



Ref No.: Minechem/Stock Exch/Letter/7968

19th August, 2020

The Dy. General Manager,
Bombay Stock Exchange Limited
Corporate Relations & Services Dept.,
P. J. Towers, Dalal Street,
Mumbai - 400 023

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.: **Press Release**

Pursuant to regulation 30 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements), Regulations, 2015, we are enclosing herewith a **Press Release** being issued by the Company alongwith the Published Unaudited Financial Results of the Company for the First Quarter ended 30th June, 2020.

Kindly take the same on record.

Yours faithfully,

For ASHAPURA MINECHEM LIMITED


SACHIN POLKE
COMPANY SECRETARY
& VP (Group Affairs)

Regd. Office :

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CIN No. L14108MH1982PLC026396

Press Release for Q1 FY 2020-21 results

Ashapura Minechem Ltd. ('AML') announced its un-audited financial results for the 3 months ended on June 30, 2020 (i.e. Q1 FY 2020-21). The summary thereof is as follows:

(Rs. Crores)	Standalone		Consolidated**	
	Q1 FY 2020-21	Q1 FY 2019-20	Q1 FY 2020-21	Q1 FY 2019- 20
Revenue	35.05	81.18	293.92	118.57
Profit Before Tax	9.23	1.15	35.10	(2.93)
Profit After Tax	9.23	1.15	36.40	0.39

**The consolidated results for Q1 FY 2020-21 are not comparable to those of the corresponding period of the previous year on account of the fact that ownership of shareholding in specific subsidiaries and joint ventures of AML, namely 100% of Ashapura International Ltd, 47.86% of Bombay Minerals Ltd and 50% of Ashapura Perfoclay Ltd. has been restored to AML on February 28, 2020. In Q1 FY 2019-20 the said shareholding had passed on to a creditor who had unilaterally invoked the pledge on them, AML contested the invocation and prevailed in the arbitration process. Consequently, the numbers of the aforementioned subsidiaries and joint-ventures were not included in the consolidated results in Q1 FY 2019-20 but are now included in Q1 FY 2020-21.

The increase in revenues and profits of the group on a consolidated basis can be attributed to:

- ✓ Commencement of ore exports from Guinea and
- ✓ A resilient performance by the Bentonite, Bleaching Clay and Advanced Refractory Solutions divisions despite the incidence of the Covid-19 pandemic.

Furthermore, the following factors have augmented the Ashapura Group's strategic milieu:

1. Completion of settlements: As of date, AML has entered into amicable settlements for all the litigations/claims apropos shipping and foreign exchange derivative contracts which were pending against the Company for over ten years

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2. Reinstatement of step-down entities: The 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 AML the ability to explore the possibility of consolidating the entities subject to strategic exigencies and the applicable laws.
3. Net worth: AML has ceased to be in NCLT since October 2019. As on June 30th 2020, the Net Worth of the Company on standalone basis has become positive i.e. Rs.6.12 crores whereas on a consolidated basis it stands at Rs.382.82 crores.
4. Long tenured settlement commitments: As of June 30, 2020, the debt in AML's books on a stand-alone basis attributable to the shipping and banking settlements is Rs.458.71 crores, the settlement amount includes the interest to be paid and has been accordingly grossed up. 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 rupees, thereby insulating the company from any forex risk.
5. New horizons: 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 AML, has had an active presence in Guinea over the last 5 years. In this period, AGRS has already acquired estimated resources 500 million tons of Bauxite and 450 million tons of Iron Ore. AGRS has also created the requisite infrastructure for operating in Guinea which has enabled it to commercially produce and export two maiden shipments of ore up to June 30, 2020. AGRS expects to export approximately 2 million tons of ore in FY 2020-21.
6. Resilience in adversity: 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. Even during the inception of the Covid-19 pandemic, with a lot of effort and precaution, Ashapura achieved a reasonably seamless continuity in its operations in Gujarat and overseas in Guinea.
7. Atmavishwas for Atmanirbhar: India has arrived at yet another socio-economic inflection point, our country's push towards self-reliance in manufacturing will certainly 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, Ashapura is well placed to support the Atmanirbhar Bharat initiative by supplying ores and minerals from its Indian and global resource base.



Continuation Sheet

8. Resource a bedrock of Ashapura: The Ashapura Group has access to a large resource base of minerals that offers an unfettered and sustainable supply of mineral under the all the applicable mining and environmental regulations, including the New Mineral Policy 2019. The reserves for Bentonite, Bauxite, Iron Ore, Kaolin, Gypsum and Silica Quartz also stand out for their quality and versatility.
9. Research & Development a fulcrum of growth: Ashapura's focus on Research & Development accords it the ability to collaborate, customise, and control costs. All of Ashapura's initiatives over the last 10 years including white performance minerals and value- added refractory products have originated from captive research. The R&D Centre continues to explore new synergistic avenues for growth such as construction materials and environmental solutions.

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