order dated 30th September, 2019, set aside the said order of the NCLT, Mumbai Bench dated 15th March, 2019. The said order of NCLAT has also ordered the closure of the insolvency proceedings at NCLT, Mumbai. Consequently, the appointment of Mr. Arun Chadha as an IRP stood cancelled and the Company has been released from all the rigours of law and is allowed to function independently under the able guidance and authority of the 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 March 31, 2020 consisted of Eight (8) Directors which apart from Executive Chairman being a Promoter-Director, comprised of One (1) Executive Director, Five (5) Non-Executive Independent Directors (including One Woman Director) and One (1) Non-Executive Non-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 31st March, 2020 is given below:

Name	DIN	Category of Directors	Attendance at		No. of Directorships in other companies ¹	No. of Committee Positions held in Indian Public Limited Companies ²	
			Board Meetings	Last AGM Held on 27 th December, 2019		Member	Chairman
Shri Chetan Shah ³	00018960	Promoter, Chairman (Executive)	4	Yes	3	1	-
Shri Hemul Shah ⁴	00058558	Executive Director & Chief Executive Officer (CEO)	-	-	10	1	1
Shri Ashok Kadakia	00317237	Non-Executive, Independent	5	Yes	4	3	4
Shri Harish Motiwalla	00029835	Non-Executive, Independent	5	Yes	8	4	5
Shri Abhilash Munsif	02773542	Non-Executive, Independent	5	Yes	1	2	-
Smt Navita Gaiha ⁶	07248115	Non-Executive, Independent	2	Yes	-	-	-

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Shri Pundarik Sanyal	01773295	Non-Executive, Independent	5	Yes	4	5	1
Smt Himani Shah ⁵	02467277	Non-Executive, Non-Independent	-	-	-	-	-

- 1 Excludes directorships in Private Limited Companies, Foreign Companies, Companies incorporated under Section 8 of the Companies Act, 2013 and Alternate Directorships.
 - 2 Represents only Membership of Indian Public Companies and Chairmanship of Indian Public Listed Companies of the Audit Committee and the Stakeholders' Relationship Committee including Ashapura Minechem Limited.
 - 3 Shri Chetan Shah has been re-designated as an Executive Chairman, as against his designation as a Chairman (Non-Executive), for a period of 3 years w.e.f. 24th October, 2019.
 - 4 Shri Hemul Shah has been appointed as a Executive Director and CEO of the Company w.e.f 16th February, 2020.
 - 5 Smt. Himani Shah has been appointed as an additional director w.e.f 10th February, 2020.
 - 6 Smt. Navita Gaiha has resigned w.e.f. 10th June, 2020.
- * Shri Rajnikant Pajwani ceased from the Directorship of the Company w.e.f. 1st June, 2019.
Smt. Neeta Shah has been co-opted as an Additional Director (Independent Woman Director) w.e.f. 11th November, 2020

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 Abrasives Limited	Non-Executive, Non-Independent Director
Shri Ashok Kadakia	Emmessar Biotech And Nutrition Ltd	Independent Director
	Hotel Rugby Limited	Independent Director
Shri Harish Motiwalla	Multibase India Limited	Independent Director
	Balkrishna Paper Mills Limited	Independent Director
	Excel Industries Limited	Independent Director
	Orient Abrasives Limited	Independent Director
	Hitech Corporation Limited	Independent Director
Shri Abhilash Munsif	Nil	Not Applicable
Smt Himani Shah	Nil	Not Applicable
Shri Pundarik Sanyal	Orient Abrasives Limited	Independent Director
	Asit C Mehta Financial Services Limited	Independent Director
Smt Navita Gaiha	Nil	Not Applicable

B. Inter-se relationships among Directors:

None of the Directors of the Company have any inter-se relationships except Smt. Himani Shah who is the 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 31st March, 2020 is given below:

Name	Designation	Number of Shares Held
Shri Harish Motiwalla	Non-Executive, Independent	500
Shri Ashok Kadakia	Non-Executive, Independent	8,250
Smt Himani Shah	Non-Executive, Non-Independent	1,42,980

D. Board Meetings:

The Board met five (5) times during the Financial Year 2019-2020 on 24th October, 2019, 13th November, 2019, 21st November, 2019, 10th January, 2020 and 10th February, 2020 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 31st March, 2020 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.

However, the absence of a member's name against core skill does not necessarily mean the member does not possess the corresponding qualification or skill.

Expertise in	Description	Name of the Directors
Mining Industry expertise and experience	Knowledge and experience of Mining industry structure, manufacturing, operations and Research & Development activities	Shri Chetan Shah, Shri Hemul Shah
Business Management & Leadership	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, Shri Ashok Kadakia, Smt. Himani Shah
Sales & Marketing	Expert Knowledge & experience in Selling and Marketing.	Shri Chetan Shah, Shri Hemul Shah, Smt. Himani Shah
Financial Management	Expert knowledge and understanding in Accounts, Finance, Banking, Auditing and Financial Control.	Shri Chetan Shah, Shri Hemul Shah, Shri Harish Motiwalla, Shri Ashok Kadakia, Shri Abhilash Munsif, Shri Pundarik Sanyal
Legal Compliances	Knowledge in the field of law and legal compliance Management.	Shri Hemul Shah, Shri Harish Motiwalla, Shri Ashok Kadakia
Corporate Governance	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 Ashok Kadakia, Shri Abhilash Munsif, Smt. Navita Gaiha, Shri Pundarik Sanyal
Global Business Development	Expertise in global business development, operation and strategy.	Shri Chetan Shah, Shri Hemul Shah, Shri Abhilash Munsif, Shri Pundarik Sanyal
Corporate Social Responsibility	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 Ashok Kadakia, Shri Abhilash Munsif, Smt. Navita Gaiha, Shri Pundarik Sanyal

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.
- b. During the year, the Independent Directors separately met on 10th February 2020 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.

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 31st March, 2020 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. 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 31st March, 2020, 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 2019-2020.

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 disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Reviewing with the management, the quarterly/half yearly/annual financial statements before submission to the Board and wherever required necessary recommendations are made to comply with applicable legislations.
- Approving or subsequently modifying transactions of the Company with related parties and to grant omnibus approval after confirming that they satisfy the requirement of law.
- Reviewing the adequacy of internal audit function, reporting structure, coverage and frequency of internal audit.
- Discussion with Auditors before the audit commences on nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- Overseeing/Reviewing the Vigil (Whistle Blower) Mechanism.
- Recommending appointment, removal and terms of remuneration of Auditors.
- Reviewing statement of deviations, if any.
- To review all other information as requested by the Board of Directors and/or are required under the Regulations.

b. Composition:

As on 31st March, 2020, the Audit Committee comprised of Four (4) 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)	Non-Executive, Independent	2
Shri Ashok Kadakia	Non-Executive, Independent	2
Shri Abhilash Munsif	Non-Executive, Independent	2
Shri Pundarik Sanyal	Non-Executive, Independent	2

Shri Harish Motiwalla, the Chairman of the Audit Committee was present at the 38th Annual General Meeting of the Company held on 27th December, 2019.

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 & Vice President acts as the Secretary to the Audit Committee.

c. Meetings:

During the year under review, the Audit Committee met two (2) times (to be read with Point No. 2) on 13th November, 2019 and 10th February, 2020. The maximum gap between any two consecutive meetings was not more than one hundred and twenty days. The necessary quorum was present for all the meetings.



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:

- To form criteria/policy for appointment/remuneration/removal of Directors including Whole-time Director/ Managing Director, if any and Senior Management Executives.
- To identify and recommend deserving candidates for Directorships & Senior Management positions.
- To form policy for performance evaluation and to evaluate performance of Directors/ CEO/Committee of Directors and to alter and modify the same to be in line with the Companies Act, 2013 and the Listing Regulations.
- To devise guidelines for Diversity of Board of Directors of the Company.
- To recommend extension/termination of the term of appointment of the Independent Directors, on the basis of the report of performance evaluation of the Independent Directors.

b. **Composition:**

As on 31st March, 2020, 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:

Name	Category	Number of meetings Attended
Shri Harish Motiwalla (Chairman)	Non-Executive, Independent	2
Shri Abhilash Munsif	Non-Executive, Independent	2
Shri Pundarik Sanyal	Non-Executive, Independent	2

c. **Meetings:**

During the year under review, Two (2) meetings of the Nomination and Remuneration Committee were held on 24th October, 2019 & 10th February, 2020.

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 2019-20 by Independent Directors at their separate Meeting held on 10th February 2020, 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 31st March, 2020 are as under:

(Amount in Rs.)

Name	Board Meetings	Audit Committee Meetings	Nomination & Remuneration Committee Meetings
Shri Chetan Shah*	-	-	-
Shri Harish Motiwalla	2,50,000/-	1,00,000/-	50,000/-
Shri Ashok Kadakia	2,50,000/-	1,00,000/-	-
Shri Abhilash Munsif	2,50,000/-	1,00,000/-	50,000/-
Smt. Navita Gaiha	1,00,000/-	-	-
Shri Pundarik Sanyal	2,50,000/-	1,00,000/-	50,000/-
Smt. Himani Shah**	-	-	-

*Shri Chetan Shah was Non – Executive Director upto 24th of October, 2019

**Appointed w.e.f. 10th February, 2020

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 31st March, 2020 are as under:

Name	Salaries & Perquisites including allowance	Tenure as per agreement upto	Notice period
Shri Rajnikant Pajwani [#]	Rs. 4,35,966/-	30 th September, 2019	3 months
Shri Chetan Shah [@]	Rs. 2,629,032/-	23 rd October, 2022	3 months
Shri Hemul Shah [*]	Rs. 6,46,000/-	15 th February 2023	3 months

[#] upto 1st June, 2019

[@] w.e.f 24th October, 2019

^{*} w.e.f. 16th February, 2020

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:

- Issue of Duplicate Share Certificates.
- Matters connected with transfer/credit of securities/transmission.
- Redressal of Shareholders'/Investors' complaints related to non-receipt of declared dividend, transfer of shares, non-receipt of annual reports, non-receipt of duplicate share certificates etc.
- To review the periodicity and effectiveness of the share transfer process, statutory certifications, depository related issues and activities of the Registrar and Share Transfer Agent.
- Any other function as may be stipulated by the Companies Act, 2013, SEBI, Stock Exchange or any other regulatory authorities from time to time.

b. Composition:

As on 31st March, 2020, 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 Ashok Kadakia (Chairman)*	Non-Executive, Independent	2
Shri Chetan Shah	Executive Chairman	2
Shri Pundarik Sanyal	Non-Executive, Independent	2

* On 13th November 2019, the Stakeholder Relationship Committee was re-constituted and Shri Ashok Kadakia was co-opted as its member in board meeting dated 13th November 2019.

Mr. Suryakant Shah, member of the committee stepped down as a Member of the SRC on 13th November, 2019.



c. Meetings:

During the year under review, the members of the Stakeholders' Relationship Committee met 2 (two) times on 29th November, 2019 and 10th January, 2020.

d. Name, Designation and Address of Compliance Officer:

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

e. Details of investor complaints received and redressed during the financial year 2019-2020 are as follows:

Opening balance	Received during the year	Resolved during the year	Closing balance
NIL	1	1	NIL

D. COMMITTEE OF DIRECTORS:

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 31st March, 2020, 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)	Executive Chairman	4
Shri Harish Motiwalla	Non-Executive, Independent	4
Shri Ajay Phalod*	Chief Executive Officer	2
Smt Himani Shah [®]	Non-Executive, Non-Independent	2
Shri Hemul Shah [®]	Executive Director & CEO	2

*Shri Ajay Phalod resigned as the CEO of the Company w.e.f 15th February, 2020.

[®] Shri Hemul Shah and Smt Himani Shah were co-opted in the committee with effect from date of their appointment as a Director i.e. 16th February, 2020 and 10th February, 2020, respectively.

c. Meetings:

During the year under review, Four (4) meetings of the Committee of Directors were held on 07th October, 2019, 06th January, 2020, 28th February, 2020 and 13th March, 2020.

E. 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.

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b. Composition:

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

Name	Category	No. of Meetings Attended
Shri Harish Motiwalla (Chairman)	Non-Executive, Independent	2
Shri Chetan Shah	Executive Chairman	2
Shri Pundarik Sanyal*	Non-Executive, Independent	2

* During the period under review, Shri Pundarik Sanyal were inducted in Committee to fill the casual vacancy caused by resignation of Shri Rajnikant Pajwani, w.e.f. 1st, June, 2019

c. Meetings:

During the year under review, two (2) meetings of the CSR Committee were held on 21st November, 2019 and 03rd February, 2020.

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
2018-19	27 th December, 2019	3.00 p.m.	Rangaswar Hall, 4 th Floor, Y.B. Chavan Centre, General Jagannath Bhosale Road, Nariman Point, Mumbai-400021	Yes
2017-18	28 th September, 2018	3.00 p.m.	Rangaswar Hall, 4 th Floor, Y.B. Chavan Centre, General Jagannath Bhosale Road, Nariman Point, Mumbai-400021	Yes
2016-17	21 st September, 2017	3.00 p.m.	Babasaheb Dahanukar Sabhagraha, Maharashtra Chamber of Commerce, Oricon House, 6 th Floor, Kala Ghoda, Fort, Mumbai- 400001	Yes

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

Date of AGM	Special Resolution Details
27 th December 2019	<ul style="list-style-type: none"> Re-appointment of Shri Harish Motiwalla (DIN: 00029835) as Non-Executive, Independent Director of the Company Re-appointment of Shri Abhilash Munsif (DIN - 02773542) as Non-Executive, Independent Director of the Company
28 th September, 2018	<ul style="list-style-type: none"> Re-appointment of Shri Ashok Kadakia as a Non-Executive, Independent Director of the Company
21 st September, 2017	<ul style="list-style-type: none"> Loans & Investments by the Company

Details of Special Resolution passed last year through postal ballot :

During the financial year ended March 31, 2020, 1 (one) Special Resolution was passed for issuing convertible Warrants to M/s. Ashapura Industrial Finance Limited, a Promoter Group Member.

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	99.98	0.02

Procedure followed for Postal Ballot:

The Board at its meeting held on 10th January 2020, had approved the Notice of Postal Ballot / E-Voting for passing of special resolution for obtaining approval of shareholders to offer, issue and allot convertible warrants on preferential basis.

Person Conducting the Postal Ballot Exercise:

Mr. Chetan Shah, Executive Chairman, Mr. 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), Practising 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 electronically. The Company engaged the services of Central Depository Services (India) Limited (CDSL) for the purpose of providing e-voting facility. The members had the option to vote either by physical ballot or e-voting.
2. The Company dispatched the postal ballot notice dated 16th January, 2020 containing draft resolutions together with the explanatory statements, the postal ballot forms and self-addressed envelopes to the members whose names appeared in the register of members / list of beneficiaries as on cut-off date i.e. Friday, 10th January, 2020. The Company also published a notice in the newspaper declaring the details of completion of dispatch on 17th January, 2020 as mandated under the Act and applicable rules.
3. Members desiring to exercise their votes by physical postal ballot forms were requested to return the forms duly completed and signed, to the Scrutinizer not later than Saturday, 15th February, 2020 at 5:00 p.m.
4. The Scrutinizer submitted his report on 15th February, 2020, after the completion of scrutiny.
5. The results of the postal ballot were announced by the Company Secretary, being duly authorised by the Chairman of the Company 20th February 2020. The last date specified for receipt of duly completed Postal Ballot Forms and closure of e-voting i.e. 15th February 2020, 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 and on the website of CDSL and was also communicated to the Stock Exchanges.

Apart from the above announcement of results, there is no immediate proposal for passing any other special resolution through Postal Ballot on or 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'
Any Website, where displayed	https://www.ashapura.com
Whether it also displays official news release	-

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. GENERAL SHAREHOLDER INFORMATION:

Annual General Meeting:	30 th December, 2020 at 3.00 p.m. through Video Conferencing / Other Audio Visual Means (VC)
Financial Year:	April 01, 2019 to March 31, 2020
Date of Book Closure:	24 th December, 2020 (Thursday) to 30 th December, 2020 (Wednesday)
Listing Details:	Equity Shares are listed on the following Stock Exchanges: <ol style="list-style-type: none"> 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 – 400051. <p>The Annual Listing Fees for the year 2019-2020 has been paid to the said Stock Exchanges.</p>
Stock Code:	Bombay Stock Exchange Ltd. - 527001 National Stock Exchange of India Ltd. - ASHAPURMIN
ISIN Number:	INE348A01023
Corporate Identification Number (CIN):	L14108MH1982PLC026396
Registrar and Share Transfer Agent:	M/s. Link Intime India Pvt. Ltd. C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083

Share Transfer System:	<p>The Company's shares are traded on the Stock Exchanges in Demat as well as in Physical Mode.</p> <p>In Demat Mode, the transfers are effected through National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).</p> <p>Share transfers in physical form are processed and approved weekly and the share certificates are returned to the shareholders within a period of 15 days from the date of receipt of the transfer documents, subject to the documents being valid and complete in all respects.</p> <p>Your Company obtains a half-yearly Compliance Certificate from a Company Secretary in Practice as required under Regulation 40(9) of the SEBI Listing Regulations and file a copy of the said Certificate with the Stock Exchanges.</p> <p>Pursuant to Regulation 7(3) of the SEBI Listing Regulations, Compliance Certificate, duly signed by the Compliance Officer and the authorized representative of the Company's RTA viz. Link Intime India Private Limited confirming that all activities in relation to share transfer facility are being maintained by the RTA for the half year ended 30th September, 2019 and 31st March 2020 have been duly submitted to the Stock Exchanges.</p>																		
Distribution of Shareholding & Category-wise distribution:	Refer Table A & B																		
Dematerialization of shares and liquidity:	<p>As on 31st March, 2020, 99.61% 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" data-bbox="591 787 1409 955"> <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>271243</td> <td>0.31%</td> </tr> <tr> <td>Electronic:</td> <td></td> <td></td> </tr> <tr> <td>(A) NSDL</td> <td>51116576</td> <td>58.77%</td> </tr> <tr> <td>(B) CDSL</td> <td>35598279</td> <td>40.92%</td> </tr> <tr> <td>TOTAL</td> <td>86986098</td> <td>100.00%</td> </tr> </tbody> </table>	Mode	No. of equity shares	% to the Total Share Capital	Physical	271243	0.31%	Electronic:			(A) NSDL	51116576	58.77%	(B) CDSL	35598279	40.92%	TOTAL	86986098	100.00%
Mode	No. of equity shares	% to the Total Share Capital																	
Physical	271243	0.31%																	
Electronic:																			
(A) NSDL	51116576	58.77%																	
(B) CDSL	35598279	40.92%																	
TOTAL	86986098	100.00%																	
Outstanding GDR / ADR / Warrants or any Convertible Instruments and their likely impact on Equity:	<p>As on 31st March, 2020, 45,00,000 number of convertible warrants are outstanding representing 45,00,000 Equity Shares of face value of Rs. 2 each. The said warrants are issued to M/s. Ashapura Industrial Finance Ltd., Promoter Group Company, which has an option to exercise the warrants to subscribe to Equity Shares of the Company within 18 months from date of its allotment. Consequent to exercise of the option, the total shareholding of M/s. Ashapura Industrial Finance Ltd. would be increased to 12,588,000 Equity Shares constituting 13.76% of the paid-up share capital of the Company. There will not be change in control of the Company pursuant to the preferential allotment.</p>																		
Plant Locations:	<ol style="list-style-type: none"> 1. Village Baraya, Bhuj-Mundra Highway, Tal. Mundra, Kutch, Gujarat. 2. Chitra, GIDC Bhavnagar, Gujarat. 3. Village Paddhar, Taluka - Bhuj, Dist. Kutch, Gujarat. 4. Mamuara, Taluka - Bhuj, Dist. Kutch, Gujarat. 5. KINFRA Apparel Park, Menamkulam, Thiruvananthapuram, Kerala. 6. Industrial Area, Baikampady, Mangalore. 																		
Address for Correspondence:	<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: rnt.helpdesk@linkintime.co.in</p>																		

7. OTHER DISCLOSURES:

- a. 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 38 to 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.



- b. During the year under review, no penalty was imposed on the Company by any authority but for the Financial Year 2015-16, the Company had paid the penalty to Stock Exchanges for Non-Compliance of erstwhile Clause 49 (II)(A)(1) of the Listing Agreement i.e. non-appointment of woman director on the Board of the Company on or before 31st March, 2015.

The Company has complied with all the requirements of the provisions of the Listing Regulations, as well as regulations and guidelines of SEBI, as issued from time to time and applicable to the Company.

- c. 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. 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.
- e. 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>.
- f. 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.

- g. Fees Paid to Statutory Auditors:

The details of fees paid by the Company to the statutory auditor is mentioned in Note No. 27 of the Standalone Financial Statements.

- h. Disclosures in Relation to Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013:

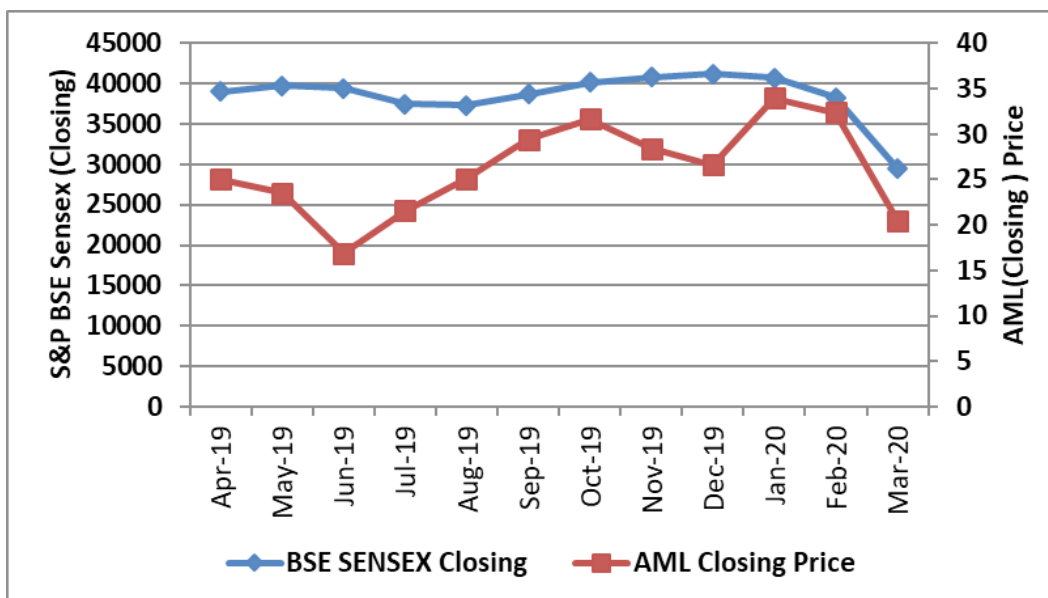
The details have been disclosed in the Directors Report forming part of this Annual Report

Market Price Data:

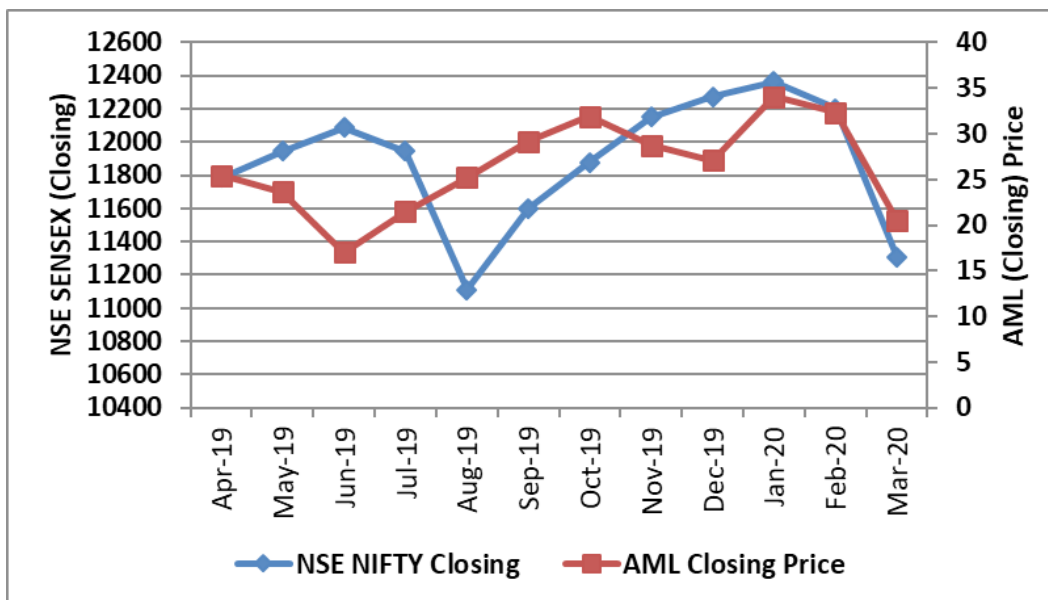
Period	Bombay Stock Exchange Limited				National Stock Exchange of India Limited			
	Sensex (Rs.)		AML Share price (Rs.)		Nifty (Rs.)		AML Share price (Rs.)	
	High	Low	High	Low	High	Low	High	Low
Apr-19	39,487.45	38,460.25	30.80	25.00	11,856.15	11,549.10	29.35	25.05
May-19	40,124.96	36,956.10	25.00	19.50	12,041.15	11,108.30	26.00	19.10
Jun-19	40,312.07	38,870.96	23.00	16.35	12,103.05	11,625.10	24.00	16.30
Jul-19	40,032.41	37,128.26	24.95	16.75	11,981.75	11,152.40	25.10	16.30
Aug-19	37,807.55	36,102.35	30.15	19.50	11,181.45	10,637.15	30.20	19.45
Sep-19	39,441.12	35,987.80	29.40	23.90	11,694.85	10,670.25	29.20	23.80
Oct-19	40,392.22	37,415.83	38.35	28.55	11,945.00	11,090.15	38.35	28.40
Nov-19	41,163.79	40,014.23	32.85	23.00	12,158.80	11,802.65	33.00	23.20
Dec-19	41,809.96	40,135.37	29.50	23.50	12,293.90	11,832.30	29.95	23.35
Jan-20	42,273.87	40,476.55	35.95	27.00	12,430.50	12,321.40	35.85	26.85
Feb-20	41,709.30	38,219.97	42.05	32.35	12,246.70	11,175.05	42.10	32.35
Mar-20	39,083.17	25,638.90	34.80	18.70	11,433.00	7,511.10	35.00	18.55

Ashapura Minechem Limited

Share Performance of the Company in comparison to BSE SENSEX:



Share Performance of the Company in comparison to NSE Nifty:



8. 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.



"TABLE A"
DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2020

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares	% of Shareholding
1-500	16826	76.12	2568098	2.95
501-1000	2180	9.86	2568098	2.09
1001-2000	1362	6.16	2214235	2.55
2001-3000	434	1.96	1137795	1.31
3001-4000	241	1.09	884452	1.02
4001-5000	266	1.20	1263184	1.45
5001-10000	424	1.92	3116624	3.58
10001 & above	371	1.68	73978338	85.05
TOTAL	22104	100.00	86986098	100.00

"TABLE B"
CATEGORY-WISE DISTRIBUTION AS ON 31ST MARCH, 2020

Categories	Total No. of Shares	% of Holdings
A) Promoters Holding		
Individuals	26513454	30.48
Bodies Corporate	8093040	9.30
Total (A)	34606494	39.78
B) Public Holding		
i) Institutions		
Mutual Funds	130000	0.15
Foreign Portfolio Investors (Corporate)	20676663	23.77
Alternative Investment Funds	0	0.00
Nationalised Bank	8000	0.01
Non-Nationalised Bank	0	0.00
Total (B)(i)	20814663	23.93
i) Non-Institutions		
Bodies Corporate	4437496	5.10
Non Resident Indian	1579825	1.82
Non Resident (non repatriable)	1559376	1.79
Market Maker	2	0.00
Hindu Undivided Family	981733	1.13
Other Directors	52868	0.06
Clearing Members	181774	0.21
NBFCs registered with RBI	2600	0.00
Public	22769267	26.18
Total (B)(ii)	31564941	36.29
Total (B)(i) + (B)(ii)	52379604	60.22
Grand Total	86986098	100.00

For and on Behalf of the Board of Directors

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

Place : Mumbai
Date : 11th November 2020

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, 2020 as stipulated in regulations 17 to 27 and clause (b) to (i) of regulation 46 (2) and para C and D 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, 2020.

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.

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

PRASHANT VORA
Partner
Membership No. 034514
UDIN: 20034514AAAAAL3603

Place: Mumbai
Date: 11th November, 2020

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, 2020, 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 : 11th November, 2020



MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMIC ENVIRONMENT:

The year 2019 was a tough year for the global economy with world output growth estimated to grow at its slowest pace of 2.9 % since the global financial crisis of 2008, declining from a subdued 3.6 % in 2018 and 3.8 % in 2017, following a slowdown across most advanced and developing nations. Trade policy uncertainty, geopolitical tensions, and stress in key emerging market economies continued to weigh on global economic activity especially manufacturing and trade in the second half of 2019.

It was a challenging year for the Indian Economy as well. The Indian economy registered a slowdown in 2019-2020 with GDP growth falling from 6.8% in 2018-2019 to 4.2%. India has slipped in the World Bank's Gross Domestic Product (GDP) rankings to 7th position. The growth rate for GDP in Q3 & Q4 was only 4.1% & 3.1%, which brought down the overall growth for the year to below 5%. Several sectors such as real estate, aviation, automobile and construction sectors suffered a constant decline in demand. On the other hand, the Banking sector and financial services witnessed serious crises due to rising NPAs & bad loans and squeezed credit limits. The deceleration in GDP growth can be understood within the framework of a slowing cycle of growth with the financial sector acting as a drag on the real sector. This economic slowdown could also be attributed to weakened investments and declining consumer demand. To revive the Indian economy and improve its growth rate, the Central Government announced and undertook several measures and initiatives. The budget for 2020-2021 aimed at energizing the Indian economy through a combination of short-term, medium-term and long-term measures.

In the second half of January 2020, a new risk emerged for economic growth and market performance - the spread of a new virus i.e. COVID-19 which started from Wuhan, China, considering its rapidly contagious nature WHO declared it as health emergency and a global pandemic in the February 2020. It has ever since spread worldwide, triggering restrictions on the movement of people and on economic activity of various levels of severity put into place by many governments to limit the possibility of contagion. This health emergency, along with the financial market crisis that has accentuated starting from the second week of March 2020 threatens to have global medium term repercussions that cannot yet be fully appreciated. The impact of this health emergency on the global economy will certainly be significant in the first and second quarters of the Financial Year 2020-2021; it is not clear whether the impact may also drag on into subsequent quarters of Financial Year 2020-2021 since the vaccine is still developing.

In view of the unprecedented Covid-19 pandemic, Global growth is projected at -4.9% in CY 2020. The pandemic has had a significant impact on all global economies in the first half of CY 2020, and the recovery is projected to be gradual. In CY 2021 global growth is projected at 5.4%. India's GDP growth for the current fiscal is expected to slow down to 4.8 per cent according to a UN report, as the coronavirus-induced lockdown is causing significant disruption across multiple sectors, says a report.

This report will provide insights and an update on the Company performance through the Financial Year 2019-2020 with a brief outlook for the Financial Year 2020-2021.

INDUSTRY SCENARIO:

Mining is one of the core sectors and growth driver of Indian economy. Minerals and ores provide basic raw materials to many important industries like power generation (thermal), iron and steel, cement, petroleum and natural gas, petrochemicals, fertilisers, precious & semi-precious metals/stones, electrical and electronics equipment, glass, ceramics etc. India is well recognized as a well-endowed in terms of minerals and metals resource in the world. Rise in infrastructure development and automotive production are driving growth in the metals and mining sector in India. The country has nearly 95 minerals and metal natural resources- 4 fuel-related minerals, 10 metallic minerals, 23 non-metallic minerals, 3 atomic minerals and 55 minor minerals (including building and other minerals) which can act as a backbone of our economy. It has large reserves of Iron ore, Bauxite, Chromium, Manganese ore, Baryte, Rare earth and Mineral salts. Mining sector has a pivotal role to play in the 'Make in India' vision of the Prime Minister. Growth of economy is dependent on uninterrupted supply of minerals, which form the basic raw materials for industry. Despite this, the mining sector's contribution to India's gross domestic product (GDP) has been falling over the past several years largely as compared to other countries, owing to the under-exploration of obvious geological potential (OGP) and decreasing per unit expenditure on exploration.

Mining & metals sector has received a major setback owing to Covid 19 pandemic. Not only has the production come to a halt, the movement of material has also been impacted with clamp down on inter-state movement, causing financial stress in the sector, endangering the employment and sector's contribution to the Indian economy.

On one hand the National Mineral Policy 2019 has been unable to increase the resource base available for mining (except for coal) and on the other stifling levies on ores have stifled their viability in the global market.

Your Company has over the last few years sought to diversify its overseas resource base by setting-up operations in Oman and Guinea.

OPPORTUNITIES:

The Metals and Mining sector in India is expected to witness a major reform in the next few years, owing to reforms such as Make in India Campaign, Smart Cities, Rural Electrification and a focus on building renewable energy projects under the National Electricity Policy as well as the rise in infrastructure development. With the launch of the National Mineral Policy 2019, India presents a major opportunity for investors, it has been unveiled that proposes to attract private investment through various incentives like financial package, right of first refusal at the time of auction etc. Furthermore, 100% Foreign Direct Investment (FDI) allowed in the mining sector and exploration of metal and non-metal ores under the automatic route is expected to benefit. The outcomes expected from these policy proposals are, an increase in the production of major minerals by 200 % in 7 years; and on the other hand reduce the trade deficit in minerals sector by 50% in 7 years.

The Government of India has taken several steps to help industries brave the aftermath of the pandemic. On May 16, 2020, the Finance Minister of India has, in continuation to the economic stimulus package in light of COVID-19, announced certain structural reforms in relation to coal and other

Ashapura Minechem Limited

minerals. Under which joint auction of bauxite and coal mineral blocks has been introduced to enhance the competitiveness of aluminum industry; the distinction between captive and non-captive mining has also been abolished, this not only removes the preference which was earlier given to captive miner but also allows the captive mine owners to sell their output in the open market. The Government has taken certain initiatives in this direction and has paved the way forward amid challenges.

Companies such as yours, with global expertise to operate and transport from multiple resource bases would be in a position to take advantage of such opportunities.

While on one hand countries are gradually becoming more and more insular in terms of importing metals and their value-added products, they remain reliant on global supply chains for essential ores & minerals. Ashapura's global resource base accords the Company multiple options for sourcing and logistics of ores and minerals.

The Country's push towards Atmanirbhar i.e. self-reliance in manufacturing is likely to re-orient the demand for quality ores and mineral solutions back to our shores. Minerals are the lifeblood of any economy that aspires to be a manufacturing powerhouse, more than ever, your Company is well placed to support the Atmanirbhar Bharat initiative by supplying ores and minerals from its Indian and global resource base.

THREATS:

Rising levies and complexity of regulations may continue to stymie the mining and export of minerals and ores. Although the Company has nominal exposure to direct exports from India to China geopolitical tensions between the countries could impact the operations of the Company.

Furthermore, both domestic and global demand may continue to remain sluggish in the near future on account of the raging pandemic.

FINANCIAL PERFORMANCE:

The Financial Statements for the year ended 31st March, 2020, 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 recognised accounting practices and policies to the extent applicable.

Income from operations at standalone level dropped by 39% and stood at Rs. 20,585.63 Lakhs as against 33,747.86 Lakhs for the previous financial year ended 31st March, 2019 and that the total expenses stood at Rs. 28,006.82 Lakhs which resulted into loss of Rs. 6,720.77 Lakhs before exceptional items and tax, however after taking into account the exceptional items of Rs. 46,051.51 Lakhs, the Company reported positive bottom line of Rs. 39,330.74 Lakhs for the year under review.

At Consolidated level, the income from operations dropped by 46% and stood at Rs. 33,432.34 Lakhs as against Rs. 62,166.59 Lakhs for the previous financial year ended 31st March, 2019 and that total expenses stood at Rs. 45,099.92 Lakhs which resulted into loss of Rs. 10,072.91 Lakhs before exceptional items and tax, however after taking into account the exceptional items of Rs. 47,397.97 Lakhs, the Company at Consolidated Level reported positive bottom line of Rs. 38,319.39 Lakhs for the year under review.

The challenges faced by group over the last decade, haven't been able to impede the Group's vision to become a global multi-mineral powerhouse; in the interim it has developed capabilities in white performance minerals, ceramic & silica proppants, advanced refractory products. Geographically, Ashapura expanded its resource and operations in Oman and Guinea.

OUTLOOK:

The Financial Year 2020-2021 has started under the uncertain clouds of 'COVID-19'. The priority is of the health and safety of employees, business partners, and the communities in which the Company operates, hand in hand with the work of authorities. Outlook for Financial Year 2020-2021, at least in the near term, is unpromising with the current COVID-19 pandemic. Global trade and economic growth are adversely impacted by lockdowns and travel restrictions, which result in disruptions to business operations, slow down activities across various industries, risking demand etc. Consumption side has declined significantly affecting the production & supply cycle. The prolonged US-China trade war dampened global economic sentiments with most of the major economies experiencing a slowdown in economic growth. The geopolitical tensions between India-China and in the Middle-East further aggravates the situation.

Economic conditions remain particularly volatile and leading to muted demand both in India and overseas, with additional pressure on the world economy. Nevertheless, during the inception of the Covid-19 pandemic, with a lot of effort and precaution, your Company has managed to achieve a reasonably seamless continuity in its operations in Gujarat and overseas in Guinea.

Opportunities abound in growing economies has created opportunities for Indian enterprise to move beyond national boundaries and to create productive assets. As such over the last decade, the Ashapura Group has been keen to geographically diversify its mineral resource base. Ashapura Guinea Resources SARL ('AGRS') a wholly owned step-down subsidiary of the Company which has had an active presence in Guinea over the last 5 years has created the requisite infrastructure for operating in Guinea as such AGRS expects to export approximately 2 million tons of ore in FY 2020-2021. Further, a buoyant performance by the Bentonite, Bleaching Clay and Advanced Refractory Solutions divisions, despite the incidence of the Covid-19 pandemic, will lead to increase in revenues and profits of the group.

Your Company has regained the ownership and control of two subsidiaries (i.e. Ashapura International Ltd and Bombay Minerals Ltd.) and a joint venture (Ashapura Perfoclay Ltd) w.e.f. 28th February 2020. This allows your Company the ability to explore the possibility of consolidating the entities subject to strategic exigencies and the applicable laws. Your Company has also entered into amicable settlements for all the litigations/claims apropos shipping and foreign exchange derivative contracts which were pending against the Company for over a decade. Further, the repayment tenures on two shipping settlements are reasonably long drawn-out, enabling the company to service its commitments. Furthermore, the said settlements are denominated in INR, thereby insulating the company from any forex risk.



RISK & CONCERNS:

A prolonged suppression of demand coupled with supply disruptions caused by the pandemic have already upended many supply global supply chains. Major global economies may erect import barriers for goods of strategic importance.

While on one hand the Company's value-added products may be subjected to trade barriers, the demand for its natural ores and minerals is likely to remain intransigent on account of lack of alternatives.

Mitigation of Risk /Risk Management:

The Board identifies risks in the areas of operations, finance, marketing, regulatory compliances and corporate matter. The Company annually reviews the risk area to identify potential business threats and takes suitable corrective actions. Confirmations of compliance with appropriate statutory requirements are obtained from the respective units/divisions. The Internal Auditor expresses his opinion on the level of risks during the audit of a particular area and reports to the Audit Committee.

INTERNAL CONTROL SYSTEM AND ITS ADEQUACY:

Your Company believes in systematic working and placing of proper checks. It has proper and adequate system of internal controls commensurate with its size and nature of operations to provide reasonable assurance that all assets are safeguarded, transactions are authorised, recorded and reported properly. These controls have been developed and designed in a manner to properly maintain accounting records for ensuring reliability of financial reporting, monitoring of operations, protecting assets from unauthorized use or losses and compliance with regulations.

The internal auditors of the company conducts audit of various department and areas. The Internal Audit Department reports its findings and observations to the Audit Committee which meets to review the audit issues and to follow up implementation of corrective actions. The statutory auditors also provide assurance on the adequacy of the internal control systems in the Company.

RESEARCH & DEVELOPMENT:

Research is a key enabler that helps your Company to remain relevant and competitive in the global markets and drives growth through innovative solutions and enhanced offerings. Company's Knowledge & Innovation Center at Bhuj, Gujarat, carries out extensive research on product and process development over the years. It has been operated by a very competent team which focuses on expanding its mineral portfolio and solutions for sustainable future growth of business as also explores new synergistic avenues for growth such as construction materials and environmental solutions. Its focus on Research & Development accords it the ability to collaborate, customise, and control costs. All of Company's initiatives over the last 10 years including white performance minerals and value-added refractory products have originated from captive research.

During the year, the team carried out research & development activities in the field of several products/minerals namely Specialty Mineral Products like development of Pharma and Cosmetic grade Mineral based micronized and ultra-micronized size products; Industrial Functional Minerals like development of polymers for improvement of IOP and Foundry grade Bentonite; Natural Mineral based products, White Performance Mineral etc.

The major areas of R&D wherein the team is putting efforts for sustainable future are Cost effective production solution and Development of minerals/products. The R&D strategy will continue to focus on increasing efficiency, enhancing quality and strengthening business presence in key strategic growth markets.

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:

The Company continues to maintain healthy and harmonious relations across all its plants and offices. The Human Resources function has been enabling business transformation by striking a balance between business needs and individual aspirations. Senior management is easily accessible for counseling and redressal of grievances. The company had a dedicated human asset of over 468 employees spread across locations in the organization as on 31st March, 2020.

The Company recognizes that it's human asset is critical to the Company's success and therefore, is committed to training, skilling and up skilling its human asset on an ongoing basis which ensures that its employees are able to adopt to evolving technologies, processes and techniques. As such, Employee training Programmes across several functions pertaining to technical, behavioural / general, health, safety and environment and ISO standards Training programmes are regularly conducted to update their skills and apprise them of latest techniques. Lectures were also arranged on health, fitness, common ailments/diseases and life style improvement, with a view to enhance employee awareness.

Considering the health and safety of the employees of the Company and in line with the advisories, orders and directions issued by both State and Central Government in order to prevent the spread of the coronavirus (Covid 19) outbreak, the Company has suspended its operations till the lockdown period. Further the Company has also implemented Work from Home Policy to ensure the safety of employees post covid 19 issue. The HR department of the Company is continuously in touch with the employees to guide them and solve their problems. The HR Department of the Company has continuously created the awareness of Covid 19 among the employees of the Company through E-mails and has also educated the employees in respect of personal hygiene and precautions which needs to be taken in this situation of pandemic. The company has conducted the meetings through Video Conferencing in order to maintain social distancing which is most essential due to the spread of Covid 19.

Ashapura Minechem Limited

CORPORATE SOCIAL RESPONSIBILITY (CSR):

Contributing to social development is engraved in Ashapura's vision. The Group has been carrying out numerous CSR activities in a resolute manner from last several years. Our social objectives are aimed at improving the quality of life of people in general and socio economic environment in and around our mining locations. During the year, we performed various social development activities at Group level. Women & Child Development, Rural Development Education, Health & Hygiene, Skill Development and Livelihood Developments Programmes were the key areas of our social interventions.

Key Financial Ratios:

The Key Financial Ratios for FY 2019-2020 and FY 2018-2019, along with explanation for significant changes (change of 25% or more) are as follows:

Sr. No.	Particulars	2019-2020	2018-2019	% change
1	Debtors turnover Ratio (Days)* Avg. Debtors/Sale	161	77.00	(109)
2	Inventory turnover Ratio (Days) Cost of goods sold/Avg. Inventory	305	258.00	(18)
3	Interest coverage ratio (EBIT : Profit before Exceptional Item and tax + Interest on borrowing)	(4.08)	(4.13)	1
4	Current ratio Current assets /Current Liability	1.64	0.33	(393)
5	Operating Profit Margin ** (EBIT- other Income) /Net revenue from Operation	(0.29)	(0.14)	(104)
6	Net Profit Margin *** (Net Profit /Revenue from Operation)	(0.33)	(0.14)	(127)

Notes:

1. Exceptional items are excluded from Net profit
 2. Debts Equity ratio is Nil, because the company's net worth is negative in FY 19-20 & FY 18-19.
- * Increase in average collection period due to Shipping claim liability settled against debtors worth Rs. 45 crores.
** Few of the creditors were settled during the year and transferred from current liability to non-current liability as per agreed repayment schedule.
*** Operating and Net Profit margin was impacted decline in sales volume by 39% due to under absorption of fixed cost and lower margin

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)

Place: Mumbai

Date : 11th November, 2020



INDEPENDENT AUDITORS' 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 2020, 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 2020, of its profit and total comprehensive income, its 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.

Emphasis of Matter

We draw attention to Note 39 to the standalone financial statements which explains the uncertainties and the management's assessment of the financial impact due to lock-down and other restrictions and conditions related to the COVID-19 pandemic situation, for which definitive assessment of the impact in the subsequent period is highly dependent upon the circumstances as they evolve.

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 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 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>Revenue Recognition 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>Assessment of litigations and related disclosure of contingent liabilities The Company is subject to large number of various ongoing legal and tax related claims as stated under note no. 34 – Contingent Liabilities. 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 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; 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 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.

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 concerns 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.

Auditors' 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, 2016 ("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, 2014;
 - e) On the basis of written representations received from the directors as on 31st March 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2020, 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 of the Act.
 - h) With respect to the other matters to be included in the Auditors' 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;

There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.

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

PRASHANT VORA
Partner
Membership No. 034514
UDIN: 20034514AAAAAD2561

Rajkot
July 10, 2020

ANNEXURE – A TO THE INDEPENDENT AUDITORS’ 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 fixed assets:
 - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b. The fixed assets 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.
 - c. The title deeds of immovable properties are held in the name of the Company.
- 2 The inventories were physically verified by the management at reasonable intervals during the year. The discrepancies noticed on verification were not material and have been dealt with in books of account.
- 3 The Company has granted unsecured loans to one of its wholly owned subsidiary company covered in the register maintained under section 189 of the Act. Since no terms and conditions of these loans are stipulated, we cannot offer any comments as to the repayment of principal amount or overdue amounts, if any. The receipts of interest on these loans are regular.
- 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 within the meaning of the provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder with regard to the deposits accepted from the public. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- 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, Goods & Service Tax, Cess and other material statutory dues, to the extent applicable, with the appropriate authorities during the year. There were no undisputed statutory dues outstanding as on 31st March 2020 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
Value Added Tax	Kerala Value Added Tax Act	4.73	2009-10 & 2013-14	The Commercial Tax Officer
Value Added Tax	Andhra Pradesh Value Added Tax Act	16.12	2006-07 to 2009-10	The Commercial Tax Officer
Value Added Tax	Gujarat Value Added Tax Act	30.57	2009-10 to 2013-14	The Assistant Commissioner of VAT
Income Tax	Income Tax Act	141.79	2007-08, 2008-09	Gujarat High Court
		1,181.92	2010-11	Income Tax Appellate Tribunal

- 8 The Company has not defaulted during the year in repayment of loans or borrowing to banks. The Company has not obtained any borrowings from government or financial institution or by way of debentures.
- 9 Terms loans obtained by the Company have been applied for the purpose for which they were obtained. The Company has not raised any money, during the year, by way of public offer (including debt instruments).
- 10 To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company or on the Company by its officers or employees was noticed or reported during the year.
- 11 Managerial remuneration paid or provided by the Company during the year is in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- 12 Since the Company is not a Nidhi Company, the provisions of clause 3 (xii) of the Order are not applicable to the Company.



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- 13 All transactions with the related parties are in compliance with Section 177 and 188 of the Act and the details have been disclosed in the financial statements as required by the applicable accounting standards.
 - 14 The Company has complied with provisions of section 42 of the Act in respect of the preferential allotment of share warrants issued during the year. (refer note no. 41) The amounts so raised have been used for the purposes for which it was raised.
 - 15 The Company has not entered into any non-cash transactions during the year with directors or persons concerned with him.

The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

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

PRASHANT VORA
Partner
Membership No. 034514
UDIN: 20034514AAAAAD2561

Rajkot
July 10, 2020

ANNEXURE – B TO THE INDEPENDENT AUDITORS’ 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, 2020 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.

Auditors’ 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 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 was 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 auditors’ 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, 2020, 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.

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

PRASHANT VORA
Partner
Membership No. 034514
UDIN: 20034514AAAAAD2561

Rajkot
July 10, 2020

Ashapura Minechem Limited

BALANCE SHEET AS AT 31st MARCH, 2020

(Indian ₹ in lacs)

Particulars	Note No.	As at 31st March 2020	As at 31st March 2019
ASSETS:			
Non-Current Assets			
Property, plant and equipment	2	15,834.22	17,302.81
Capital work in progress		289.46	733.38
Investment property	3	2,257.03	2,311.57
Intangible assets	4	46.57	72.51
Financial assets			
Investments	5	4,391.06	2,676.66
Loans	6	1,210.55	2,358.04
Other financial assets	7	396.50	397.13
Other non-current assets	8	2,785.47	1,329.99
		27,210.86	27,182.09
Current Assets			
Inventories	9	10,655.57	13,178.37
Financial assets			
Investments	5	19.40	378.71
Trade receivables	10	11,069.00	7,097.18
Cash and cash equivalents	11	1,754.49	1,832.52
Other bank balances	12	417.97	347.67
Loans	6	4.12	10.46
Other financial assets	7	302.52	625.08
Current tax assets (net)	13	1,121.33	994.69
Other current assets	8	6,128.44	7,832.41
		31,472.84	32,297.09
		58,683.70	59,479.18
EQUITY AND LIABILITIES:			
Equity			
Equity share capital	14	1,739.72	1,739.72
Other equity	15	(2,433.98)	(41,887.87)
Money received against share warrants		359.44	-
		(334.82)	(40,148.15)
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	16	8,406.00	1,442.00
Other financial liabilities	17	-	-
Provisions	18	963.92	922.78
Other non-current liabilities	19	30,434.31	-
		39,804.23	2,364.78
Current liabilities			
Financial Liabilities			
Borrowings	16	-	2,140.00
Trade payables	20		
Total outstanding dues of Micro and Small Enterprises		26.58	25.79
Total outstanding dues of creditors other than Micro and Small Enterprises		4,973.71	6,659.41
Other financial liabilities	17	5,322.97	26,997.33
Other current liabilities	19	8,779.17	61,281.32
Provisions	18	111.86	158.70
		19,214.29	97,262.55
		58,683.70	59,479.18

The accompanying notes are interated part of these Financial Statements.

As per our report of even date

For P A R K & COMPANY
Chartered Accountants

Sd/-
CHETAN SHAH
Executive Chairman

Sd/-
HEMUL SHAH
Executive Director & Chief Executive Officer

Sd/-
PRASHANT VORA
Partner

Sd/-
ASHISH DESAI
Chief Financials Officer

Sd/-
SACHIN POLKE
Company Secretary & Vice President

Rajkot
10th July, 2020

Mumbai
10th July, 2020



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

(Indian ₹ in lacs)

Particulars	Note No.	2019-2020	2018-2019
REVENUE:			
Revenue from operations (net)	21	20,585.63	33,747.86
Other income	22	700.42	933.11
Total Revenue		21,286.05	34,680.97
EXPENSES:			
Cost of materials consumed	23	8,223.82	11,168.49
Purchases of traded goods		881.72	3,546.62
Changes in inventories	24	1,455.39	1,462.11
Employee benefits expenses	25	2,468.31	3,059.40
Finance costs	26	1,363.79	945.53
Depreciation and amortisation expenses	27	2,092.35	2,274.98
Other expenses	28	11,521.44	17,070.93
Total Expenses		28,006.82	39,528.06
Profit/(loss) before exceptional items and tax		(6,720.77)	(4,847.09)
Exceptional Items Profit/(Loss)	33	46,051.51	(2,584.36)
Profit/(loss) before tax		39,330.74	(7,431.45)
Tax expenses			
Current tax		-	-
Deferred tax		-	-
Profit/(loss) for the year		39,330.74	(7,431.45)
Other Comprehensive income			
Items that will not be reclassified to profit or loss			
a. Remeasurements of defined benefit plans		96.22	(17.22)
b. Gains on Investments in equity instruments classified as FVOCI		26.93	(32.92)
Items that may be reclassified to profit or loss			
Other comprehensive income for the year		123.15	(50.14)
Total Comprehensive Income for the year		39,453.89	(7,481.59)
Basic and diluted earning per share	29	45.21	(8.54)
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 P A R K & COMPANY
Chartered Accountants

Sd/-
CHETAN SHAH
Executive Chairman

Sd/-
HEMUL SHAH
Executive Director & Chief Executive Officer

Sd/-
PRASHANT VORA
Partner

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ASHISH DESAI
Chief Financials Officer

Sd/-
SACHIN POLKE
Company Secretary & Vice President

Rajkot
10th July, 2020

Mumbai
10th July, 2020

Ashapura Minechem Limited

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2020

(Indian ₹ in lacs)

Particulars	As at 31st March 2020	As at 31st March 2019
A CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit/(loss) for the year	39,330.74	(7,431.45)
Adjustments for -		
Depreciation and amortization	2,092.35	2,274.98
Loss / (profit) on sale of investments	(21.10)	(21.03)
Loss / (profit) on sale of property, plant & equipment	280.89	(214.74)
Impairment loss recognised on receivables	826.07	387.00
Dividend	(3.31)	(142.47)
Interest	3,479.16	459.34
Operating profit before working capital changes	6,654.06	2,743.08
Adjustments for -		
(Increase)/decrease in trade and other receivables	(3,294.95)	(883.48)
(Increase)/decrease in other current and non-current assets	248.49	1,909.39
(Increase)/decrease in inventories	2,522.80	786.47
Increase/(decrease) in provisions	(5.70)	(10.25)
Increase/(decrease) in other current and non-current liabilities	(22,067.84)	302.94
Increase/(decrease) in trade and other payables	(23,359.27)	4,424.48
Cash generated from operations	(45,956.47)	6,529.55
Direct taxes paid	(126.64)	(155.64)
	(39,429.05)	9,116.99
NET CASH FROM OPERATING ACTIVITIES	(98.30)	1,685.54
B CASH FLOW FROM INVESTING ACTIVITIES :		
Payments for property, plant & equipment	(431.22)	(732.98)
Net cash flow on purchase of investments	(1,307.06)	1,329.74
Proceeds from disposal of property, plant & equipment	50.96	542.75
Dividend received	3.31	142.47
Interest received	216.53	212.59
	(1,467.48)	1,494.57
NET CASH USED IN INVESTING ACTIVITIES	(1,467.48)	1,494.57



C CASH FLOW FROM FINANCING ACTIVITIES :

Proceeds from loans borrowed (net)	6,964.00	-
Repayments of borrowings	(2,140.00)	(1,312.00)
Proceeds from issue of share warrants	359.44	-
Interest paid	(3,695.69)	(671.93)
NET CASH USED IN FINANCING ACTIVITIES	1,487.75	(1,983.93)
Net Increase in Cash and Cash Equivalents	(78.03)	1,196.18
Cash and cash equivalents as at beginning of the year	1,832.52	636.34
Cash and cash equivalents as at end of the year	1,754.49	1,832.52

1 The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS - 7) - Statement of Cash Flow.

As per our report of even date

For P A R K & COMPANY
Chartered Accountants

Sd/-
CHETAN SHAH
Executive Chairman

Sd/-
HEMUL SHAH
Executive Director & Chief Executive Officer

Sd/-
PRASHANT VORA
Partner

Sd/-
ASHISH DESAI
Chief Financials Officer

Sd/-
SACHIN POLKE
Company Secretary & Vice President

Rajkot
10th July, 2020

Mumbai
10th July, 2020

Ashapura Minechem Limited

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2020

A. SHARE CAPITAL

Particulars	(₹ in Lacs)	
	31st March 2020	31st March 2019
At the beginning of the year	1,739.72	1,739.72
Changes in equity share capital during the year	-	-
At the end of the year	<u>1,739.72</u>	<u>1,739.72</u>

B. OTHER EQUITY

Particulars	Capital redemption reserve	Retained earnings	Security premium	Other Comprehensive Income		Total
				Net gain/(loss) on fair value of equity instruments	Net gain/(loss) on fair value of defined benefit plan	
As at 1st April, 2018	1.00	(52,627.09)	17,734.59	511.98	(26.76)	(34,406.28)
Profit for the year	-	(7,431.45)	-	-	-	(7,431.45)
Other comprehensive income for the year	-	-	-	(32.92)	(17.22)	(50.14)
Transfer from retained earnings to general reserve	-	-	-	-	-	-
Final dividend , declared and paid during the year	-	-	-	-	-	-
Dividend distribution tax	-	-	-	-	-	-
As at 31st March, 2019	1.00	(60,058.54)	17,734.59	479.06	(43.98)	(41,887.87)
Profit for the year	-	39,330.74	-	-	-	39,330.74
Other comprehensive income for the year	-	-	-	26.93	96.22	123.15
Transfer from retained earnings to general reserve	-	-	-	-	-	-
Final dividend , declared and paid during the year	-	-	-	-	-	-
Dividend distribution tax	-	-	-	-	-	-
As at 31st March, 2020	1.00	(20,727.80)	17,734.59	505.99	52.24	(2,433.98)

The accompanying notes are interated part of these Financial Statements.

As per our report of even date

For P A R K & COMPANY
Chartered Accountants

Sd/-
PRASHANT VORA
Partner

Rajkot
10th July, 2020

Sd/-
CHETAN SHAH
Executive Chairman

Sd/-
ASHISH DESAI
Chief Financials Officer

Mumbai
10th July, 2020

Sd/-
HEMUL SHAH
Executive Director & Chief Executive Officer

Sd/-
SACHIN POLKE
Company Secretary & Vice President



Notes forming part of the financial statements for the year ended 31st March 2020

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. The Company is engaged in the mining, manufacturing and trading of various minerals and its derivative products. 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 10th July, 2020.

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. Current and Non Current Classification

The Company 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 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) On transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at 1st April 2016 of its property, plant and equipment and use that carrying value as the deemed cost of the property, plant and equipment on the date of transition i.e. 1st April 2016.
- (vi) 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.
- (vii) 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.
- (viii) 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.

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 plot of lands and building.
- 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.

Upon first-time adoption of Ind AS, the Company has elected to measure these investments at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS, i.e. 1st April, 2016.

(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.

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 cash 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.

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 fair value 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.

l) Revenue recognition

- (i) Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at a point of time or over a period of time. Performance obligations satisfied over a period of time are recognised as per the terms of relevant contractual agreements/arrangements. Performance obligations are said to be satisfied at a point of time when the customer obtains controls of the asset.
- (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 discounts.
- (iii) Domestic sales are accounted for on dispatch from the point of sale corresponding to transfer of significant risks and rewards of ownership to the buyer.
- (iv) Export sales are recognised on the date of the mate's receipt/shipped on board signifying transfer of risks and rewards of ownership to the buyer as per terms of sales and initially recorded at the relevant exchange rates prevailing on the date of the transaction.
- (v) 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.
- (vi) 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.
- (vi) 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) 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".

Ashapura Minechem Limited

Note 2 Property, plant and equipment

(Indian ₹ in lacs)

Particulars	Land	Buildings	Plant & Equipment	Barges	Office Equipment	Furniture & Fixtures	Vehicles	Total
Gross carrying value								
As at 1st April, 2018	1,520.08	5,131.46	23,984.35	75.98	1,000.82	1,412.43	776.28	33,901.40
Additions	1.23	156.57	278.06	-	28.23	8.47	1.46	474.02
Disposals /transfer	-	-	(878.66)	-	(3.60)	-	(0.82)	(883.08)
As at 31st March, 2019	1,521.31	5,288.02	23,383.75	75.98	1,025.45	1,420.89	776.92	33,492.34
Additions	17.89	58.14	785.75	-	10.43	0.91	2.02	875.13
Disposals	-	-	(1,196.98)	-	-	-	(30.14)	(1,227.12)
As at 31st March, 2020	1,539.20	5,346.16	22,972.52	75.98	1,035.88	1,421.80	748.80	33,140.35
Accumulated depreciation								
As at 1st April, 2018	-	636.21	11,223.64	73.54	880.90	1,089.18	680.24	14,583.71
Depreciation charged	-	125.75	1,889.22	-	46.74	79.61	19.56	2,160.88
Disposals /transfer	-	-	(550.99)	-	(3.30)	-	(0.78)	(555.06)
As at 31st March, 2019	-	761.96	12,561.87	73.54	924.34	1,168.79	699.02	16,189.53
Depreciation charged	-	151.35	1,757.10	-	32.18	57.36	13.88	2,011.87
Disposals	-	-	(867.12)	-	-	-	(28.15)	(895.27)
As at 31st March, 2020	-	913.32	13,451.85	73.54	956.52	1,226.15	684.75	17,306.13
Net carrying value								
As at 31st March, 2019	1,521.31	4,526.06	10,821.88	2.44	101.11	252.10	77.90	17,302.81
As at 31st March, 2020	1,539.20	4,432.85	9,520.67	2.44	79.36	195.65	64.04	15,834.22



Note 3 Investment Properties

Particulars	(Indian ₹ in lacs)		
	Land	Building	Total
Gross carrying value			
As at 1st April, 2018	229.38	2,803.13	3,032.51
Additions /transfer	-	-	-
Disposals	-	-	-
As at 31st March, 2019	229.38	2,803.13	3,032.51
Additions	-	-	-
Disposals	-	-	-
As at 31st March, 2020	229.38	2,803.13	3,032.51
Accumulated depreciation			
As at 1st April, 2018	-	648.36	648.36
Depreciation charged/transfer	-	72.58	72.58
Disposals	-	-	-
As at 31st March, 2019	-	720.94	720.94
Depreciation charged	-	54.54	54.54
Disposals	-	-	-
As at 31st March, 2020	-	775.48	775.48
Net Carrying Amount			
As at 31st March, 2019	229.38	2,082.19	2,311.57
As at 31st March, 2020	229.38	2,027.66	2,257.03

i) Amount recognised in profit or loss for investment properties

Particulars	(Indian ₹ in Lacs)	
	31st March 2020	31st March 2019
Rental income	229.46	226.87
Direct operating expenses	-	-
Gain from investment properties before depreciation	229.46	226.87
Depreciation	54.54	72.58
Gain from investment properties	174.92	154.29

ii) Contractual obligations

There are no contractual obligations to purchase, construct or develop investment property.

iii) Fair Value

The fair value of the Company's investment properties at the end of the year have been deemed to be the fair value determined on the basis of the judgement of the management.

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Note 4 Intangible assets

(Indian ₹ in lacs)

Particulars	Mining Lease	Computer Software	Total
Gross carrying value (at deemed cost)			
As at 1st April, 2018	1.11	244.37	245.48
Additions	-	5.91	5.91
As at 31st March, 2019	1.11	250.28	251.39
Additions	-	-	-
As at 31st March, 2020	1.11	250.28	251.39
Accumulated depreciation			
As at 1st April, 2018	-	137.36	137.36
Amortisation	-	41.52	41.52
As at 31st March, 2019	-	178.88	178.88
Amortisation	-	25.94	25.94
As at 31st March, 2020	-	204.82	204.82
Net carrying value			
As at 31st March, 2019	1.11	71.40	72.51
As at 31st March, 2020	1.11	45.46	46.57

Note No. 5 Non-current Investment

(Indian ₹ in lacs)

Particulars	31st March 2020	31st March 2019
a. Investments valued at cost, fully paid up		
Investments in subsidiaries in India		
Ashapura International Limited* ¹ 3,00,000 (NIL) Equity Shares of ₹ 10 each fully paid-up	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* ¹ 218,080 (113,207) Equity Shares of ₹ 10 each fully paid-up	961.54	498.00
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
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
	1,815.81	1,025.00



Particulars	31st March 2020	(Indian ₹ in lacs) 31st March 2019
Investments in subsidiaries outside India		
Ashapura Minechem UAE FZE 68 Equity Shares of AED 1,50,000 each fully paid-up	1,123.13	1,123.13
	1,123.13	1,123.13
Investments in joint ventures in India		
Ashapura Perfoclay Limited**1 8,966,590 (NIL) Equity Shares of ₹ 10 each fully paid-up	896.66	-
	896.66	-
Investments in joint ventures outside India		
Ashapura Midgulf NV (AMCOL) Antwerp 30,750 Equity Shares of Euro 1 each fully paid-up	17.76	17.76
	17.76	17.76
Investments in associates in India		
Ashapura Arcadia Logistics Private Limited 55,000 Equity Shares of ₹ 10 each fully paid-up	5.50	5.50
	5.50	5.50
b. Investments in equity shares in others carried at fair value through OCI, fully paid up (Unquoted)		
Shantilal Multiport Infrastructure Private Limited 186,285 Equity Shares of ₹ 10 each fully paid-up	530.99	503.92
Ashapura International Limited 20 Equity Shares of ₹ 10 each fully paid-up	-	0.09
Ashapura Perfoclay Limited 50 Equity Shares of ₹ 10 each fully paid-up	-	0.05
	530.99	504.06
c. Investment valued at cost		
National Savings Certificates (under lien with sales tax/mining authorities)	1.21	1.21
	1.21	1.21
Total non-current investments	4,391.06	2,676.66
<u>Current Investment</u>		
a. Investment in Mutual fund		
8,53,380 (17,706.448) units of Baroda Liquid Fund of ₹ 10 each	19.40	378.71
Total current investments	19.40	378.71
Aggregate amount of quoted investments	19.40	-
Market value of quoted investments	19.40	-
Aggregate amount of unquoted investments	4,391.06	4,396.99

* ceased to be subsidiary from 19th September, 2018 to 28th February, 2020

** ceased to be joint venture from 19th September, 2018 to 28th February, 2020

1 Investments in these equity shares are pledged with a creditor.

Refer note no 40

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Note 6 Loans

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2020	31st March 2019	31st March 2020	31st March 2019
Unsecured, considered good				
Loans to a wholly-owned subsidiary company	1,209.86	2,354.99	-	-
Employee loans	0.69	3.05	4.12	10.46
Total loans	1,210.55	2358.04	4.12	10.46

Particulars of loans and advances in the nature of loans as required by regulation 34(3) and 53(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Schedule V to the Companies Act.

Name of the entity	Outstanding balances		Maximum balance outstanding during the year	
	31st March 2020	31st March 2019	31st March 2020	31st March 2019
Subsidiaries:				
Ashapura Minechem (UAE) FZE	1,209.86	2354.99	1209.86	2,354.99
	1,209.86	2,354.99		

Note 7 Other financial assets

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2020	31st March 2019	31st March 2020	31st March 2019
Term deposits with maturity of more than 12 months *	387.93	388.16	-	-
Claims receivables	-	-	302.52	625.08
Interest receivables	8.57	8.97	-	-
Total other financial assets	396.50	397.13	302.52	625.08

* under lien with banks against letter of credits and bank guarantees



Note 8 Other assets

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March	31st March	31st March	31st March
	2020	2019	2020	2019
Trade advances to suppliers	-	-	6,763.12	7,752.35
Less: Provision for doubtful advances	-	-	2,972.17	2,485.82
			3,790.95	5,266.53
Capital advances	64.67	265.03	-	-
Security deposits	2,720.80	1,064.96	-	-
Employee advances	-	-	17.01	59.09
Prepaid expenses	-	-	108.97	100.55
Employee benefit assets	-	-	104.24	12.30
Input credit receivables	-	-	216.41	351.42
Other advances	-	-	1,890.86	2,042.52
Total other assets	2,785.47	1,329.99	6,128.44	7,832.41
Security deposits:	45.00	45.00	-	-
Towards land and premises to directors, firms and companies in which some of the directors are interested				
Towards premises to subsidiary companies	51.00	50.00	-	-
Trade advances:				
- To subsidiary companies	-	-	2,787.86	3,239.40
- To joint ventures and associates	-	-	691.50	708.02

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Note 9 Inventories

Particulars	(Indian ₹ in lacs)	
	31st March 2020	31st March 2019
Raw materials	961.08	1,887.24
Semi finished goods	2,228.04	2,852.29
Finished goods	1,600.19	2,112.02
Stock-in-trade	5,186.43	5,505.74
Stores & spares	526.75	594.24
Paking materials	153.08	226.84
Total inventories	10,655.57	13,178.37

Note 10 Trade Receivables

(Unsecured, considered good unless otherwise stated)

Particulars	(Indian ₹ in lacs)	
	31st March 2020	31st March 2019
Trade receivables	12,408.47	8,366.07
Less: Provision for doubtful debts	(1,339.47)	(1,268.89)
Total trade receivables	11,069.00	7,097.18
Above includes due from related party		
- Subsidiaries	4,519.92	113.20
- Joint ventures & associates	2,885.93	2,832.82

Note 11 Cash and cash equivalents

Particulars	(Indian ₹ in lacs)	
	31st March 2020	31st March 2019
Balances with banks	1,703.07	1,789.92
Cash on hand	51.43	42.60
Total cash and cash equivalents	1,754.49	1,832.52

Note 12 Other bank balances

Particulars	(Indian ₹ in lacs)	
	31st March 2020	31st March 2019
Margin money deposits *	417.97	347.67
Total other bank balances	417.97	347.67

* under lien against guaranttes to mining authorities and letter of credits



Note 13 Income tax

Particulars	(Indian ₹ in lacs)	
	31st March 2020	31st March 2019
The following table provides the details of income tax assets and liabilities :		
Income tax assets	1,121.33	994.69
Current income tax liabilities	-	-
Net balance	1,121.33	994.69
The gross movement in the current tax asset / (liability)		
Net current income tax asset at the beginning	994.69	839.05
Income tax paid (net of refunds)	126.64	155.64
Current income tax expense	-	-
Income tax on other comprehensive income	-	-
Net current income tax asset at the end	1,121.33	994.69

Note 14 Equity share capital

Particulars	(Indian ₹ in lacs)	
	31st March 2020	31st March 2019
Authorised		
125,000,000 equity shares of ₹ 2 each	2,500.00	2,500.00
6,500,000 preference shares of ₹ 100 each	6,500.00	6,500.00
	9,000.00	9,000.00
Issued, Subscribed and Paid up		
86,986,098 equity shares of ₹ 2 each	1,739.72	1,739.72
Total equity share capital	1,739.72	1,739.72
Shares held by each shareholder holding more than 5 percent shares		

Name of Shareholder	As at 31st March 2020		As at 31st March 2019	
	Nos.	% of holding	Nos.	% of holding
Mr. Chetan Navnital Shah	1,35,43,814	15.57	1,35,43,814	15.57
Mrs. Dina Chetan Shah	92,02,360	10.58	92,02,360	10.58
Ashapura Industrial Finance Limited	80,88,000	9.30	80,88,000	9.30
Albula Investment Fund Limited	78,57,345	9.03	78,57,345	9.03

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.

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Note 15 Other Equity

Particulars	(Indian ₹ in lacs)	
	31st March 2020	31st March 2019
Capital Redemption Reserve		
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
Securities Premium Account		
Balance at the beginning of the year	17,734.59	17,734.59
Add: transferred from retained earnings	-	-
Balance at the end of the year	17,734.59	17,734.59
Retained earnings		
Balance at the beginning of the year	(60,058.54)	(52,627.09)
Profit for the year	39,330.74	(7,431.45)
Transfer to general reserve	-	-
Balance at the end of the year	(20,727.80)	(60,058.54)
Other components of equity		
Remeasurement of defined benefit plans	52.24	(43.98)
Gains on investments in equity instruments	505.99	479.06
	558.23	435.08
	(2,433.98)	(41,887.87)
Total other equity	(2,433.98)	(41,887.87)

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.

Gain/(loss) on investment in equity instruments: The Company has elected to recognise changes in the fair value of certain investments in equity securities in OCI. These changes are accumulated within the FVTOCI equity investment reserve within equity. The Company transfers amount from this reserve to retained earning when the relevant equity securities are derecognized.

Note 16 Borrowings

Particulars	(Indian ₹ in lacs)			
	Non-current		Current	
	31st March 2020	31st March 2019	31st March 2020	31st March 2019
Secured				
Term loans from banks and others*	8,406.00	1,442.00	-	-
Working capital finance from banks**	-	-	-	2,140.00
	8,406.00	1,442.00	-	2,140.00
Unsecured				
	-	-	-	-
	-	-	-	-
Total borrowings	8,406.00	1,442.00	-	2,140.00

Note: Term loans and working capital finance from banks and 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 and also against personal guarantees of some of the directors.

Working capital finance from banks and financial institution are against hypothecation of inventories, book debts and discounting of export bills and further secured by equitable mortgage of fixed assets of the company.

Note 17 Other financial liabilities

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2020	31st March 2019	31st March 2020	31st March 2019
Non-current				
Current maturities of long-term debt	-	-	912.00	912.00
Interest accrued and due on borrowings	-	-	26.00	2,397.75
Derivatives and other claims payable	-	-	4,331.07	23,601.37
Payables towards services received	-	-	53.90	86.21
Total other financial liabilities	-	-	5,322.97	26,997.33

Note 18 Provisions

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2020	31st March 2019	31st March 2020	31st March 2019
Provision for leave encashment	74.59	94.91	17.28	17.28
Provision for minning restoration	889.33	827.87	-	-
Provision for bonus	-	-	76.76	97.00
Provision for royalty	-	-	17.82	44.42
Total provisions	963.92	922.78	111.86	158.70

Note 19 Other liabilities

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2020	31st March 2019	31st March 2020	31st March 2019
Advances from customers	-	-	3,226.06	3,175.11
Statutory liabilities	-	-	67.46	181.14
Shipping claims payable	30,434.31	-	3,829.13	56,116.55
Payable for capital assets	-	-	231.46	270.70
Other liabilities	-	-	1,425.06	1,537.82
Total other liabilities	30,434.31	-	8,779.17	61,281.32

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Note 20 Trade payables

Particulars	(Indian ₹ in lacs)	
	31st March 2020	31st March 2019
Trade payables		
Total outstanding dues of Micro and Small Enterprises (refer note no. 36)	26.58	25.79
Total outstanding dues of creditors other than Micro and Small Enterprises	4,973.71	6,659.41
Total trade payables	5,000.29	6,685.20

Note 21 Revenue from operations

Particulars	(Indian ₹ in lacs)	
	2019-2020	2018-2019
Sale of Products		
Export sales	4,375.31	11,602.92
Domestic sales	14,931.10	18,565.41
	19,306.41	30,168.33
Other Operating Revenue		
Research & development fees receipts	225.38	250.00
Other operating income	1,053.84	3,329.53
Total revenue from operations	20,585.63	33,747.86

Note 22 Other income

Particulars	(Indian ₹ in lacs)	
	2019-2020	2018-2019
Interest receipts	216.53	212.59
Dividend receipts	3.31	142.47
Profit on sale of investment (net)	21.10	21.03
Lease rent receipts	358.71	255.37
Profit on sale of property, plant & equipments (net)	-	214.74
Miscellaneous income	100.77	86.91
Total other income	700.42	933.11



Note 23 Cost of materials consumed

Particulars	2019-2020	(Indian ₹ in lacs)
		2018-2019
Raw materials consumed		
Opening stock	1,887.24	1,322.29
Add: Purchases	5,303.15	8,757.62
Less: Closing stock	(961.08)	(1,887.24)
	<u>6,229.31</u>	<u>8,192.67</u>
Packing materials consumed		
Opening stock	226.84	211.12
Add: Purchase and direct expenses	537.21	628.49
Less: Closing stock	(153.08)	(226.84)
	<u>610.97</u>	<u>612.77</u>
Rent and royalty	291.70	431.95
Mining expenses	1,091.84	1,931.10
Total cost of material consumed	<u><u>8,223.82</u></u>	<u><u>11,168.49</u></u>

Note 24 Changes in inventories

Particulars	2019-2020	(Indian ₹ in lacs)
		2018-2019
Closing Stock		
Finished goods	1,600.19	2,112.02
Stock-in-trade	5,186.43	5,505.74
Semi finished goods	2,228.04	2,852.29
	<u>9,014.66</u>	<u>10,470.05</u>
Opening Stock		
Finished goods	2,112.02	1,854.68
Stock-in-trade	5,505.74	6,319.43
Semi finished goods	2,852.29	3,758.05
	<u>10,470.05</u>	<u>11,932.16</u>
Changes in inventories	<u><u>1,455.39</u></u>	<u><u>1,462.11</u></u>

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Note 25 Employee benefit expenses

Particulars	2019-2020	(Indian ₹ in lacs) 2018-2019
Salaries, wages, allowances and bonus	2,067.77	2,616.40
Directors' remuneration	37.11	29.34
Contribution to provident fund & other welfare funds	164.70	203.72
Staff welfare expenses	198.73	209.94
Total employee benefit expenses	2,468.31	3,059.40

Note 26 Finance costs

Particulars	2019-2020	(Indian ₹ in lacs) 2018-2019
Interest		
Banks	1,323.39	716.18
Income tax	0.20	0.97
Others	0.35	227.96
	<u>1,323.94</u>	<u>945.11</u>
Other borrowing costs	39.85	0.42
Total finance costs	1,363.79	945.53

Note 27 Depreciation and amortisation expenses

Particulars	2019-2020	(Indian ₹ in lacs) 2018-2019
Depreciation on tangible assets	2,066.41	2,233.46
Amortisation of intangible assets	25.94	41.52
Total depreciation and amortisation	2,092.35	2,274.98



Note 28 Other expenses

Particulars	(Indian ₹ in lacs)	
	2019-2020	2018-2019
Manufacturing expenses		
Power and fuel	2,171.24	1,415.34
Machinery repairs and maintenance	82.11	79.58
Stores and spares	650.73	746.79
Carriage inward	26.71	19.86
Other expenses	764.36	776.88
	<u>3,695.15</u>	<u>3,038.45</u>
Selling and distribution expenses		
Sales commission	0.14	2.91
Export freight and insurance	1,115.36	819.28
Export custom duty	21.21	1,149.93
Export and other shipment expenses	1,900.84	5,566.74
	<u>3,037.55</u>	<u>7,538.86</u>
Administrative and other expenses		
Advertisement and business promotion	23.16	77.44
Rent	103.20	84.09
Rates and taxes	64.66	25.21
Repairs to buildings and others	114.17	96.80
Insurance premiums	71.24	67.12
Travelling expenses	149.46	369.43
Foreign currency fluctuation loss	1,995.52	3,690.12
Legal and professional fees	304.78	613.27
Provision for doubtful debts and advances and bad debts	826.07	387.00
Bank discount, commission and other charges	24.53	39.00
Payment to auditors	51.00	49.23
Directors sitting fees	15.75	23.75
Loss on sale of property, plant & equipment (net)	280.89	-
Donations	29.88	22.98
Miscellaneous expenses	734.43	948.18
	<u>4,788.74</u>	<u>6,493.62</u>
Total other expenses	<u>11,521.44</u>	<u>17,070.93</u>

Payments to auditors

Audit fees	40.00	40.00
Tax audit fees	7.75	7.75
Other services	1.59	1.16
Reimbursement of expenses	1.66	0.32
	<u>51.00</u>	<u>49.23</u>

Note 29 Earning per share

Particulars	2019-2020	2018-2019
Profit for the year (₹ in lacs)	39,330.74	(7,431.45)
Weighted average number of shares (Nos)	8,69,86,098	8,69,86,098
Earnings per share (Basic and Diluted) ₹	45.21	(8.54)
Face value per share ₹	2.00	2.00

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Note 30 Fair value measurement

i. Financial instruments by category

Particulars	(Indian ₹ in lacs)				(Indian ₹ in lacs)			
	31st March 2020	31st March 2019						
	FVPL	FVOCI	Amortised cost	Fair Value	FVPL	FVOCI	Amortised cost	Fair Value
Financial assets								
Investments	19.40	530.99	3,860.07	4,410.46	378.71	504.06	2,172.59	3,055.36
Trade receivables	-	-	11,069.00	11,069.00	-	-	7,097.18	7,097.18
Loans - non-current	-	-	1,210.55	1,210.55	-	-	2,358.04	2,358.04
Loans - current	-	-	4.12	4.12	-	-	10.46	10.46
Other financial assets - non-current	-	-	396.50	396.50	-	-	397.13	397.13
Other financial assets - current	-	-	302.52	302.52	-	-	625.08	625.08
Cash and cash equivalents	-	-	1,754.49	1,754.49	-	-	1,832.52	1,832.52
Other bank balances	-	-	417.97	417.97	-	-	347.67	347.67
Total financial assets	19.40	530.99	19,015.22	19,565.61	378.71	504.06	14,840.67	15,723.44
Financial liabilities								
Borrowings								
Long term borrowings*	-	-	9,318.00	9,318.00	-	-	2,354.00	2,354.00
Short term borrowings	-	-	-	-	-	-	2,140.00	2,140.00
Trade payables	-	-	5,000.29	5,000.29	-	-	6,685.20	6,685.20
Other financial liabilities - non-current	-	-	-	-	-	-	-	-
Other financial liabilities -current	-	-	4,410.97	4,410.97	-	-	26,085.33	26,085.33
Total financial liabilities	-	-	18,729.26	18,729.26	-	-	37,264.53	37,264.53

* including current maturities of long term debt

ii) Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair value are disclosed in the financial statements. To provide an indication about the realisability of the inputs used in determining fair value, the Company has classified its financial instruments into the following three levels prescribed under Ind AS - 113 "Fair Value Measurements".

Financial assets measured at fair value - recurring fair value measurements at 31st March 2020

Particulars	(Indian ₹ in lacs)			
	Level 1	Level 2	Level 3	Total
Financial investment at FVOCI				
Investment in equity shares (unquoted)	-	-	530.99	530.99
Financial investment at FVPL				
Investment in mutual fund (quoted)	19.40	-	-	19.40
Total	19.40	-	530.99	550.39

Financial assets measured at fair value - recurring fair value measurements at 31st March 2019

Particulars	(Indian ₹ in lacs)			
	Level 1	Level 2	Level 3	Total
Financial investment at FVOCI				
Investment in equity shares (unquoted)	-	-	504.06	504.06
Financial investment at FVPL				
Investment in mutual fund (quoted)	378.71	-	-	19.40
Total	378.71	-	504.06	504.06

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices in active markets. Quotes would includes rates / values / valuation references published periodically by stock, bonds and mutual funds, as the case may be.

Level 2 : The fair value of financial instrument that are not traded in an active market are determined using valuation techniques which maximise the use of observable market data (either directly as prices or indirectly derived form prices) and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.



Note 30 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.

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. The Company regularly reviews trade receivables and necessary provisions, whenever required, are made in the financial statements.

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.

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
Liquidity exposure as on 31st March 2020			
Financial Assets			
Investments	19.40	4,391.06	4,410.46
Loans	4.12	1,210.55	1,214.67
Trade receivables	11,069.00	-	11,069.00
Cash and cash equivalents	1,754.49	-	1,754.49
Other bank balances	417.97	-	417.97
Other financial assets	302.52	396.50	699.02
Total financial assets	13,567.50	5,998.11	19,565.61
Financial Liabilities			
Long term borrowings *	912.00	8,406.00	9,318.00
Short term borrowings	-	-	-
Trade payables	5,000.29	-	5,000.29
Other financial liabilities	4,410.97	-	4,410.97
Total financial liabilities	10,323.26	8,406.00	18,729.26

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Liquidity exposure as on 31st March 2019			
Financial Assets			
Investments	378.71	2,676.66	3,055.36
Loans	10.46	2,358.04	2,368.50
Trade receivables	7,097.18	-	7,097.18
Cash and cash equivalents	1,832.52	-	1,832.52
Other bank balances	347.67	-	347.67
Other financial assets	625.08	397.13	1,022.21
Total financial assets	10,291.61	5,431.83	15,723.44
Financial Liabilities			
Long term borrowings*	912.00	1,442.00	2,354.00
Short term borrowings	2,140.00	-	2,140.00
Trade payables	6,685.20	-	6,685.20
Other financial liabilities	26,085.33	-	26,085.33
Total financial liabilities	35,822.53	1,442.00	37,264.53

* including current maturities of long term debt

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.

Company's exposure to foreign currency risk at the end of each reporting period is as under:

b) a) Exposure in foreign currency -Hedged The Company has no hedged foreign currency exposure at the end of the relevant period.

b) Exposure in foreign currency - unhedged

Currency	(respective foreign currencies in lacs)	
	31st March 2020	31st March 2019
Receivables		
USD	25.90	13.93
EURO	6.63	6.61
SGD	-	0.02
GBP	-	0.03
Payables		
USD	315.66	887.06
EURO	2.01	0.17
SGD	-	0.01
GBP	-	0.09
Loans to overseas subsidiaries		
USD	16.00	34.03



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
March 31, 2020	USD	+5%	(1,034.81)
	USD	-5%	1,034.81
March 31, 2019	USD	+5%	(2,903.29)
	USD	-5%	2,903.29
March 31, 2020	EURO	+5%	19.12
	EURO	-5%	(19.12)
March 31, 2019	EURO	+5%	25.02
	EURO	-5%	(25.02)

Note 32 Capital management

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.

However, due to the business losses for the past few years, the net worth of the company remains negative and in view of the fact that the current liabilities of the Company are much higher than the current assets as on the balance sheet date, the Company may find it difficult to meet its financial obligations unless long-term funds are generated by the Company.

The following table summarises the capital of the Company:

Particulars	(Indian ₹ in lacs)	
	31st March 2020	As at 31st March 2019
Total debt	9,318.00	4,494.00
Total equity	(694.26)	(40,148.15)

Note 33 Exceptional items

(Indian ₹ in lacs)

Particulars	31st March 2020	31st March 2019
1 Net liabilities in respect of exchange rate difference on a disputed shipping claim and differences and gain on account of fair valuation of long term liabilities	-	(11,535.53)
2 Additional liabilities in respect of termination of a settlement agreement by a creditor	56,648.92	(15,008.51)
3 Profit on transfer of the pledged shares (refer note no. 40)	(26,459.68)	26,459.68
4 Additional liability on one time settlement with a bank	15,862.27	(2,500.00)
Total....	46,051.51	(2,584.36)

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Note 34 Contingent Liabilities

No.	Particulars	(Indian ₹ in lacs)	
		31st March 2020	31st March 2019
1	Guarantees to banks against credit facilities extended to subsidiary companies*	4,700.00	14,129.42
2	Guarantees to banks against credit facilities extended to joint venture and associate companies**	3,200.00	3,200.00
3	Guarantees given by the Company to various government authorities	4,383.25	4,383.25
4	In respect of contracts remaining to be executed	170.38	98.69
5	In respect of disputed income tax matters	1,545.11	1,545.11
6	In respect of disputed VAT and service tax matters	51.42	145.44
7	Shipping claims against the Company not acknowledged as debt	4,761.39	52,068.14
8	Other claims against the Company not acknowledged as debt	179.90	48,384.29
9	In respect of other matters	27.43	28.43
	Total....	19,018.88	1,23,982.77

* contingent liabilities reduced upon settlement of claims with creditors

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.

Particulars	(Indian ₹ in lacs)	
	31st March 2020	31st March 2019
Amount recognised in balance sheet		
Present value of funded defined benefit obligation	573.19	667.62
Fair value of plan assets	677.43	679.92
Net unfunded obligation/(surplus assets)	104.24	12.30
Expense recognised in the statement of profit and loss		
Current service cost	40.64	40.20
Expected return on plan assets	-	-
Interest on net defined benefit asset	(0.95)	(2.36)
Total expense charged to profit and loss Account	39.69	37.83
Amount recorded as other comprehensive income		
Opening amount recognised in OCI outside profit & loss Account	(43.98)	(26.76)
Remeasurements during the period due to:		
Changes in financial assumptions	104.81	(8.34)
Actual return on plan assets less interest on plan assets	(8.59)	(8.88)
Closing amount recognised in OCI outside profit & loss account	52.24	(43.98)
Reconciliation of net liability/(asset)		
Opening net defined benefit liability/(asset)	(12.30)	(30.56)
Expense charged to profit and loss account	39.69	37.83
Amount recognised outside profit and loss account	96.22	17.22
Employer contributions	(35.41)	(36.78)
Closing net defined benefit liability/(asset)	88.21	(12.30)
Movement in benefit obligation		
Opening of defined benefit obligation	667.62	651.82
Current service cost	40.64	40.20
Interest on defined benefit obligation	51.81	50.39
Actuarial loss/(gain) arising from change in financial assumptions	28.17	(1.30)
Benefits paid from the fund	(82.07)	(83.12)
Actuarial loss/(gain) on obligation	(132.99)	9.64
Closing of defined benefit obligation	573.19	667.62



Movement in plan assets

Opening fair value of plan assets	679.92	682.39
Return on plan assets excluding interest income	(8.59)	(8.88)
Interest income	52.76	52.75
Contributions by employer	35.41	36.78
Benefits paid	(82.07)	(83.12)
Closing of defined benefit obligation	677.43	679.92

Principal actuarial assumptions

Discount Rate	6.87	7.76
Salary escalation rate p.a.	6.87	7.76
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	31st March 2020	31st March 2019 (Indian ₹ in lacs)
1	Discount Rate - 1% Increase	(31.45)	(40.86)
	Discount Rate - 1% Decrease	35.51	46.02
2	Salary - 1% Increase	35.82	46.83
	Salary - 1% Decrease	(32.27)	42.25
3	Employee Turnover - 1% Increase	3.98	8.14
	Employee Turnover - 1% Decrease	(4.43)	(9.01)

The following are the expected future benefit payments for the defined benefit plan:

No.	Particulars	31st March 2020	31st March 2019 (Indian ₹ in lacs)
1	Within the next 12 months (next annual reporting period)	127.14	92.27
2	Between 2 and 5 years	171.80	185.46
3	Beyond 5 years	652.06	977.55

Note 36 Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2019-20, to the extent the Company has received intimation from the Suppliers regarding their status under the Act.

No.	Particulars	31st March 2020	31st March 2019 (Indian ₹ in lacs)
	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	26.58	25.79
2	Interest due on above	-	-

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Note 37 Details of Income and Expenditure on Research and Development:

Particulars	(Indian ₹ in lacs)	
	2019-2020	2018-2019
Salaries, wages, allowances and bonus	220.36	200.03
Contribution to employee benefit funds	10.31	9.96
Staff welfare expenses	4.85	8.40
Machinery repairs and maintenance	12.13	29.75
Laboratory analysis and other expenses	52.56	80.68
Other selling expenses	1.04	8.75
Travelling expenses	3.72	5.47
Rent	14.52	14.52
Rates and taxes	-	0.05
Building and other repairs	20.35	21.44
Advertisement and business promotion	0.10	0.48
Legal and professional fees	8.41	7.67
Sundry balances written off	35.40	-
Bank commission and other charges	-	0.02
Payment to auditors	0.30	0.30
Insurance premiums	0.14	1.15
General expenses	0.03	-
	<u>35.76</u>	<u>38.40</u>
	419.97	427.07
Material cost	1.40	4.47
Depreciation	108.56	107.28
	<u>529.93</u>	<u>538.82</u>
Less:		
Receipt from research activities	225.38	250.00
Interest income	0.08	0.05
Sundry balances written back	-	1.15
Gain on Foreign currency fluctuation	-	2.35
Other operational income	0.78	-
	<u>253.55</u>	<u>253.55</u>
Net surplus/(deficit)	<u>(303.68)</u>	<u>(285.27)</u>
Capital Expenditure	<u>56.66</u>	<u>114.25</u>



Note 38 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
(i) Subsidiaries companies		
1	Ashapura Alumium Limited	India
2	Ashapura Claytech Limited	India
3	Ashapura Consultancy Services Private Limited	India
4	Ashapura Guinea Resources SARL ³	Guinea
5	Ashapura Holdings (UAE) FZE	UAE
6	Ashapura International Limited ¹	India
7	Ashapura Maritime FZE ²	UAE
8	Ashapura Minechem (UAE) FZE	UAE
9	Ashapura Minex Resources ³	Guinea
10	Ashapura Resources Private Limited	India
11	Bombay Minerals Limited	India
12	FAKO Resources SARL ⁴	Guinea
13	Peninsula Property Developers Private Limited	India
14	Prashansha Ceramics Limited	India
15	PT Ashapura Bentoclay Fareast	Indonesia
16	PT Ashapura Resources	Indonesia
17	Sharda Consultancy Private Limited	India
18	Societe Guineenne des Mines de Fer ³	Guinea
(ii) Joint ventures and associates		
19	APL Valueclay Private Limited ¹	India
20	Ashapura Arcadia Logistic Private Limited	India
21	Ashapura Dhofar Resources LLC	Oman
22	Ashapura Farest MPA Sdn Bhd	Malaysia
23	Ashapura Midgulf NV	Belgium
24	Ashapura Perfoclay Limited ¹	India
25	Orient Abrasives Limited	India
26	Sohar Ashapura Chemicals LLC	Oman
(iii) Entities controlled/significantly influenced by directors		
27	Altage Stone Crushing Industries	India
28	Ambica Logistics Private Limited	India
29	Ashapura Exports Private Limited	India
30	Ashapura Foundation	India
31	Ashapura Infin Private Limited	India
32	Ashapura Mineral Company	India
33	Ashapura Overeas Private Limited	India
34	Chetan N Shah - HUF ⁵	India
35	Kutch Navniraman Trust	India
36	Manico Resources Private Limited	India
37	Minologic Corporation	India
38	Minotech Resources LLP	India
39	Minotrans Logistic Corporation	India
40	Sharda Industrial Corporation	India

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(iv) Key managerial personnel

41	Mr. Chetan Shah ⁵	Executive Chairman
42	Mr. Rajnikant Pajwani ⁶	Whole Time Director & CEO
43	Mr. Hemul Shah ⁷	Excutive Director & CEO
44	Mr. Harish Motiwala	Independent Director
45	Ms Himani Shah ⁸	Non Independent Director
46	Mr. Ashok Kadakia	Independent Director
47	Mr. Abhilash Munsif	Independent Director
48	Mr. Pundrik Sanyal	Independent Director
49	Mrs. Navita Gaiha	Independent Director
50	Mr. Sachin Polke	Company Secretary & Vice President
51	Mr. Ashish Desai ⁹	Chief Financial Officer (CFO)
52	Ms. Surekha Sathe	Vice President - Information Technology
53	Mr. Akhilesh Kumar Sinha	Vice President - Human Resources
54	Mr. Ajay Phalod ¹⁰	Designate CEO

(v) Relatives of key managerial personnel

- 55 Mrs. Dina Shah
- 56 Mrs Chaitali Salot
- 57 Mr. Manan Shah

¹ upto 19th September, 2018 and w.e.f. 28th February, 2020. (Refer note no. 40)

² upto 15th March, 2020

³ upto 16th August, 2018 and w.e.f. 6th December, 2019

⁴ w.e.f. 19th December, 2019

⁵ w.e.f. 24th October, 2019

⁶ upto 1st June, 2019

⁷ w.e.f. 16th February, 2020

⁸ w.e.f. 10th February, 2020

⁹ w.e.f. 12th June, 2019

¹⁰ upto 15th February, 2020



Nature of transaction	Relationship	Year ended 31st March 2020	Year ended 31st March 2019
1. Sales of materials			
Ashapura International Limited	Subsidiary	417.87	2,320.49
Bombay Minerals Limited	Subsidiary	343.80	946.12
Ashapura Perfoclay Limited	Joint Venture	67.43	1,216.83
Ashapura Holdings (UAE) FZE	Associate	-	21.30
Orient Abrasives Limited	Associate	553.96	536.74
Total...		<u>1,383.07</u>	<u>5,041.50</u>
2. Sale of assets			
Orient Abrasives Limited	Associate	-	7.92
Ashapura Dhofar Minerals Resources LLC	Joint Venture	-	716.96
Total...		<u>-</u>	<u>724.88</u>
3. Purchase of materials			
Bombay Minerals Limited	Subsidiary	-	706.01
Ashapura International Limited	Subsidiary	104.50	1,257.51
Ashapura Perfoclay Limited	Joint Venture	-	1.97
Orient Abrasives Limited	Associate	14.79	704.66
Total...		<u>119.29</u>	<u>2,670.16</u>
4. Interest received			
Ashapura Minechem (UAE) FZE	Subsidiary	142.75	155.54
5. Lease rent paid			
Ashapura International Limited	Subsidiary	1.31	6.78
Bombay Minerals Limited	Subsidiary	0.60	0.60
Total...		<u>1.91</u>	<u>7.38</u>
6. Reimbursement of administrative expenses received/(paid)			
Ashapura Claytech Limited	Subsidiary	11.19	1.60
Ashapura Consultancy Services Private Limited	Subsidiary	0.02	0.47
Ashapura International Limited	Subsidiary	44.99	207.26
Bombay Minerals Limited	Subsidiary	(86.16)	(309.64)
Peninsula Property Developers Private Limited	Subsidiary	0.02	0.21
Sharda Consultancy Services Private Limited	Subsidiary	0.02	0.42
Ashapura Resources Pvt Ltd	Subsidiary	36.66	6.86
Ashapura Aluminum Limited	Subsidiary	0.56	0.44
Ashapura Overseas Private Limited	Associate	1.49	0.08
Orient Abrasives Limited	Associate	(6.02)	(7.75)
APL Valueclay Private Limited	Joint Venture	0.25	0.64
Ashapura Perfoclay Limited	Joint Venture	110.03	280.72
Total...		<u>113.05</u>	<u>181.32</u>
7. Rent received			
Ashapura International Limited	Subsidiary	18.25	95.26
Ashapura Overseas Private Limited	Associate	1.20	1.20
Ashapura Resources Pvt Ltd	Subsidiary	3.00	2.25
Orient Abrasives Limited	Associate	8.40	8.40
Bombay Minerals Limited	Subsidiary	5.79	5.51
Total...		<u>36.63</u>	<u>112.62</u>

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Nature of transaction	Relationship	Year ended 31st March 2020	Year ended 31st March 2019
8. R & D charges receipts			
Ashapura International Limited	Subsidiary	13.52	150.00
Orient Abrasives Limited	Associate	-	25.00
Ashapura Perfoclay Limited	Joint Venture	75.00	75.00
Total...		88.52	250.00
9. Stores, Spares & Packing Materials Purchase			
APL Valueclay Private Limited	Joint Venture	0.24	0.20
Bombay Minerals Limited	Subsidiary	1.06	-
Orient Abrasives Limited	Associate	2.92	3.96
Total...		4.22	4.16
10. Operational Income			
Ashapura Guinea Resources SARL	Associate	82.48	-
Ashapura Dhofar Resources LLC	Joint Venture	3.52	-
Ashapura International Limited	Subsidiary	-	28.03
Total...		86.01	28.03
11. Guarantee Commission			
Ashapura Perfoclay Limited	Associate	32.00	-
Ashapura International Limited	Subsidiary	18.00	18.00
Bombay Minerals Limited	Subsidiary	29.00	29.00
Total...		79.00	47.00
12. Royalty			
Chetan N Shah - HUF	Associate	47.10	93.65
Outstanding Balances:			
1. Trade receivables			
Ashapura International Limited	Subsidiary	3,377.10	-
Bombay Minerals Limited	Subsidiary	1,011.44	-
Ashapura Holdings (UAE) FZE	Subsidiary	-	21.73
Ashapura Exports Private Limited	Associate	385.58	385.58
Ashapura Midgulf NV	Associate	540.04	506.77
Ashapura Overseas Private Limited	Associate	260.90	259.41
Ashapura Perfoclay Limited	Joint Venture	1,277.36	1,168.70
Manico Resources Private Limited	Associate	12.50	12.50
Ashapura Dhofar Mineral	Associate	3.52	-
APL Valueclay Private Limited	Joint Venture	3.40	0.21
Ashapura Resources Private Limited	Subsidiary	131.38	91.47
Orient Abrasives Limited	Associate	317.17	486.53
Ashapura Guinea Resources SARL	Subsidiary	85.46	13.12
Total...		7,405.85	2,946.02
2. Security Deposit			
Ashapura International Limited	Subsidiary	1.00	1.00
Ashapura Claytech Limited	Subsidiary	50.00	50.00
Sharda Industrial Corporation	Associate	45.00	45.00
Total...		96.00	96.00



Nature of transaction	Relationship	Year ended 31st March 2020	Year ended 31st March 2019
3. Trade Payables			
Ashapura Midgulf NV	Associate	154.60	148.28
Ashapura Arcadia Logistic Private Limited	Associate	49.41	49.41
Ashapura International Limited	Subsidiary	6.11	-
APL Valueclay Private Limited	Joint Venture	-	0.24
Total...		<u>210.12</u>	<u>197.92</u>
4. Trade Advances			
Ashapura Claytech Limited	Subsidiary	304.38	297.41
Bombay Minerals Limited	Subsidiary	2,483.34	2,941.99
Manico Resources Private Limited	Associate	52.25	51.01
Mino Trans Logistics	Associate	146.50	164.42
Altage Stone Crushing Industries	Associate	446.00	446
Minologistics Corporation	Associate	46.74	46.74
Ashapura Aluminium Limited	Subsidiary	0.14	-
Total...		<u>3,479.36</u>	<u>3,947.42</u>
5. Intercorporate loans given			
Ashapura Minechem (UAE) FZE	Subsidiary	1,209.86	2,354.99
6. Advances from customers			
Ashapura Aluminum Limited	Subsidiary	16.03	16.45
Ashapura Minechem (UAE) FZE	Subsidiary	199.58	182.69
Ashapura Farest MPA Sdn Bhd	Associate	0.70	0.70
Total...		<u>216.32</u>	<u>199.84</u>
Key management personnel and relatives			
1. Remuneration			
Mr. Chetan Shah	Excutive Chaiman	26.29	-
Mr. Rajnikant Pajwani	Whole Time Director & CEO	4.36	29.29
Mr. Hemul Shah	Excutive Director & CEO	6.46	-
Others		227.27	284.70
Total...		<u>264.38</u>	<u>313.99</u>
2. Sitting fees			
Mr. Chetan Shah	Non-Executive Chairman	-	2.00
Mr. Harish Motiwala	Independent director	3.75	5.75
Mr. Ashok Kadakia	Independent director	3.50	3.25
Mr. Abhilash Munsif	Independent director	3.75	5.75
Mr. Pundrik Sanyal	Independent director	3.75	5.50
Mrs. Navita Gaiha	Independent director	1.00	1.50
Total...		<u>15.75</u>	<u>23.75</u>

Ashapura Minechem Limited

Nature of transaction	Relationship	Year ended 31st March 2020	Year ended 31st March 2019
3. Reimbursement of expenses paid			
Ms. Surekha Sathe	Vice President - Information Technology	3.00	2.94
Mr. Ashish Desai	Chief Financial Officer	3.60	2.40
Mr. Ajay Phalod	Designate CEO	3.01	2.40
Mr. Akhileshkumar Sinha	Vice President - Human Resources	3.60	2.94
Mr. Sachin Polke	Company Secretary & Vice President	3.60	2.94
Mr. Hemul Shah	Excutive Director & CEO	0.70	-
	Total...	17.51	13.62

As per our report of even date

For P A R K & COMPANY
Chartered Accountants

Sd/-
PRASHANT VORA
Partner
Rajkot
July 10, 2020

Sd/-
CHETAN SHAH
Executive Chairman
Sd/-
ASHISH DESAI
Chief Financial Officer
Mumbai
July 10, 2020

Sd/-
HEMUL SHAH
Executive Director and Chief Executive officer
Sd/-
SACHIN POLKE
Company Secretary & Vice President

CONSOLIDATED FINANCIAL STATEMENTS

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INDEPENDENT AUDITORS' 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 2020, 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 2020 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

We draw attention to Note 41 to the consolidated financial statements which explains the uncertainties and the management's assessment of the financial impact due to lock-down and other restrictions and conditions related to the COVID-19 pandemic situation, for which definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve.

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>Revenue Recognition</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>Assessment of litigations and related disclosure of contingent liabilities</p> <p>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>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 Parent 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 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 not include the 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 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 concerns 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.

Auditors' 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 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 standalone 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 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 seventeen subsidiaries, whose financial statements reflect total assets of ₹ 1,40,362.77 lacs as



at 31st March 2020 and total revenues of ₹ 16,304.07 lacs and net loss after tax (including other comprehensive income) ₹ 871.65 lacs for the year then ended, and of three associates and three joint ventures, whose financial statements reflect the Parent Company's share of net profit of ₹ 1,038.39 lacs as considered in the consolidated financial statements. These financial statements are audited by other auditors whose reports have been furnished to us by the management and our opinion on consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and joint ventures and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to aforesaid subsidiaries, associates and joint ventures is based solely on the report of the 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 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 2020 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 in India, none of the directors of the Group companies is disqualified as on 31st March 2020, 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 incorporated in India, 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 of the Act.

- h) With respect to the other matters to be included in the Auditors' 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.

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

Rajkot
July 10, 2020

PRASHANT VORA
Partner
Membership No. 034514
UDIN:20034514AAAAAF7966

ANNEXURE – A TO THE INDEPENDENT AUDITORS’ 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, 2020 In conjunction with our audit of the consolidated financial statements of the 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.

Auditors’ 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 was 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 auditors’ 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, 2020, 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

Rajkot
July 10, 2020

PRASHANT VORA
Partner
Membership No. 034514
UDIN:20034514AAAAAF7966



Ashapura Minechem Limited

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2020

Particulars	Note No.	As at 31st March 2020	(Indian ₹ in lacs) As at 31st March 2019
ASSETS:			
Non-Current Assets			
Property, plant and equipment	2	46,406.68	22,013.45
Right of use assets	3	184.77	-
Capital work in progress		5,446.97	888.15
Investment properties	4	239.82	2,322.98
Intangible assets	5	3,493.49	72.55
Goodwill		4,069.40	1,023.30
Financial assets			
Investments in joint ventures	6	13,817.27	2,860.21
Investments in associates	6	13,074.62	14,230.19
Other investments	6	533.06	506.25
Loans	7	11,239.15	2,602.12
Other financial assets	8	1,688.22	436.95
Deferred Tax Assets	9	1,437.44	1,062.59
Other non-current assets	10	3,277.27	1,524.46
		1,04,908.16	49,543.20
Current Assets			
Inventories	11	22,402.96	16,054.80
Financial assets			
Investments	6	19.40	378.71
Trade receivables	12	18,475.77	10,420.07
Cash and cash equivalents	13	4,070.11	4,962.53
Other bank balances	14	691.96	1,133.78
Loans	7	26.66	15.14
Other financial assets	8	1,958.77	1,154.93
Current tax assets (net)	15	14,474.13	7,186.91
Other current assets	10	14,981.01	14,279.78
		77,100.77	55,586.65
		1,82,008.93	1,05,129.85
Total Assets			
EQUITY AND LIABILITIES:			
Equity			
Equity share capital	16	1,739.72	1,739.72
Other equity	17	32,532.58	(37,845.66)
Money received against share warrants		359.44	-
Non-controlling interest		(21.37)	6,219.12
		34,610.37	(29,886.82)
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	18	39,074.68	15,317.16
Other financial liabilities	19	89.49	-
Provisions	20	2,690.57	1,306.65
Other non-current liabilities	21	30,439.19	372.51
		72,293.93	16,996.32
Current liabilities			
Financial Liabilities			
Borrowings	18	3,970.46	4,697.20
Trade payables	22		
Total outstanding dues of Micro and Small Enterprises		34.97	42.85
Total outstanding dues of creditors other than Micro and Small Enterprises		13,765.36	11,833.32
Other financial liabilities	19	7,012.67	27,016.69
Other current liabilities	21	35,378.11	66,506.93
Current tax liabilities (net)	15	13,470.56	5,980.72
Provisions	20	1,472.50	1,942.64
		75,104.63	1,18,020.35
		1,82,008.93	1,05,129.85
Total Liabilities			

The accompanying notes are integral part of these financial statements.

As per our report of even date

For P A R K & COMPANY
Chartered Accountants

Sd/-
PRASHANT VORA
Partner

Rajkot
July 10, 2020

Sd/-
CHETAN SHAH
Executive Chairman
Sd/-
ASHISH DESAI
Chief Financials Officer

Mumbai
July 10, 2020

Sd/-
HEMUL SHAH
Executive Director and Chief Executive officer
Sd/-
SACHIN POLKE
Company Secretary and Vice President



STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2020

Particulars	Note No.	(Indian ₹ in lacs)	
		2019-2020	2018-2019
REVENUE:			
Revenue from operations	23	33,432.34	62,166.59
Other income	24	1,594.67	1,655.37
Total Revenue		35,027.01	63,821.96
EXPENSES:			
Cost of materials consumed	25	11,707.95	21,025.12
Purchases of traded goods		3,510.29	6,985.90
Changes in inventories	26	1,021.52	(487.82)
Employee benefits expenses	27	3,937.85	5,913.60
Finance costs	28	3,095.86	1,928.22
Depreciation and amortisation expenses	29	2,838.94	3,251.73
Other expenses	30	18,987.51	29,516.10
Total Expenses		45,099.92	68,132.85
Profit/(loss) before exceptional item, share of net profit of investments accounted for using the equity method and Tax		(10,072.91)	(4,310.89)
Share of net profit of Joint Ventures & associates accounted for using the equity method		891.25	1,213.97
Profit/(loss) before exceptional items		(9,181.66)	(3,096.92)
Exceptional Items	35	47,397.97	(29,074.60)
Profit/(loss) before tax		38,216.31	(32,171.52)
Tax expenses			
Current tax	15	106.00	730.00
Earlier years' tax		14.54	4.49
Deferred tax		(223.62)	(216.47)
Profit/(loss) for the year		38,319.39	(32,689.54)
Other Comprehensive income			
Items that will not be reclassified to profit or loss			
a. Remeasurements of defined benefit plans		(7.68)	(19.21)
b. Gains on investments in equity instruments classified as FVOCI		26.93	(32.92)
c. Tax impacts on above		28.04	(1.83)
Items that may be reclassified to profit or loss			
d. Exchange differences on foreign currency translation		(441.84)	(197.50)
Other comprehensive income for the year		(394.55)	(251.46)
Total Comprehensive Income for the year		37,924.84	(32,941.00)
Profit for the year attributable to:			
Owners of the Parent		38,768.26	(33,102.06)
Non-controlling interests		(448.87)	412.52
		38,319.39	(32,689.54)
Other Comprehensive Income for the year attributable to:			
Owners of the Parent		(381.68)	(251.39)
Non-controlling interests		(12.87)	(0.07)
		(394.55)	(251.46)
Total Comprehensive Income for the year attributable to:			
Owners of the Parent		38,386.58	(33,353.45)
Non-controlling interests		(461.74)	412.45
		37,924.84	(32,941.00)
Basic and diluted earning per share	31	44.57	(38.05)
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/-

PRASHANT VORA
Partner

Rajkot
July 10, 2020

Sd/-

CHETAN SHAH
Executive Chairman

Sd/-

ASHISH DESAI
Chief Financials Officer

Mumbai
July 10, 2020

Sd/-

HEMUL SHAH
Executive Director and Chief Executive officer

Sd/-

SACHIN POLKE
Company Secretary and Vice President

Ashapura Minechem Limited

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2020

(Indian ₹ in lacs)

Particulars	2019-2020	2018-2019
A CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit/(loss) for the year	38,319.39	(32,689.54)
Adjustments for -		
Depreciation and amortization	2,838.94	3,251.73
Income tax expenses	(103.09)	518.02
Loss / (profit) on sale of property, plant & equipment	279.78	(221.20)
Share of profit from associate/joint venture	(891.25)	(1,213.97)
Loss / (profit) on sale/disposal of investments	907.48	252.61
Impairment loss recognised on trade receivables (net)	1,295.66	512.51
Exchange rate adjustments on foreign currency translation (net)	441.84	197.50
Dividend	(0.47)	(137.02)
Interest	2,867.57	1,366.52
Operating profit before working capital changes	<u>7,636.46</u>	<u>4,526.70</u>
Adjustments for -		
(Increase)/decrease in trade and other receivables	(17,021.38)	9,640.86
(Increase)/decrease in other current and non-current assets	(2,454.05)	(2,978.07)
Inventories	(6,348.16)	8,448.81
Increase/(decrease) in provisions	886.74	(1,458.95)
Increase/(decrease) in other current and non-current liabilities	(1,062.14)	(609.28)
Trade and other payables	(18,197.11)	(4,337.14)
Cash generated from operations	<u>(44,196.10)</u>	<u>8,706.23</u>
Income tax paid	(186.03)	(2,283.09)
	<u>(36,745.67)</u>	<u>10,949.84</u>
NET CASH FROM OPERATING ACTIVITIES	<u>1,573.72</u>	<u>(21,739.70)</u>
B CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of property, plant & equipment	(1,912.20)	(949.04)
Adjustment on account change in control of a subsidiary	(3,569.62)	6,051.53
(Purchase)/sale of investments	(11,275.51)	9,688.33
Sale of property, plant & equipment	83.12	585.85
Dividend received	0.47	137.02
Interest received	1,116.82	534.27
	<u>(15,556.92)</u>	<u>16,047.96</u>
NET CASH USED IN INVESTING ACTIVITIES	<u>(15,556.92)</u>	<u>16,047.96</u>



C CASH FLOW FROM FINANCING ACTIVITIES :

Proceeds from borrowings	23,757.52	4,681.66
Repayments of borrowings	(726.74)	(2,212.69)
Money received against share warrants	359.44	-
Repayment of lease liabilities	(74.56)	-
Change in non-controlling interest	(6,240.49)	6,218.84
Interest paid	(3,984.39)	(1,900.79)
NET CASH USED IN FINANCING ACTIVITIES	13,090.78	6,787.02

Net Increase in Cash and Cash Equivalents **(892.42)** **1,095.28**

Cash and cash equivalents as at beginning of the year **4,962.53** 3,867.25
Cash and cash equivalents as at end of the year **4,070.11** 4,962.53

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flow.

As per our report of even date

For P A R K & COMPANY
Chartered Accountants

Sd/-
PRASHANT VORA
Partner

Rajkot
July 10, 2020

Sd/-
CHETAN SHAH
Executive Chairman
Sd/-
ASHISH DESAI
Chief Financial Officer

Mumbai
July 10, 2020

Sd/-
HEMUL SHAH
Executive Director and Chief Executive officer
Sd/-
SACHIN POLKE
Company Secretary & Vice President

Ashapura Minechem Limited

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2020

A. SHARE CAPITAL

Particulars	31st March 2020	(Indian ₹ in Lacs)
		31st March 2019
At the beginning of the year	1,739.72	1,739.72
Changes in equity share capital during the year	-	-
At the end of the year	<u>1,739.72</u>	<u>1,739.72</u>

B. OTHER EQUITY

Particulars	(Indian ₹ in lacs)								
	Capital redemption reserve	Retained earnings	Securities premium	General reserve	Other Comprehensive Income 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
As at 1st April, 2018	3.90	(24,530.29)	17,734.59	-	511.97	(7.96)	(167.59)	(6,455.38)	0.28
Profit for the year	-	(33,102.06)	-	-	-	-	-	(33,102.06)	412.52
Adjustment on account of derecognition of investment in subsidiaries/ joint ventures	-	1,833.31	-	-	-	15.54	115.43	1,964.28	5,806.40
Exchange differences on foreign currency translation	-	-	-	-	-	(197.50)	-	(197.50)	-
Other comprehensive income for the year (net of tax)	-	-	-	-	(32.92)	-	(20.96)	(53.88)	(0.07)
Dividend distribution tax	-	(1.12)	-	-	-	-	-	(1.12)	-
As at 31st March, 2019	3.90	(55,800.16)	17,734.59	-	479.05	(189.92)	(73.12)	(37,845.66)	6,219.12
Profit for the year	-	38,768.26	-	-	-	-	-	38,768.26	(448.87)
Adjustment on account of reacquisition of investment in subsidiaries/ joint ventures	-	30,752.28	-	1,500.00	-	-	(244.02)	32,008.26	(5,778.75)
Exchange differences on foreign currency translation	-	-	-	-	-	(441.84)	-	(441.84)	-
Other comprehensive income for the year	-	-	-	-	26.93	-	20.36	47.29	(12.87)
Dividend	-	(2.61)	-	-	-	-	-	(2.61)	-
Dividend distribution tax	-	(1.12)	-	-	-	-	-	(1.12)	-
As at 31st March, 2020	3.90	13,716.65	17,734.59	1,500.00	505.98	(631.76)	(296.78)	32,532.58	(21.37)

The accompanying notes are integral part of these financial statements.

As per our report of even date

For P A R K & COMPANY
Chartered Accountants

Sd/-
PRASHANT VORA
Partner

Rajkot
July 10, 2020

Sd/-
CHETAN SHAH
Executive Chairman
Sd/-
ASHISH DESAI
Chief Financial Officer

Mumbai
July 10, 2020

Sd/-
HEMUL SHAH
Executive Director and Chief Executive officer
Sd/-
SACHIN POLKE
Company Secretary & Vice President



Notes forming part of the consolidated financial statements for the year ended 31st March 2020

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. The Group is engaged in the mining, manufacturing and trading of various minerals and its derivative products. 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 Parent Company are listed on Bombay Stock Exchange (BSE) as well as National Stock Exchange (NSE).

The consolidated financial statements ('the financial statements') were authorized for issue in accordance with the resolution of the Board of Directors on 10th July, 2020.

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 the 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.

Consolidated Financial Statements are presented in Indian Rupees (INR) which is the Group's functional currency, and all the values are rounded to the nearest lacs except otherwise indicated.

1.2 Significant accounting policies:

a. 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.

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.

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 Group.

1.3 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 drawn up to same reporting date as that of the Parent Company. Where the end of the reporting period of the other group companies is different from that of the Parent Company, those companies 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. As stated in note no. 42, some of companies ceased to be the subsidiaries and joint ventures during the previous year and the Parent Company regained the ownership and control of these companies during the current year. These consolidated financial statements include the financials of these entities for the period for which the Parent Company had ownership and control on these entities.

Ashapura Minechem Limited

- d. The consolidated financial statements present the consolidated accounts of Ashapura Minechem Limited with its following subsidiaries, joint ventures and associates:

Particulars	Country of Incorporation	% voting power held as at 31 st March 2020 (either directly or through subsidiaries)	% voting power held as at 31 st March 2019 (either directly or through subsidiaries)
Subsidiaries:			
1 Ashapura Aluminum Limited	India	100.00	100.00
2 Ashapura Claytech Limited	India	99.44	99.44
3 Ashapura Consultancy Service Private Limited	India	100.00	100.00
4 Ashapura Guinea Resources SARL	Guinea	100.00	-
5 Ashapura Holdings (UAE) FZE	UAE	100.00	100.00
6 Ashapura International Limited	India	100.00	-
7 Ashapura Maritime FZE	UAE	-	100.00
8 Ashapura Minechem (UAE) FZE	UAE	100.00	100.00
9 Ashapura Minex Resources SAU	Guinea	100.00	-
10 Ashapura Resources Private Limited	India	100.00	100.00
11 Bombay Minerals Limited	India	100.00	52.14
12 FAKO Resources SARL	Guinea	90.00	-
13 Peninsula Property Developers Private Limited	India	100.00	100.00
14 Prashansa Ceramics Limited	India	100.00	100.00
15 PT Ashapura Bentoclay Resources	Indonesia	100.00	100.00
16 Sharda Consultancy Private Limited	India	100.00	100.00
17 Societe Guineenne des Mines de Fer	Guinea	100.00	-
Joint Ventures:			
1 APL Valueclay Private Limited	India	50.00	-
2 Ashapura Dhofar Resources LLC	Oman	70.00	70.00
3 Ashapura Midgulf NV	Belgium	50.00	50.00
4 Ashapura Perfoclay Limited	India	50.00	-
5 Sohar Ashapura Chemicals LLC	Oman	40.00	40.00
Associates:			
1 Ashapura Arcadia Logistic Private Limited	India	50.00	50.00
2 Ashapura Fareast MPA Sdn Bhd	Malaysia	25.00	25.00
3 Orient Abrasives Limited	India	31.76	36.00

Subsidiaries

- A subsidiary is an entity over which the Company has control. The Company controls an entity when the 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 Company.
- The Company combines the financial statements of the parent 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 Company.
- A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction. If the 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.



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.

1.4 Significant accounting policies:

c. 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.

d. 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.

e. 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) On transition to Ind AS, the Group has opted to continue with the carrying values measured under the previous GAAP as at 1st April 2016 of its property, plant and equipment and use that carrying value as the deemed cost of the property, plant and equipment on the date of transition i.e. 1st April 2016.
- (vi) 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.

- (vii) 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.
- (viii) 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.

f. 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 building.
- 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.

g. 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.

h. 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.

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.

i. 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.

j. Cash and cash 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.

k. 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 fair value 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.

m. Financial liabilities

- (i) 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.
- (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.

n. 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.

o. Revenue recognition

- (i) Revenue from contract with customers is recognised when the Group satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at a point of time or over a period of time. Performance obligations satisfied over a period of time are recognised as per the terms of relevant contractual agreements/arrangements. Performance obligations are said to be satisfied at a point of time when the customer obtains controls of the asset.
- (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 discounts.
- (iii) Domestic sales are accounted for on dispatch from the point of sale corresponding to transfer of significant risks and rewards of ownership to the buyer.
- (iv) Export sales are recognised on the date of the mate's receipt/shipped on board signifying transfer of risks and rewards of ownership to the buyer as per terms of sales and initially recorded at the relevant exchange rates prevailing on the date of the transaction.
- (v) 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.
- (iv) 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.

p. 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.

q. 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.

r. 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 Group are accounted for as revenue receipts.

s. 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 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.

t. 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.

u. Leases

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.

v. 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.

w. 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.

x. 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.

y. 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.



z. 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.

aa. 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.

bb. 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.

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".

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Note 2

Property, plant and equipment

(Indian ₹ in lacs)

Particulars	Land	Buildings	Plant & Equipment	Barges	Office Equipment	Furniture & Fixtures	Vehicles	Tenacy Rights	Total
Gross carrying value									
As at 1st April, 2018	2,064.44	10,265.32	33,318.57	75.98	1,359.26	2,039.37	1,613.78	228.31	50,965.03
Additions	1.22	160.52	586.80	-	31.96	25.52	23.44	-	829.46
Disposals/transfer	(383.50)	(3,206.36)	(3,136.91)	-	(187.12)	(340.75)	(538.35)	(228.31)	(8,021.30)
As at 31st March, 2019	1,682.16	7,219.48	30,768.46	75.98	1,204.10	1,724.14	1,098.87	-	43,773.19
Additions /transfer *	745.65	4,911.43	60,175.93	-	244.54	625.48	3,769.21	-	70,472.24
Disposals/transfer	-	-	(1,282.37)	-	-	(0.05)	(61.52)	-	(1,343.94)
As at 31st March, 2020	2,427.81	12,130.91	89,662.02	75.98	1,448.64	2,349.57	4,806.56	-	1,12,901.49
Accumulated depreciation									
As on 1st April, 2018	-	1,997.82	15,540.50	73.54	1,185.25	1,508.61	1,080.85	216.90	21,603.47
Depreciation charged	-	243.25	2,624.95	-	61.10	111.73	94.53	-	3,135.56
Disposals	-	(790.34)	(1,359.19)	-	(156.59)	(217.49)	(238.78)	(216.90)	(2,979.29)
As at 31st March, 2019	-	1,450.73	16,806.26	73.54	1,089.76	1,402.85	936.60	-	21,759.74
Depreciation charged	-	306.33	2,324.52	1.10	43.35	75.90	46.96	-	2798.16
Disposals /transfer *	-	1,730.81	36,884.01	-	198.02	416.72	2,707.35	-	41,936.91
As at 31st March, 2020	-	3,487.87	56,014.79	74.64	1,331.13	1,895.47	3,690.91	-	66,494.81
Net carrying value									
As at 31st March, 2019	1,682.16	5,768.75	13,962.20	2.44	114.34	321.29	162.27	-	22,013.45
As at 31st March, 2020	2,427.81	8,643.04	33,647.23	1.34	117.51	454.10	1,115.65	-	46,406.68

* Includes transfers from subsidiaries on aquisition of ownership and control.

Note 3

Right of use assets

(Indian ₹ in lacs)

Particulars	Building	Total
Gross carrying value		
As at 31st March, 2019	-	-
Additions	198.74	198.74
As at 31st March, 2020	198.74	198.74
Accumulated depreciation		
As at 31st March, 2019	-	-
Depreciation charged	13.97	13.97
Disposals	-	-
As at 31st March, 2020	13.97	13.97
Net carrying value		
As at 31st March, 2020	184.77	184.77

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
As at April 1, 2019	278.70	198.74
Amortisation for the year	-	13.97
Interest expense	28.91	-
Payments	103.47	-
As at March 31, 2020	204.14	184.77

(b) Set out below, are the amounts recognized in profit and loss:

(Indian ₹ in lacs)

Particulars	31st March, 2020
Amortisation expense of right-of-use assets	13.97
Interest expense on lease liability	28.91
Lease expense- short term and lease of low value assets	144.50
	187.38



Note 4

Investment Properties

Particulars	(Indian ₹ in lacs)		
	Land	Building	Total
Gross carrying value			
As at 1st April, 2018	-	308.68	308.68
Additions	229.38	2,722.76	2,952.14
Disposals	-	-	-
As at 31st March, 2019	229.38	3,031.44	3,260.82
Additions /transfer	(229.38)	(2,722.76)	(2,952.14)
Disposals	-	-	-
As at 31st March, 2020	-	308.68	308.68
Accumulated depreciation			
As at 1st April, 2018	-	57.05	57.05
Depreciation charged	-	880.79	880.79
Disposals	-	-	-
As at 31st March, 2019	-	937.84	937.84
Depreciation charged/transfer	-	(868.98)	(868.98)
Disposals	-	-	-
As at 31st March, 2020	-	68.86	68.86
Net Carrying Amount			
As at 31st March, 2019	229.38	2,093.61	2,322.98
As at 31st March, 2020	-	239.82	239.82

Note: Investment property has been carried at the cost less accumulated depreciation as at 1 April, 2016, as the cost and depreciation determined under the previous GAAP.

i) Amount recognised in profit or loss for investment properties

(Indian ₹ in lacs)

Particulars	(Indian ₹ in lacs)	
	31st March 2020	31st March 2019
Rental income	9.90	163.19
Direct operating expenses	-	-
Gain from investment properties before depreciation	9.90	163.19
Depreciation	5.91	72.59
Gain from investment properties	3.99	90.60

ii) Contractual obligations

There are no contractual obligations to purchase, construct or develop investment property.

iii) Fair Value

The carrying value of the investment properties at the end of the year have been deemed to be fair value determined on the basis of the judgement of the management.

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Note 5

Intangible assets

	(Indian ₹ in lacs)		
Particulars	Mining Rights	Computer Software	Total
Gross carrying value (at deemed cost)			
As at 1st April, 2018	1.11	269.91	271.03
Additions	-	5.91	5.91
Disposals	-	(24.89)	(24.89)
As at 31st March, 2019	1.11	250.93	252.05
Additions/transfer *#	3,444.43	25.08	3,469.51
Disposals/transfer	-	-	-
As at 31st March, 2020	3,445.54	276.01	3,721.56
Accumulated depreciation			
As on 1st April, 2018	-	153.80	153.80
Amortisation	-	43.58	43.58
Disposals	-	(17.88)	(17.88)
As at 31st March, 2019	-	179.50	179.50
Amortisation	-	26.32	26.32
Disposals/transfer	-	22.25	22.25
As at 31st March, 2020	-	228.07	228.07
Net carrying value			
As at 31st March, 2019	1.11	71.43	72.55
As at 31st March, 2020	3,445.54	47.94	3,493.49

* includes transfers from subsidiaries on acquisition of ownership and control

Mining rights are capitalised at the end of the financial year.



Note 6
Investments

Particulars	31st March 2020	(Indian ₹ in lacs) 31st March 2019
Non-current Investments		
a. Investments in joint venture entities in india		
Ashapura Perfoclay Limited *# ¹ 8,966,590 Equity Shares of ₹ 10 each fully paid-up	10,867.98	-
b. Investments in joint venture entities outside india		
Ashapura Midgulf NV - Belgium 30,750 Equity Shares of Euro 1 each fully paid-up	505.60	678.77
Sohar Ashapura Chemiclas LLC - Oman 100,000 Equity shares of RO 1 each fully paid-up	2,443.69	2,087.01
Ashapura Dhofar Minerals LLC 105,000 Equity shares of OMR 1 each fully paid-up	-	94.43
	<u>2,949.29</u>	<u>2,860.21</u>
c. Investments in associate companies in india		
Orient Abrasives Limited 37,999,953 (43,074,953) Equity Shares of ₹ 1 each fully paid-up	12,745.27	13,809.10
Ashapura Arcadia Logistics Private Limited 55,000 Equity Shares of ₹ 10 each fully paid-up	115.77	247.63
	<u>12,861.04</u>	<u>14,056.73</u>
d. Investments in associate companies outside india		
Ashapura Fareast MPA Sdn Bhd, Malasiya 17,00,000 Equity shares of RM 1 each fully paid-up	213.58	173.46
e. Investments in equity shares in others carried at FVTOCI, fully paid up (Unquoted)		
Shantilal Multiport Infrastructure Private Limited 186,285 Equity Shares of ₹ 10 each fully paid-up	530.99	503.93
Ashapura Perfoclay Limited # 50 Equity Shares of ₹ 10 each fully paid-up	-	0.05
Ashapura International Limited # 20 Equity Shares of ₹ 10 each fully paid-up	-	0.09
Ashapura Guinea Resources 100 Equity Shares of GNF 100,000 fully paid-up	-	0.97
	<u>530.99</u>	<u>505.04</u>
f. Investment in Government Securities		
National Savings Certificates (under lien with sales tax/mining authorities)	2.07	1.21
	<u>27,424.95</u>	<u>17,596.65</u>
Total non-current investments		
Current Investments		
i. Investments in mutual fund carried at FVTPL (Quoted)		
853,380 (17,706.448) units of Baroda Liquid Fund of ₹ 10 each Investment in Baroda Pioneer Liquid Fund	19.40	378.71
	<u>19.40</u>	<u>378.71</u>
Total current investments		
	<u>19.40</u>	<u>378.71</u>
* ceased to be joint venture from 19th September, 2018 to 28th February, 2020		
¹ Investments in these equity shares are pledged with a creditor.		
# Refer note no. 42		
Aggregate amount of quoted investments	12,764.67	14,187.81
Market value of quoted investments	4,370.39	11,922.80
Aggregate amount of unquoted investments	14,679.67	3,787.55

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Note 7 Loans

Particulars	(Indian ₹ in lacs)			
	Non-current		Current	
	31st March 2020	31st March 2019	31st March 2020	31st March 2019
Unsecured, considered good				
Loan to related parties	11,219.18	2,597.86	-	-
Employee loans	19.97	4.26	26.40	15.14
Other loans	-	-	0.26	-
Total loans	11,239.15	2,602.12	26.66	15.14

Note 8 Other financial assets

Particulars	(Indian ₹ in lacs)			
	Non-current		Current	
	31st March 2020	31st March 2019	31st March 2020	31st March 2019
Term deposits with maturity of more than 12 months *	1,679.65	427.98	74.84	26.12
Claim receivables	-	-	1,883.66	1,128.54
Interest receivable	8.57	8.97	0.27	0.27
Total other financial assets	1,688.22	436.95	1,958.77	1,154.93

* under lien ₹ 1,124.31 (₹ 427.68) against guarantees to mining authorities, letter of credits and bank guarantees

Note 9 Deferred tax assets

Particulars	(Indian ₹ in lacs)	
	31st March 2020	31st March 2019
On account of timing differences in		
Carry forward business loss and depreciation	(290.90)	37.60
Provision for doubtful debts	590.66	265.19
Disallowances u/s 40(a) and 43B of the Income Tax Act	1,137.68	759.80
Total deferred tax assets	1,437.44	1,062.59

Note 10 Other assets

Particulars	(Indian ₹ in lacs)			
	Non-current		Current	
	31st March 2020	31st March 2019	31st March 2020	31st March 2019
Trade advances to suppliers	-	-	7,930.04	8,589.86
Less: Provision for doubtful advances	-	-	2,979.53	2,485.82
	-	-	4,950.51	6,104.04
Capital advances	88.17	265.03	-	-
Security deposits	3,173.15	1,238.53	-	-
Prepaid expenses	-	-	1,965.72	134.04
Input credit receivables	-	-	5,754.00	1,509.14
Advance payment of royalty	-	-	3.18	23.91
Employee advances	-	-	95.90	71.20
Other advances	15.95	20.90	2,211.70	6,437.45
Total other assets	3,277.27	1,524.46	14,981.01	14,279.78



Note 11
Inventories

Particulars	31st March	(Indian ₹ in lacs)
	2020	31st March 2019
Stores & spares	1,428.80	1,070.79
Stock-in-trade	5,329.24	5,013.22
Raw materials	3,410.96	3,206.44
Finished goods	5,203.44	3,427.04
Semi finished goods	6,284.10	3,056.09
Packing materials	746.42	281.22
Total inventories	22,402.96	16,054.80

Note 12
Trade Receivables

(Unsecured, considered good unless otherwise stated)

Particulars	31st March	(Indian ₹ in lacs)
	2020	31st March 2019
Trade receivables	21,884.68	12,436.92
Less: Provision for doubtful debts	(3,408.91)	(2,016.85)
Total trade receivables	18,475.77	10,420.07

Note 13
Cash and cash equivalents

Particulars	31st March	(Indian ₹ in lacs)
	2020	31st March 2019
Balances with banks	3,833.42	4,900.20
Cash on hand	236.69	62.33
Total cash and cash equivalents	4,070.11	4,962.53

Note 14
Other bank balances

Particulars	31st March	(Indian ₹ in lacs)
	2020	31st March 2019
Margin money deposits*	449.67	1,105.65
Dividend accounts	2.61	-
Other accounts	239.68	28.13
Total other bank balances	691.96	1,133.78

* under lien of ₹ 417.97 (₹ 347.67) against guarantees to mining authorities and letter of credits

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Note 15

Income tax assets (net)

Particulars	31st March 2020	(Indian ₹ in lacs) 31st March 2019
The following table provides the details of income tax assets and liabilities :		
Income tax assets	14,474.13	7,186.91
Current income tax liabilities	13,470.56	5,980.72
Net balance	1,003.57	1,206.19
The gross movement in the current tax (asset) / liability :		
Net current income tax asset at the beginning	(1,206.19)	341.30
Income tax paid (net of refunds)	(184.91)	(2,283.09)
Adjustments of account of acquisition of subsidiary	265.8	-
Current income tax expense	121.67	735.60
Income tax on other comprehensive income	-	-
Net current income tax (asset)/liabilities at the end	(1,003.57)	(1,206.19)

Note 16

Equity share capital

Particulars	31st March 2020	(Indian ₹ in lacs) 31st March 2019
Authorised		
125,000,000 equity shares of ₹ 2 each	2,500.00	2,500.00
6,500,000 equity shares of ₹ 100 each	6,500.00	6,500.00
	9,000.00	9,000.00
Issued, Subscribed and Paid up		
86,986,098 equity shares of ₹ 2 each	1,739.72	1,739.72
Total equity share capital	1,739.72	1,739.72

Shares held by each shareholder holding more than 5 percent shares

Name of Shareholder	As at 31st March 2020		As at 31st March 2019	
	Nos.	% of holding	Nos.	% of holding
Mr. Chetan Navnital Shah	1,35,43,814	15.57	1,35,43,814	15.57
Mrs. Dina Chetan Shah	92,02,360	10.58	92,02,360	10.58
Ashapura Industrial Finance Limited	80,88,000	9.30	80,88,000	9.30
Albula Investment Fund Limited	78,57,345	9.03	78,57,345	9.03

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.



Note 17
Other equity

Particulars	(Indian ₹ in lacs)	
	31st March 2020	31st March 2019
General reserve		
Balance at the beginning of the year	-	-
Additions on account of reacquisition of investment in a subsidiary	<u>1,500.00</u>	-
Balance at the end of the year	<u>1,500.00</u>	-
Capital redemption reserve		
Balance at the beginning of the year	3.90	3.90
Add: transferred from retained earnings	<u>-</u>	-
Balance at the end of the year	<u>3.90</u>	3.90
Securities premium account		
Balance at the beginning of the year	17,734.59	17,734.59
Add: transferred from retained earnings	<u>-</u>	-
Balance at the end of the year	<u>17,734.59</u>	17,734.59
Retained earnings		
Balance at the beginning of the year	(55,800.16)	(24,530.29)
Profit for the year	38,768.26	(33,102.06)
Additions on account of reacquisition of investment in subsidiaries/ joint ventures	30,752.28	1,833.31
Appropriations		
Dividend	(2.61)	-
Dividend distribution tax	<u>(1.12)</u>	(1.12)
Balance at the end of the year	<u>13,716.65</u>	<u>(55,800.16)</u>
Other components of equity		
Remeasurement of defined benefit plans (net of tax)	(296.78)	(73.12)
Exchange differences on foreign currency translation	(631.76)	(189.92)
Gains on investments in equity instruments	<u>505.98</u>	479.05
	<u>(422.56)</u>	216.01
Total other equity	<u><u>32,532.58</u></u>	<u><u>(37,845.66)</u></u>

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.

Gain/(loss) on investment in equity instruments: The Company has elected to recognise changes in the fair value of certain investments in equity securities in OCI. These changes are accumulated within the FVTOCI equity investment reserve within equity. The Company transfers amount from this reserve to retained earning when the relevant equity securities are derecognized.

Foreign currency translation reserve: Exchange difference on translation of long term monetary asset is accumulated in separate reserve within equity.

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Note 18 Borrowings

Particulars	(Indian ₹ in lacs)			
	Non-current		Current	
	31st March 2020	31st March 2019	31st March 2020	31st March 2019
Secured				
Term loans from banks and others*	8,414.39	4,221.59	-	-
Hire Purchase Finance	67.96	-	-	-
Working capital finance from banks	-	-	3,970.46	4,697.20
	4,221.59	5,143.10	4,697.20	6,909.89
* includes upon assignment from a financial institution and a bank				
Unsecured				
Inter corporate loans	30,592.33	11,095.57	-	-
	30,592.33	11,095.57	-	-
Total borrowings	39,074.68	15,317.16	3,970.46	4,697.20

Note 19 Other financial liabilities

Particulars	(Indian ₹ in lacs)			
	Non-current		Current	
	31st March 2020	31st March 2019	31st March 2020	31st March 2019
Current maturities of long-term debt	-	-	1,021.10	920.09
Interest accrued and due on borrowings	-	-	1,431.71	2,397.75
Derivatives and other claims payable	-	-	4,331.07	23,601.37
Unclaimed dividends			2.61	-
Lease liabilities	89.49	-	114.65	-
Payable towards services received	-	-	111.53	97.48
Total other financial liabilities	89.49	-	7,012.67	27,016.69

Note 20 Provisions

Particulars	(Indian ₹ in lacs)			
	Non-current		Current	
	31st March 2020	31st March 2019	31st March 2020	31st March 2019
Provision for leave encashment	189.97	115.31	39.90	25.73
Provision for minning restoration	2,340.88	1,191.34	-	-
Provision for gratuity	159.72	-	-	-
Provision for bonus	-	-	180.75	132.83
Provision for district mineral foundation	-	-	41.58	-
Provision for royalty	-	-	1,210.27	1,784.08
Total provisions	2,690.57	1,306.65	1,472.50	1,942.64



Note 21
Other liabilities

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2020	31st March 2019	31st March 2020	31st March 2019
Advances from customers	-	-	10,566.48	5,527.71
Statutory liabilities	-	-	362.93	237.48
Shipping claims payable	30,434.31	-	3,829.13	56,116.55
Payable for capital assets	-	-	14,793.71	270.70
Other liabilities	4.88	372.51	5,825.86	4,354.49
Total other liabilities	30,439.19	372.51	35,378.11	66,506.93

Note 22
Trade payables

(Indian ₹ in lacs)

Particulars	Current	
	31st March 2020	31st March 2019
Trade payables		
Total outstanding dues of Micro and Small Enterprises (refer note no. 38)	34.97	42.85
Total outstanding dues of creditors other than Micro and Small Enterprises	13,765.36	11,833.32
Total trade payables	13,800.33	11,876.17

Note 23
Revenue from operations

(Indian ₹ in lacs)

Particulars	2019-2020	2018-2019
Sale of products		
Export sales	8,630.61	27,216.94
Domestic sales	23,097.70	31,510.62
	31,728.31	58,727.56
Other operating revenue		
Research & development fees receipts	211.81	200.00
Other operating income	1,492.22	3,239.03
Total revenue from operations	33,432.34	62,166.59

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Note 24 Other income

Particulars	2019-2020	(Indian ₹ in lacs) 2018-2019
Interest receipts	1,116.82	534.27
Dividend receipts	0.47	137.02
Lease rent receipts	397.46	183.95
Profit on sale of property, plant & equipment (net)	-	214.86
Miscellaneous income	79.92	585.27
Total other income	1,594.67	1,655.37

Note 25 Cost of materials consumed

Particulars	2019-2020	(Indian ₹ in lacs) 2018-2019
Raw materials consumed		
Opening stock**	3,703.31	3,194.54
Add: Purchases	8,575.34	13,103.23
	<u>12,278.65</u>	<u>16,297.77</u>
Less: Closing stock*	3,410.96	4,168.61
	<u>8,867.69</u>	<u>12,129.16</u>
Packing materials consumed		
Opening stock**	778.09	297.23
Add: Purchases	843.17	1,614.63
	<u>1,621.26</u>	<u>1,911.86</u>
Less: Closing stock*	746.42	264.71
	<u>874.84</u>	<u>1,647.15</u>
Rent and royalty	586.41	1,725.50
Mining expenses	1,379.01	5,523.31
Total cost of materials consumed	11,707.95	21,025.12

* includes stock of a subsidiary on the date of derecognition of investments in previous year.

** includes stock of a subsidiary on the date of recquisition of investments in current year.

Note 26 Changes in inventories

Particulars	2019-2020	(Indian ₹ in lacs) 2018-2019
Closing Stock*		
Finished goods	5,203.44	5,903.42
Stock-in-trade	5,329.24	6,601.62
Semi finished goods	6,284.10	7,118.46
	<u>16,816.78</u>	<u>19,623.50</u>
Opening Stock**		
Finished goods	5,763.48	6,358.43
Material in transit	-	-
Stock-in-trade	5,665.78	1,690.09
Semi finished goods	6,409.04	11,087.16
	<u>17,838.30</u>	<u>19,135.68</u>
Changes in inventories	1,021.52	(487.82)

* includes stock of a subsidiary on the date of derecognition of investments in previous year.

** includes stock of a subsidiary on the date of recquisition of investments in current year.



Note 27
Employee benefit expenses

Particulars	2019-2020	(Indian ₹ in lacs) 2018-2019
Salaries, wages, allowances and bonus	3,435.63	4,959.29
Directors' remuneration	95.69	129.40
Contribution to provident fund & other welfare funds	128.54	382.05
Staff welfare expenses	277.99	442.86
Total employee benefit expenses	<u>3,937.85</u>	<u>5,913.60</u>

Note 28
Finance costs

Particulars	2019-2020	(Indian ₹ in lacs) 2018-2019
Interest		
Banks	1,833.49	1,209.43
Income Tax	65.23	0.98
Others	1,119.63	690.38
	<u>3,018.35</u>	<u>1,900.79</u>
Other Borrowing Costs	77.51	27.43
Total finance costs	<u>3,095.86</u>	<u>1,928.22</u>

Note 29
Depreciation and amortisation expenses

Particulars	2019-2020	(Indian ₹ in lacs) 2018-2019
Depreciation on tangible assets	2,798.16	3,135.56
Depreciation on investment properties	0.49	72.59
Amortisation of intangible assets	40.29	43.58
Total depreciation and amortisation	<u>2,838.94</u>	<u>3,251.73</u>

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Note 30 Other expenses

Particulars	2019-2020	(Indian ₹ in lacs) 2018-2019
Manufacturing Expenses		
Power and fuel	3,506.28	4,302.77
Machinery repairs and maintenance	133.92	144.23
Stores and spares	1,395.14	1,487.17
Carriage inward	43.98	51.85
Other expenses	1,840.70	1,747.39
	<u>6,920.02</u>	<u>7,733.41</u>
Selling and distribution expenses		
Sales commission	12.18	85.26
Export freight and insurance	1,959.94	2,855.07
Export custom duty	59.83	1,576.59
Export and other shipment expenses	2,540.75	9,276.75
	<u>4,572.70</u>	<u>13,793.67</u>
Administrative and Other Expenses		
Advertisement and business promotion	41.12	153.22
Rent	144.50	88.60
Rates & taxes	170.65	79.76
Repairs to buildings and others	177.29	173.08
Insurance premiums	103.76	106.73
Travelling expenses	412.69	625.59
Foreign currency fluctuation loss	1,779.46	3,105.94
Legal and professional fees	419.96	843.20
Provision for doubtful debts and advances and bad debts	1,295.66	512.51
Bank discount, commission and other charges	18.52	88.02
Payment to auditors	75.59	75.70
Directors sitting fees	21.75	31.50
Impairment of assets	-	6.34
Loss on sale of property, plant & equipments	279.78	-
Loss on sale of investments	907.48	283.17
Corporate social responsibility expenses	5.31	18.55
Donations	106.22	62.06
Miscellaneous expenses	1,535.05	1,735.05
	<u>7,494.79</u>	<u>7,989.02</u>
Total other expenses	<u>18,987.51</u>	<u>29,516.10</u>

Expenditure towards Corporate Social Responsibility (CSR) activities

Gross amount required to be spent by the Group during the year	2.34	41.76
Amount spent in cash during the year		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	5.31	18.55
	<u>5.31</u>	<u>18.55</u>

Payments to auditors

Audit fees	62.75	65.43
Tax audit fees	9.00	8.50
Other Services	1.88	0.48
Reimbursement of expenses	1.96	1.29
	<u>75.59</u>	<u>75.70</u>



Note 31
Earning per share

Particulars	2019-2020	2018-2019
Profit for the year (₹)	38,768.26	(33,102.06)
Weighted average number of shares (Nos)	8,69,86,098	8,69,86,098
Earnings per share (Basic and Diluted) ₹	44.57	(38.05)
Face value per share ₹	2.00	2.00

Note 32
Fair value measurement

i. Financial instruments by category

(Indian ₹ in lacs)

Particulars	31st March 2020			31st March 2019		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Investments	19.40	530.99	26,893.96	378.71	505.04	17,091.61
Trade receivables	-	-	18,475.77	-	-	10,420.07
Loans non - current	-	-	11,239.15	-	-	2,602.12
Loans - current	-	-	26.66	-	-	15.14
Other financial assets - non- current	-	-	1,688.22	-	-	436.95
Other financial assets - current	-	-	1,958.77	-	-	1,154.93
Cash and cash equivalents	-	-	4,070.11	-	-	4,962.53
Other bank balances	-	-	691.96	-	-	1,133.78
Total financial assets	19.40	530.99	65,044.59	378.71	505.04	37,817.14
Financial liabilities						
Borrowings						
Long term borrowings *	-	-	40,095.78	-	-	16,237.25
Short term borrowings	-	-	3,970.46	-	-	4,697.20
Trade payables	-	-	13,800.33	-	-	11,876.17
Other financial liabilities - non-current	-	-	89.49	-	-	-
Other financial liabilities - current	-	-	5,991.57	-	-	26,096.60
Total financial liabilities	-	-	63,947.62	-	-	58,907.21

* including current maturities of long term debts

ii) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair value are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the following three levels prescribed under Ind AS - 113 "Fair Value Measurements".

Financial assets measured at fair value - recurring fair value measurements at 31st March 2020

(Indian ₹ in lacs)

Particulars	Level 1	Level 2	Level 3	Total
Financial investment at FVOCI				
Investment in equity shares (unquoted)	-	-	530.99	530.99
Financial investment at FVPL				
Investment in Mutual Fund	19.40	-	-	19.40
Total	19.40	-	530.99	550.39

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Financial assets measured at fair value - recurring fair value measurements at 31st March 2019

	(Indian ₹ in lacs)			
Particulars	Level 1	Level 2	Level 3	Total
Financial investment at FVOCI				
Investment in equity shares (unquoted)	-	-	505.04	505.04
Financial investment at FVPL				
Investment in Mutual Fund	378.71	-	-	378.71
Total	378.71	-	505.04	883.75

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices in active markets. Quotes would include rates/values/valuation references published periodically by stock exchanges on basis of which trades take place in a linked or unlinked active market. This includes traded bonds and mutual funds, as the case may be.

Level 2: The fair value of financial instruments that are not traded in an active market are determined using valuation techniques which maximise the use of observable market data (either directly as prices or indirectly derived from prices) and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and in determination asset included in level 3.

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.

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 expected credit loss (ECL) policy of the Group. The Group regularly reviews trade receivables and necessary provisions, whenever required, are made in the Financial Statements.

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.



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
As on 31st March 2020			
Financial Assets			
Investments	19.40	27,424.95	27,444.35
Loans	26.66	11,239.15	11,265.81
Trade receivables	18,475.77	-	18,475.77
Cash and cash equivalents	4,070.11	-	4,070.11
Other bank balances	691.96	-	691.96
Other financial assets	1,958.77	1,688.22	3,646.99
Total financial assets	25,242.67	40,352.32	65,594.98
Financial Liabilities			
Long term borrowings	1,021.10	39,074.68	40,095.78
Short term borrowings	3,970.46	-	3,970.46
Trade payables	13,800.33	-	13,800.33
Other financial liabilities	5,991.57	89.49	6,081.06
Total financial liabilities	24,783.46	39,164.17	63,947.62
As on 31st March 2019			
Financial Assets			
Investments	378.71	17,596.65	17,975.36
Loans	15.14	2,602.12	2,617.26
Trade receivables	10,420.07	-	10,420.07
Cash and cash equivalents	4,962.53	-	4,962.53
Other bank balances	1,133.78	-	1,133.78
Other financial assets	1,154.93	436.95	1,591.89
Total financial assets	18,065.16	20,635.72	38,700.88
Financial Liabilities			
Long term borrowings	920.09	15,317.16	16,237.25
Short term borrowings	4,697.20	-	4,697.20
Trade payables	11,876.17	-	11,876.17
Other financial liabilities	26,096.60	-	26,096.60
Total financial liabilities	43,590.05	15,317.16	58,907.21

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.

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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
March 31, 2020	+100	440.66
	-100	(440.66)
March 31, 2019	+100	209.34
	-100	(209.34)

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 2020	31st March 2019
Receivables		
USD	91.54	13.93
EURO	16.25	6.61
SGD	0.00	0.02
GBP	0.06	0.03
Payables		
USD	331.98	887.08
EURO	7.01	0.17
SGD	-	0.01
AED	1.79	-
GBP	-	0.09
Loan given to joint ventures/associates		
USD	53.96	37.53



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
March 31, 2020	USD	+5%	(704.89)
	USD	-5%	704.89
March 31, 2019	USD	+5%	(2,891.25)
	USD	-5%	2,891.25
March 31, 2020	EURO	+5%	38.25
	EURO	-5%	(38.25)
March 31, 2019	EURO	+5%	25.02
	EURO	-5%	(25.02)

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 2020	31st March 2019	
Total debt	44,066.23	20,934.45	
Total equity	34,272.30	(36,105.94)	
total debt to equity ratio	1.29	(0.58)	

Note 35 Exceptional items

(Indian ₹ in lacs)			
Particulars	31st March 2020		31st March 2019
1 Net liabilities in respect of exchange rate difference on a disputed shipping claim and differences and gain on account of fair valuation of long term liabilities	-	(11,535.53)	
2 Additional liabilities in respect of termination of a settlement agreement by a creditor	56,185.38	(15,008.51)	
3 Profit/(loss) on transfer of the pledged shares	(26,459.68)	(30.56)	
4 Additional liability on one time settlement with a bank	17,672.27	(2,500.00)	
Total....	47,397.97	(29,074.60)	

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Note 36 Contingent Liabilities

(Indian ₹ in lacs)			
No.	Particulars	31st March 2020	31st March 2019
1	Guarantees to banks against credit facilities extended to erstwhile subsidiary and joint venture companies	1,600.00	5,000.00
2	Guarantees given to various government authorities and others	14,436.87	4,394.22
3	In respect of contracts remaining to be executed	373.56	98.69
4	In respect of disputed excise duty	2,921.09	2,921.09
5	In respect of disputed income tax matters	4,151.39	1,653.49
6	In respect of disputed VAT and Service Tax matters	51.42	145.44
7	Shipping claims against the Company not acknowledged as debts	4,761.39	52,068.13
8	Other claims against the Company not acknowledged as debts	179.90	55,045.71
9	In respect of other matters	53.75	28.43
	Total...	28,529.37	1,21,355.20

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 2020	31st March 2019
Amount recognised in balance sheet			
	Present value of funded defined benefit obligation	1,351.02	786.80
	Fair value of plan assets	1,069.93	825.27
	Net unfunded obligation/(surplus assets)	281.09	(38.47)
Expense recognised in the statement of profit and loss			
	Current service cost	88.26	47.71
	Expected return on plan assets	-	-
	Interest on net defined benefit asset	7.49	(2.01)
	Total expense charged to profit and loss Account	95.75	45.70
Amount recorded as other comprehensive income			
	Opening amount recognised in OCI outside profit & loss Account*	245.54	(74.20)
	Remeasurements during the period due to:		
	Changes in financial assumptions	233.30	(11.35)
	Actual return on plan assets less interest on plan assets	0.05	(7.86)
	Closing amount recognised in OCI outside profit & loss account	478.89	(93.41)
Reconciliation of net liability/(asset)			
	Opening net defined benefit liability/(asset)*	(286.77)	(61.09)
	Expense charged to profit and loss account	95.75	45.70
	Amount recognised outside profit and loss account*	50.35	19.21
	Employer contributions	(71.43)	(42.29)
	Closing net defined benefit liability/(asset)	(212.10)	(38.47)
Movement in benefit obligation			
	Opening of defined benefit obligation*	1,307.42	769.24
	Current service cost	88.26	53.73
	Past Service cost	-	-
	Interest on defined benefit obligation	101.52	62.06
	Actuarial loss/(gain) arising from change in financial assumptions	73.55	(1.12)
	Benefits paid from the fund	(179.30)	(72.65)
	Actuarial loss/(gain) on obligation	(40.43)	(24.46)
	Closing of defined benefit obligation	1,351.02	786.80



Movement in plan assets

Opening fair value of plan assets*	1,102.80	827.97
Return on plan assets excluding interest income	(6.28)	(9.90)
Interest income	81.28	64.08
Contributions by employer	71.43	42.29
Benefits paid	(179.30)	(99.17)
Closing of defined benefit obligation	1,069.93	825.27

Principal actuarial assumptions

Discount Rate	7.26	7.76
Salary escalation rate p.a.	6.10	7.76
Future salary increase	5.00	5.00
Rate of employee turnover	4.00	4.00

*includes balances of a subsidiary upon acquisition.

Sensitivity analysis for significant assumption is as shown below:

No.	Particulars	Sensitivity level	31st March 2020	31st March 2019
1	Discount Rate	1% Increase	(81.93)	(47.39)
		1% Decrease	92.58	53.52
2	Salary	1% Increase	89.36	54.46
		1% Decrease	(81.19)	35.50
3	Employee Turnover	1% Increase	11.17	9.51
		1% Decrease	(12.42)	10.57

The following are the expected future benefit payments for the defined benefit plan:

No.	Particulars	31st March 2020	31st March 2019
1	Within the next 12 months (next annual reporting period)	212.50	130.35
2	Between 2 and 5 years	476.43	210.74
3	Beyond 5 years	1,683.19	1,136.45

Note: Opening balances, wherever applicable, are adjusted for balances of the erstwhile subsidiary company.

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Note 38

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2019-20, to the extent the Company has received intimation from the Suppliers regarding their status under the Act.

(Indian ₹ in lacs)

No.	Particulars	31st March 2020	31st March 2019
	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	34.97	42.85
2	Interest due on above	-	-

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
(i) Joint ventures and associates Refer note no. 1.3(d)		
(ii) Entities controlled/significantly influenced by directors		
1	Altage Stone Crushing Industries	India
2	Ambica Logistics Private Limited	India
3	Ashapura Exports Private Limited	India
4	Ashapura Foundation	India
5	Ashapura Infin Private Limited	India
6	Ashapura Mineral Company	India
7	Ashapura Overeas Private Limited	India
8	Chetan N Shah - HUF	India
9	Kutch Navniraman Trust	India
10	Manico Resources Private Limited	India
11	Minologic Corporation	India
12	Minotech Resources LLP	India
13	Minotrans Logistic Corporation	India
14	Sharda Industrial Corporation	India



(iii) Key managerial personnel

15	Mr. Chetan Shah	Non-Executive and Executive ³ Chairman
16	Mr. Rajnikant Pajwani ¹	Whole Time Director & CEO
17	Mr. Hemul Shah	Executive Director & CEO
18	Mrs. Geeta Nerurkar	Whole Time Director & CEO
19	Mr. Harish Motiwala	Independent Director
20	Ms. Himani Shah ²	Non Independent Director
21	Mr. Ashok Kadakia	Independent Director
22	Mr. Abhilash Munsif	Independent Director
23	Mr. Pundrik Sanyal	Independent Director
24	Mrs. Navita Gaiha	Independent Director
25	Leslic Steven Scheltens	Non- Independent Director
26	Mr. Sachin Polke	Company Secretary & Vice President
27	Mr. Ashish Desai ³	Chief Financial Officer (CFO)
28	Mr. Ajay Phalod ⁴	Designate CEO
29	Ms. Surekha Sathe	Vice President - Information Technology
30	Mr. Akhilesh Kumar Sinha	Vice President - Human Resources
31	Mrs. Dina Shah	Relative of a key managerial personnel
32	Mrs Chaitali Salot	Relative of a key managerial personnel
33	Mr. Manan Shah	Relative of a key managerial personnel

¹upto 1st June, 2019

²w.e.f. 10th February, 2020

³w.e.f. 12th June, 2019

⁴upto 15th February, 2020

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Nature of transaction	Relationship	(Indian ₹ in lacs)	
		Year ended 31st March 2020	Year ended 31st March 2019
1. Sales of materials			
Ashapura Perfoclay Limited	Joint Venture	67.43	1,219.83
APL Valueclay Private Limited	Joint Venture	-	1.58
Sohar Ashapura Chemicals LLC	Joint Venture	-	202.44
Orient Abrasives Limited	Associate	6,798.60	7,896.38
Ashapura Midgulf NV	Joint Venture	201.83	32.91
Total...		7,067.86	9,353.14
2. Sale of assets			
Orient Abrasives Limited	Associate	-	7.92
Ashapura Dhofar Resources LLC	Joint Venture	-	716.96
Total...		-	724.88
3. Purchase of materials			
APL Valueclay Private Limited	Joint Venture	-	0.20
Ashapura Perfoclay Limited	Joint Venture	-	13.05
Orient Abrasives Limited	Associate	867.60	1,436.69
Total...		867.60	1,449.94
4. Interest received			
Ashapura Dhofar Resources LLC	Joint Venture	146.77	152.45
Sohar Ashapura Chemicals LLC	Joint Venture	31.59	-
Ashapura Perfoclay Limited	Joint Venture	-	126.02
Total...		178.35	278.47
5. Reimbursement of administrative expenses received/(paid)			
Ashapura Overseas Private Limited	Entity controlled/ significantly influenced by directors	1.49	0.08
Orient Abrasives Limited	Associate	(6.02)	(7.75)
APL Valueclay Private Limited	Joint Venture	0.25	0.64
Ashapura Perfoclay Limited	Joint Venture	110.23	280.72
Total...		105.95	273.69
6. Rent received			
Ashapura Overseas Private Limited	Entity controlled/ significantly influenced by directors	1.20	1.20
Orient Abrasives Limited	Associate	11.40	11.40
Total...		12.60	12.60
7. R & D charges receipts			
Orient Abrasives Limited	Associate	-	25.00
Ashapura Perfoclay Limited	Joint Venture	75.00	75.00
Total...		75.00	100.00
8. Donation			
Ashapura Foudation	Entity controlled/ significantly influenced by directors	7.43	-
Kutch Navmiraman Trust	Entity controlled/ significantly influenced by directors	13.00	10.00
Total...		20.43	10.00
10. Operational Income			
Ashapura Dhofar Resources LLC	Joint Venture	3.52	-
11. Royalty			
Chetan N Shah - HUF	Entity controlled/ significantly influenced by directors	49.84	238.05



12. Stores, Spares & Packing Materials Purchases

APL Valueclay Limited	Joint Venture	0.24	-
Orient Abrasives Limited	Associate	2.92	-
Total...		3.16	-

13. Rent paid

Ashapura Perfoclay Limited	Joint Venture	1.15	-
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Outstanding Balances:

1. Trade receivables

Ashapura Arcadia Logistic Private Limited	Associate	-	-
Ashapura Exports Private Limited	Entity controlled/significantly influenced by directors	385.58	385.58
Ashapura Midgulf NV	Joint Venture	2,025.80	526.31
Ashapura Overseas Private Limited	Entity controlled/significantly influenced by directors	260.90	259.41
Ashapura Perfoclay Limited	Joint Venture	1,837.57	1,168.70
Manico Resources Private Limited	Entity controlled/significantly influenced by directors	12.50	12.50
Ashapura Dhofar Resources LLC	Joint Venture	3.52	-
Ashapura Farest MPA Sdn Bhd	Associate	-	-
APL Valueclay Private Limited	Joint Venture	3.40	0.00
Orient Abrasives Limited	Associate	319.04	1,372.22
Sohar Ashapura Chemicals LLC	Joint Venture	48.76	-
Total...		4,897.07	3,724.72

2. Security Deposit

Sharda Industrial Corporation	Entity controlled/significantly influenced by directors	45.00	45.00
Ashapura Perfoclay Limited	Joint Venture	15.00	15.00
Total...		60.00	60.00

3. Trade Payables

Ashapura Midgulf NV	Joint Venture	154.60	148.28
Ashapura Arcadia Logistic Private Limited	Associate	49.41	49.41
Orient Abrasives Limited	Associate	1,021.87	176.53
Ashapura Perfoclay Limited	Joint Venture	0.03	3.58
APL Valueclay Private Limited	Joint Venture	10.64	10.59
Total...		1,236.55	388.39

4. Advances from customers

Ashapura Farest MPA Sdn Bhd	Associate	0.70	0.70
Ashapura Arcadia Logistic Private Limited	Associate	100.00	100.00
Total...		100.70	100.70

Ashapura Minechem Limited

5. Trade Advances

Mino Trans Logistics	Entity controlled/significantly influenced by directors	146.50	164.42
Ashapura Perfoclay Limited	Joint Venture	-	-
Manico Resources Private Limited	Entity controlled/significantly influenced by directors	52.25	51.01
Altage Stone Crushing Industries	Entity controlled/significantly influenced by directors	446.00	445.85
Minologistics Corporation	Entity controlled/significantly influenced by directors	46.74	46.74
Total...		691.49	708.02

6. Loans

Sohar Ashapura Chemicals LLC	Joint Venture	659.76	603.89
Ashapura Dhofar Resources LLC	Joint Venture	3,419.42	1,993.97
Total...		4,079.18	2,597.86

Key management personnel and relatives

1. Remuneration

Mr. Chetan Shah	Executive Chairman	26.29	-
Mr. Rajnikant Pajwani	Whole Time Director & CEO	4.36	29.35
Mr. Hemul Shah	Whole Time Director & CEO	59.83	67.35
Mrs. Geeta Nerulakar	Whole Time Director & CEO	5.21	32.70
Others		227.27	284.70
Total...		322.96	414.10

2. Sitting fees

Mr. Chetan Shah	Non-Executive Chairman	-	3.75
Mr. Harish Motiwala	Independent director	5.25	6.75
Mr. Ashok Kadakia	Independent director	3.50	3.25
Mr. Abhilash Munsif	Independent director	4.25	7.75
Mr. Hemul Shah	Independent director	1.50	1.00
Mrs. Geeta Nerurkar	Independent director	0.50	2.00
Mr. Pundrik Sanyal	Independent director	5.25	5.50
Mrs. Navita Gaiha	Independent director	1.00	1.50
Leslic Steven Scheltens	Independent director	0.50	-
Total...		21.75	31.50

3. Reimbursement of expenses paid

Ms. Surekha Sathe	Vice President - Information Technology	3.00	2.94
Mr. Ashish Desai	Chief Financial Officer	3.60	2.40
Mr. Ajay Phalod	Designate CEO	3.01	2.40
Mr. Akhileshkumar Sinha	Vice President - HR	3.60	2.94
Mr. Sachin Polke	Company Secretary & Vice President	3.60	2.94
Mr. Hemul Shah	Whole Time Director & CEO	0.70	-
Total...		17.51	13.62

4. Sale of investment

Mr. Manan Shah	Relative of a key managerial personnel	867.11	898.95
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Outstanding Balances:

1. Security deposits

Mr. Chetan Shah	Non-Executive Chairman	5.00	5.00
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Note 40
Disclosure in terms of Schedule III of the Companies Act, 2013

Particulars	Net Assets		Share in Profit or (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of consolidated net assets As at 31st March, 2020	As at 31st March, 2020	As a % of consolidated profit or loss As at 31st March, 2020	As at 31st March, 2020	As a % of consolidated other comprehensive income As at 31st March, 2020	As at 31st March, 2020	As a % of consolidated total comprehensive income As at 31st March, 2020	As at 31st March, 2020
Parent Company								
Ashapura Minechem Limited	(2.03)	(694.26)	101.45	39,330.74	(32.27)	123.15	102.78	39,453.89
Subsidiaries:								
Indian								
Ashapura Aluminum Limited	0.10	35.96	(0.01)	(3.62)	-	-	(0.01)	(3.62)
Ashapura Claytech Limited	(0.80)	(274.98)	(0.41)	(157.85)	3.60	(13.75)	(0.45)	(171.60)
Ashapura Consultancy Service Private Limited	(0.45)	(155.51)	0.01	4.86	-	-	0.01	4.86
Ashapura International Limited*	48.74	16,705.32	0.71	273.97	1.40	(5.36)	0.70	268.61
Bombay Minerals Limited	30.14	10,329.16	(3.60)	(1,396.92)	8.42	(32.15)	(3.72)	(1,429.07)
Peninsula Property Developers Private Limited	(0.00)	(0.36)	0.01	3.59	-	-	0.01	3.59
Prashansha Ceramics Limited	(0.37)	(126.91)	(0.10)	(38.57)	-	-	(0.10)	(38.57)
Sharda Consultancy Private Limited	(0.26)	(89.51)	0.01	5.31	-	-	0.01	5.31
Ashapura Resources Private Limited	(0.37)	(128.08)	(0.10)	(39.53)	-	-	(0.10)	(39.53)
Foreign								
Ashapura Holdings (UAE) FZE	(1.81)	(620.76)	(3.63)	(1,408.76)	-	-	(3.67)	(1,408.76)
Ashapura Maritime FZE****	-	-	7.47	2,896.39	-	-	7.55	2,896.39
Ashapura Guinea Resources **	(5.50)	(1,886.64)	(0.10)	(38.77)	-	-	(0.10)	(38.77)
Ashapura Minex Resources SAU**	(2.33)	(798.80)	(0.16)	(60.92)	-	-	(0.16)	(60.92)
Societe Guineenne des Mines defer**	(1.37)	(467.87)	(0.14)	(55.55)	-	-	(0.14)	(55.55)
FAKO Resources SARL***	(0.61)	(210.71)	(0.52)	(202.55)	-	-	(0.53)	(202.55)
Ashapura Minechem (UAE) FZE	0.50	172.29	(1.12)	(434.14)	-	-	(1.13)	(434.14)
PT Ashapura Banto clay Forest	(0.71)	(242.68)	(0.50)	(194.82)	-	-	(0.51)	(194.82)
Joint Ventures:								
Indian								
Ashapura Perfo clay Limited*	31.48	10,788.11	0.25	95.01	1.07	(4.08)	0.24	90.93
APL Valueclay Private Limited*	0.16	56.04	0.15	59.90	0.12	(0.46)	0.15	59.44
Foreign								
Ashapura Midgulf NV	3.32	1,139.51	(0.45)	(173.17)	-	-	(0.45)	(173.17)
Ashapura Dhofar Resources LLC	(1.20)	(411.37)	(0.24)	(94.43)	-	-	(0.25)	(94.43)
Sohar Ashapura Chemicals LLC	10.48	3,592.75	0.92	356.68	-	-	0.93	356.68
Associates:								
Indian								
Ashapura Arcadia Logistic Private Limited	0.44	151.36	(0.34)	(131.86)	-	-	(0.34)	(131.86)
Orient Abrasives Limited	21.55	7,384.81	1.84	714.77	5.26	(20.06)	1.81	694.71
Foreign								
Ashapura Forest MPA Sdn Bhd	1.05	358.68	0.10	40.12	-	-	0.10	40.12
Non-controlling Interest								
Ashapura Claytech Limited	(0.00)	(0.30)	0.00	0.88	0.02	(0.08)	0.00	0.80
Bombay Minerals Limited - Consolidation	-	-	(1.21)	(470.01)	3.35	(12.79)	(1.26)	(482.80)
FAKO Resources SARL	(0.06)	(21.07)	0.05	20.26	-	-	0.05	20.26
Foreign currency translation reserve/Others	-	-	-	-	115.76	(441.84)	(1.15)	(441.84)
Total eliminations	(30.09)	(10,311.87)	(0.34)	(132.75)	(6.74)	25.74	(0.28)	(107.00)
Total...	100.00	34,272.30	100.00	38,768.26	100.00	(381.68)	100.00	38,386.58

* w.e.f. 28th February, 2020
 ** w.e.f. 6th December, 2019
 *** w.e.f. 19th December, 2019
 **** up to 15th March, 2020

41. In the last week of March 2020, an outbreak situation arose in India on account of COVID-2019. The Group has considered such outbreak situation as subsequent event to the Balance Sheet date i.e., March 31, 2020 in terms of Ind AS 10 "Reporting on Event After Balance Sheet Date" and has assessed the operational and financial risk on going forward basis.

In assessing the impact on the recoverability of financial and non-financial assets, the extent to which the COVID-19 pandemic will impact the Group's operations and financial results will depend on future developments, which are still uncertain as on the reporting date, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government mandated or elected by the Group.

The impact on the operations and earnings/ cash flows of the Group due to COVID- 2019 pandemic may be assessed only after future developments and clarity about domestic and export customers' manufacturing facility which is still not certain and may lead it impracticable for the Group to estimate projected revenue from operations and earning for the next year and impact thereon due to COVID-19. Though, the management will continue to closely monitor any material changes arising out of future economic conditions and impact on its business.

42. One of the creditors, with whom the Parent Company had entered into settlement agreement, terminated the settlement agreement and invoked pledge of shares of two subsidiary companies and a joint venture company on 19th September 2018 and 4th October 2018. Accordingly, 100% shares of a wholly-owned subsidiary, Ashapura International Limited; 47.86% shares of a subsidiary company, Bombay Minerals Limited; and entire holding of 50% in a joint venture company, Ashapura Perfoclay Limited were taken over by the said creditor due to trigger of these pledged shares. The Parent Company upon defending the said invocation of pledge through Arbitration, received an Arbitration Award in its favour on 28th February 2020 whereby (a) the invocation of the aforesaid pledge of shares were held to be non-est and therefore, set aside; and (b) the original settlement agreement was reinstated with immediate effect. Consequently, the Parent Company regained the ownership and control of the aforesaid shares which, however, continue to be under pledge in favour of the creditors against the amount payable by the Parent Company.
43. Pursuant to the approval of the members, the Parent Company has, on 28th February, 2020 issued 45,00,000 equity share warrants on preferential basis to a promoter group company @ ₹ 31.95 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.
44. Balances with some of the banks as well as 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.
45. Figures pertaining to the subsidiary companies have been reclassified whenever necessary to bring them in line with the Parent Company's financial statements.
46. All the amounts have been stated in Indian ₹ in lacs, unless otherwise stated.
47. Previous year's figures has regrouped and rearranged, wherever necessary.

Signatures to Notes No. 1 to 47

As per our report of even date

For P A R K & COMPANY
Chartered Accountants

Sd/-
CHETAN SHAH
Executive Chairman

Sd/-
HEMUL SHAH
Executive Director & Chief Executive Officer

Sd/-
PRASHANT VORA
Partner

Sd/-
ASHISH DESAI
Chief Financials Officer

Sd/-
SACHIN POLKE
Company Secretary & Vice President

Rajkot
July 10, 2020

Mumbai
July 10, 2020

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	16,405.32
2	Ashapura Claytech Ltd.	27.11.1998	Uniform	INR	357.99	(632.97)
3	Bombay Minerals Ltd.*	25.09.2001	Uniform	INR	21.81	10,307.38
4	Prashansha Ceramics Ltd.	12.08.2002	Uniform	INR	145.00	(271.91)
5	Peninsula Property Developers P. Ltd.	16.12.1998	Uniform	INR	1.00	(1.36)
6	Sharda Consultancy Pvt. Ltd.	16.12.1998	Uniform	INR	1.00	(90.51)
7	Ashapura Consultancy Services P. Ltd.	16.12.1998	Uniform	INR	1.00	(156.51)
8	Ashapura Aluminium Ltd.	14.08.2007	Uniform	INR	5.00	30.96
9	Ashapura Resources Pvt. Ltd.	30.11.2017	Uniform	INR	1.00	(129.07)
10	Ashapura Minechem (UAE) FZE	18.07.2004	Uniform	USD	2,100.69	(1,928.40)
11	Ashapura Holdings (UAE) FZE	02.05.2007	Uniform	USD	30.90	(651.66)
12	Ashapura Guinea Resources SARL	06.12.2019	Uniform	USD	5.56	(1,892.19)
13	PT Ashapura Bantoclay Fareast	22.05.2017	Uniform	USD	135.40	(378.08)

* USD 1 = Rs. 75.60 (As on 31/03/2020) (rounded off to the nearest Rupee)

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	Ashapura Minechem (UAE) FZE	Ashapura Holdings (UAE) FZE	Shares
3	Ashapura Holdings (UAE) FZE	Ashapura Guinea Resources SARL	Shares
4	Ashapura Holdings (UAE) FZE	PT Ashapura Bantoclay Fareast	Shares

1 USD - 3.67 AED * 1USD - 9340 GNF

* The entire shareholding that was taken over by ASQ Connect Ltd., on invocation of pledged Equity Shares has been reinstated in favour of AML, post arbitration award dated 28th February, 2020.



read with rule 5 of Companies (Accounts) Rules, 2014)

OF THE SUBSIDIARY COMPANIES FOR THE YEAR ENDED 31st MARCH, 2020

(₹ in Lacs)

Total Assets	Total Liabilities	Investments	Turnover (includes Other Income)	Profit before taxation	Provision for tax	Profit after taxation	Proposed Dividend	% of Shareholding
39,579.06	22,873.74	0.86	45,800.76	3,732.02	(967.12)	2,764.90	-	100.00
1,254.72	1529.70	-	155.81	(180.28)	22.43	(157.85)	-	99.44
30,930.89	20,601.70	10,801.46	7,959.60	(1,642.22)	245.31	(1,396.91)	5.45	100.00
139.67	266.58	-	0.00	(38.57)	-	(38.57)	-	100.00
24.89	25.25	-	7.17	3.56	0.03	3.59	-	100.00
58.12	147.63	-	21.41	6.22	(0.90)	5.31	-	100.00
112.71	268.22	-	37.91	4.41	0.45	4.86	-	100.00
36.37	0.43	-	-	(3.62)	-	(3.62)	-	100.00
5.09	133.16	-	-	(39.53)	-	(39.53)	-	100.00
3,088.97	2,916.68	2,465.68	213.91	(453.33)	-	(453.33)	-	100.00
33,105.30	33,726.06	544.66	2,308.03	(1,471.03)	-	(1,471.03)	-	100.00
31890.58	33,777.22	22.94	60.63	(1000.85)	-	(1000.85)	-	100.00
629.99	872.67	-	890.03	(203.43)	-	(203.43)	-	100.00

Face Value	No. of Shares	Amount (Rs. In Lacs)
Rs. 10/-	7,50,000	75.00
AED 150000	1	30.90
GNF 100000	700	5.67
USD 1	2,50,000	189.00

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 &
Vice President

Sd/-
Ashish Desai
Chief Financial
Officer

Place : Mumbai
Date : 11th November, 2020

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 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	Not considered in Consolidation
1	Ashapura Perfoclay Limited\$	31.03.2020	06.05.1998	89,66,590	896.66	50.00	By Board & Equity Holding	-	10,788.11	95.01	-
2	Ashapura Midgulf NV- Antwerp @	31.03.2020	11.10.2006	15,00,000	870.77	50.00	By Board & Equity Holding	-	1,139.51	(173.17)	-
3	Sohar Ashapura Chemicals LLC - Oman*	31.12.2019	05.01.2011	60,000	117.97	40.00	By Equity Holding/ Voting Power	-	3,592.75	356.68	-
4	Ashapura Foreast MPA- SDN-BHD-Malaysia**	31.12.2019	06.01.2013	17,00,000	480.12	25.00	By Equity Holding/ Voting Power	-	358.68	40.12	-
5	Orient Abrasives Limited#	31.03.2020	15.06.2017	3,79,99,953	10,726.46	31.76	By Equity Holding/ Voting Power	-	7,384.81	714.77	-
6	Ashapura Arcadia Pvt. Ltd	31.03.2020	28.09.2007	55,000	5.5	50.00	Equity Holding	-	151.36	(131.86)	-
7	Emo Ashapura Energy and Mining Ltd-Nigeria	-	-	67,20,000	-	48.00	By Equity Holding/ Voting Power	The Investment in the said Company impaired during Financial Year 2011-12.	-	-	-
8	APL Valueclay Private Limited##	31.03.2020	30.12.2016	10,000	1.00	100.00	By Board & Equity Holding	-	56.04	59.90	-
9	Ashapura Dhoafar Resources LLC	31.03.2019	30.11.2017	1,05,000	197.89	70.00	By Board & Equity Holding	-	(411.37)	(94.43)	-

"NOTES:-

\$ THE ENTIRE SHAREHOLDING THAT WAS TAKEN OVER BY ASQ CONNECT LTD., ON INVOCATION OF PLEDGED EQUITY SHARES HAS BEEN REINSTATED IN FAVOUR OF AML, POST ARBITRATION AWARD DATED 28TH FEBRUARY, 2020.

@ THE PARTLY SHARES HELD DIRECTLY AND PARTLY THROUGH COMPANY'S WHOLLY OWNED SUBSIDIARY COMPANY VIZ. ASHAPURA MINECHEM (UAE) FZE.

* THE SHARES HELD THROUGH COMPANY'S STEP DOWN SUBSIDIARY COMPANY VIZ. ASHAPURA HOLDING (UAE) FZE.

** THE SHARES HELD THROUGH COMPANY'S WHOLLY OWNED SUBSIDIARY COMPANY VIZ. ASHAPURA MINECHEM (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 PERFOCLAY LIMITED."



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