



ANNUAL REPORT  
2021-22

Value beyond  
MINING



## 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](http://www.ashapura.com)

## REGISTRAR & SHARE TRANSFER AGENT

M/s. Link Intime India Pvt. Ltd.  
C-101, 247 Park, L.B.S. Marg,  
Vikhroli (West), Mumbai – 400 083.  
Tel : +91-22-49186000  
Fax : +91-22-49186060  
E-mail : [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

## PLANT LOCATION

1. Village Baraya, Bhuj-Mundra Highway, Tal. Mundra, Kutch, Gujarat.
2. 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. BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai – 400 001.
2. National Stock Exchange of India Limited  
"Exchange Plaza", Bandra Kurla Complex,  
Bandra (East), Mumbai – 400 051.

# ASHAPURA MINECHEM LIMITED

## BOARD OF DIRECTORS

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

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## NOTICE

NOTICE is hereby given that the 41<sup>st</sup> Annual General Meeting of the Members of **ASHAPURA MINECHEM LIMITED** will be held on **Thursday, 29<sup>th</sup> September, 2022** at 12.30 p.m. through **Video Conferencing / Other Audio Visual Means (VC/OAVM)** the venue of the meeting shall be deemed to be the Registered Office of the Company respectively to transact the following businesses:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company (including Consolidated Financial Statements) for the Financial Year ended 31<sup>st</sup> March, 2022, together with the Reports of the Board of Directors and Auditors thereon.
2. To declare Final Dividend for the Financial Year 2021-22.
3. To re-appoint a Director in place of Smt. Himani Shah (DIN- 02467277) who retires by rotation and being eligible, offers herself for re-appointment.
4. To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and rules framed thereunder, as amended from time to time, M/s. P A R K & Co, Chartered Accountants (Registration No - 116825W), be and is hereby re-appointed as Statutory Auditors of the Company for the second consecutive term of five years, to hold office from the conclusion of this Annual General Meeting till the conclusion of the 46<sup>th</sup> Annual General Meeting of the Company to be held in the year 2027, at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors based on the recommendation of the Audit Committee."

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to do all such acts, deeds and things and to take all such steps as may be necessary for the purpose of giving effect to this resolution".

### SPECIAL BUSINESS:

5. 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, re- 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 2022-23 at a remuneration of Rs. 1,62,565/- (Rupees One Lakh Sixty Two Thousand Five Hundred Sixty Five only) per annum plus Goods and Service Tax (GST) and out of pocket expenses, as recommended by Audit committee and subsequently confirmed by the Board of Directors of the Company, be and is hereby ratified."

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

#### **Re-appointment of Shri Chetan Shah as an Executive Chairman of the Company:**

**"RESOLVED THAT** in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and in terms of recommendations of the Nomination & Remuneration Committee and approval of the Board of Directors, the Company hereby accords its approval and consent for the re-appointment of Shri Chetan Shah as an Executive Chairman of the Company, for a further period of 3 years with effect from 24<sup>th</sup> October, 2022 till 23<sup>rd</sup> October, 2025 on terms and conditions including remuneration as are set out in the Statement pursuant to Section 102 of the Companies Act, 2013 annexed to this Notice and which forms part of the Agreement between the Company and Shri Chetan Shah, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the duly authorised Committee of the Board including the Nomination & Remuneration Committee) to alter and vary the terms and conditions of the said re-appointment, including the remuneration, subject to the provisions of the Companies Act, 2013.

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

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

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

**"RESOLVED THAT** in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and in terms of recommendations of the Nomination & Remuneration Committee and approval of the Board of Directors, the Company hereby accords its approval and consent for the re-appointment of Shri Hemul Shah as an Executive Director & Chief Executive Officer of the Company, for a further period of 1 year with effect from 16<sup>th</sup> February, 2023 till 15<sup>th</sup> February, 2024 on terms and conditions including remuneration as are set out in the Statement pursuant to Section 102 of the Companies Act, 2013 annexed to this Notice and which forms part of the Agreement between the Company & Shri Hemul

# Ashapura Minechem Limited

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Shah, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the duly authorised Committee of the Board including the Nomination & Remuneration Committee) to alter and vary the terms and conditions of the said re-appointment, including the remuneration, subject to ceiling as specified in Schedule V of the Companies Act, 2013.

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

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

**To approve existing as well as new material related party transactions with related parties of company and/or its subsidiaries (other than wholly owned subsidiaries):**

**A. BETWEEN COMPANY AND M/S ASHAPURA HOLDINGS UAE FZE:**

"**RESOLVED THAT** pursuant to the applicable provisions of the Companies Act, 2013 read with the rules framed thereunder (including any statutory amendment(s) or re-enactment(s) thereof, for the time being in force, if any), and in terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include the duly authorised Committee of the Board), for entering into and/or carrying out and/or continuing with existing contracts/arrangements/ transactions or material modification(s) of earlier arrangements/ transactions or as fresh and independent transaction(s) or otherwise (whether individually or series of transaction(s) taken together or otherwise), with M/s Ashapura Holdings UAE FZE , Step Down Subsidiary a related party of the Company, as per the details set out in the explanatory statement annexed to this notice, notwithstanding the fact that the aggregate value of all these transaction(s), whether undertaken directly by the Company or along with its subsidiary(ies), may exceed the prescribed thresholds as per provisions of the SEBI Listing Regulations as applicable from time to time, provided, however, that the said contract(s)/ arrangement(s)/ transaction(s) shall be carried out at an arm's length basis and in the ordinary course of business of the Company.

**RESOLVED FURTHER THAT** the aforesaid approval shall be valid for 1 year i.e. from the date of this Annual General Meeting till the conclusion of the 42<sup>nd</sup> Annual General Meeting of the Company to be held in the year 2023 in terms of the SEBI Listing Regulations and the circulars issued by the SEBI in this regard.

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

**B. BETWEEN COMPANY AND M/S SOCIETE GUINEENNE DES MINES DE FER:**

"**RESOLVED THAT** pursuant to the applicable provisions of the Companies Act, 2013 read with the rules framed thereunder (including any statutory amendment(s) or re-enactment(s) thereof, for the time being in force, if any), and in terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include the duly authorised Committee of the Board), for entering into and/or carrying out and/or continuing with existing contracts/arrangements/ transactions or material modification(s) of earlier arrangements/transactions or as fresh and independent transaction(s) or otherwise (whether individually or series of transaction(s) taken together or otherwise), with M/S Societe Guineenne Des Mines De Fer, Step Down Subsidiary a related party of the Company, as per the details set out in the explanatory statement annexed to this notice, notwithstanding the fact that the aggregate value of all these transaction(s), whether undertaken directly by the Company or along with its subsidiary(ies), may exceed the prescribed thresholds as per provisions of the SEBI Listing Regulations as applicable from time to time, provided, however, that the said contract(s)/ arrangement(s)/ transaction(s) shall be carried out at an arm's length basis and in the ordinary course of business of the Company.

**RESOLVED FURTHER THAT** the aforesaid approval shall be valid for 1 year i.e. from the date of this Annual General Meeting till the conclusion of the 42<sup>nd</sup> Annual General Meeting of the Company to be held in the year 2023 in terms of the SEBI Listing Regulations and the circulars issued by the SEBI in this regard.

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

**By Order of the Board of Directors**

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

Mumbai, 10<sup>th</sup> August, 2022



## NOTES

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item Nos. 4 to 8 of the Notice, is annexed hereto. Further, the relevant details with respect to Item No. 3 pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM are also annexed.
2. Pursuant to the General Circular numbers 20/2020 dated May 5, 2020 read with General Circular nos. 14/2020 dated April 8, 2020; 17/2020 dated April 13, 2020; 02/2021 dated January 13, 2021; 19/2021 dated December 08, 2021; 21/2021 dated December 14, 2021 and 2/2022 dated May 05, 2022 issued by the Ministry of Corporate Affairs (MCA) and Circular number SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI/HO/CFD/CMD 2/CIR/P/2022/62 dated May 13, 2022 issued by the Securities and Exchange Board of India (SEBI) (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold Annual General Meeting ("AGM") through video conferencing (VC) or other audio visual means (OAVM), without the physical presence of members at a common venue and dispatch of Annual Report only in electronic mode. In compliance with the said Circulars, the AGM of the Company is being held through VC/OAVM.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Institutional/Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to [bhattvirendra1945@yahoo.co.in](mailto:bhattvirendra1945@yahoo.co.in) with a copy marked to [cosec@ashapura.com](mailto:cosec@ashapura.com).
5. Pursuant to Section 91, Company's Transfer Books will remain closed from 23<sup>rd</sup> September, 2022 (Friday) to 29<sup>th</sup> September, 2022 (Thursday) (both days inclusive).

Dividend, as may be declared by the members at the meeting, will be paid to those members on the basis of particulars of beneficial ownership furnished on 22<sup>nd</sup> September, 2022 (Thursday) i.e. in respect of shares held in dematerialised form.

6. A dividend of 0.50 paise per equity share (@25%) has been recommended by the Board of Directors for the F.Y. 2021-22, subject to TDS and to the approval of Members at the 41<sup>st</sup> AGM. If the dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend, subject to deduction of tax at source ("TDS"), will be made on or after 30<sup>th</sup> September, 2022 as under:
  - i. To all Beneficial Owners in respect of shares held in Dematerialized Form as per the data as may be made available by National Security Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") (both collectively referred to as "Depositories") as of the close of business hours on 22<sup>nd</sup> September, 2022 (Thursday) ("Record Date").
  - ii. To all Members in respect of shares held in Physical Form after giving effect to valid transmission and transposition requests lodged with the Company on or before the close of business hours on 22<sup>nd</sup> September, 2022 (Thursday) ("Record Date").

### **7. Members are requested to note and give attention to the following with respect to dividend to be declared :**

- a. Pursuant to the Income Tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a Company after April 01, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source (TDS) at the time of making the payment of final dividend. In general, to enable compliance with TDS requirements, Members are requested to complete and/or update their Residential Status, Permanent Account Number ("PAN"), Category as per the IT Act with their Depository Participants ("DPs"), or in case shares are held in Physical Form, with the Company by sending documents on e-mail id [cosec@ashapura.com](mailto:cosec@ashapura.com).
- b. For all Members (i.e. holding shares either in Dematerialized Form and/or Physical Form): The forms for tax exemption can be downloaded from Link Intime's website. The URL for the same is <https://www.linkintime.co.in/client-downloads.html>. On this page select the General tab. All forms are available under the head "Form 15G/15H/10F".

The aforementioned documents (duly completed and signed) are required to be uploaded on the URL at : <https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html>

On this page, the user shall be prompted to select / share the following information to register their request:

1. Select the company (Dropdown)
2. Folio / DP-Client ID
3. PAN
4. Financial year (Dropdown)
5. Form selection
6. Document attachment – 1 (PAN)
7. Document attachment – 2 (Forms)
8. Document attachment – 3 (Any other supporting document)

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Please Note that the upload of documents (duly completed and signed) on the website of Link Intime India Private Ltd. should be done on or before Record date for the dividend, in order to enable the Company to determine and deduct appropriate TDS / Withholding Tax. Incomplete and/or unsigned forms and declarations will not be considered by the Company.

- c. No communication on the tax determination/deduction shall be considered after Record date for the dividend, i.e. 22<sup>nd</sup> September, 2022 (Thursday). Members may note that in case the tax on final dividend is deducted at a higher rate in absence of receipt of the aforementioned details/ documents, an option is available to Members to file the return of income as per Income Tax Act, 1961 and claim an appropriate refund, if eligible.
- d. All communications/ queries in this respect should be addressed to our RTA, Link Intime India Private Limited at its email address [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).
- e. Further, in order to receive the dividend in a timely manner, Members holding shares in Physical Form, who have not updated their mandate for receiving dividends directly in their bank accounts through Electronic Clearing Service ("ECS") or any other means, are requested to send hard copies of the following details / documents to the Company's Registrar and Share Transfer Agent ("RTA"), Link Intime India Pvt. Ltd. ("LIPL") at C 101, 247 Park, LBS Marg, Vikhroli (West), Mumbai 400 083 on or before Record Date:
  - a signed request letter mentioning your Name, Folio Number, complete address and following details relating to the Bank Account in which the dividend is to be received;
  - Name and Branch of Bank and Bank Account type;
  - Bank Account Number and type allotted by your bank after implementation of Core Banking Solutions and 11 digit IFSC Code;
  - Self-attested copy of cancelled cheque bearing the name of the Member or first holder (in case shares are held jointly)
  - Self-attested copy of the PAN Card; and
  - Self-attested copy of any document (such as Aadhaar Card, Driving License, Election Identity Card, Passport) in support of the address of the Member as registered with the STA.

## **Online Registration of Bank Details for Members holding shares in Physical Form:**

- i. Members of the Company holding Equity Shares of the Company in Physical Form and who have not registered their Bank details can get the same registered with Link Intime India Pvt. Ltd., by clicking the link: [https://linkintime.co.in/emailreg/email\\_register.html](https://linkintime.co.in/emailreg/email_register.html) on their web site [www.linkintime.co.in](http://www.linkintime.co.in) at the Investor Services tab by choosing the E mail/ Bank Registration heading and follow the registration process as guided therein.
- ii. Members are requested to provide details such as Name, Folio Number, Certificate number, PAN, e-mail id along with the copy of the cheque leaf with the first named Members name imprinted in the face of the cheque leaf containing the bank name and branch, type of account, bank account number, MICR details and IFSC code in PDF or JPEG format.

It is very important for the Member to submit the request letter duly signed. Link Intime will verify the documents uploaded and will only take on record all valid cases.

On submission of details by a Member as stated above, an OTP will be received by a Member which needs to be entered in the link for verification.

- f. Members holding shares in Dematerialized Form may please note that their bank details as furnished by the respective Depositories to the Company will be considered for remittance of dividend as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such Members for change / deletion in such bank details. Further, instructions, if any, already given by them in respect of shares held in Physical Form, will not be automatically applicable to the dividend paid on shares held in Dematerialized Form. Members may, therefore, give instructions to their DP regarding bank accounts in which they wish to receive dividend.
- g. For Members who are unable to receive the dividend directly in their bank accounts through ECS or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the dividend warrant / Bankers' cheque / demand draft to such Members upon normalization of the postal services.
- h. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in Dematerialized Form. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in Physical Form are requested to consider converting their holdings to Dematerialized Form.
- i. Un-encashed dividend amounts are now to be directly credited into the Investor's bank account only. Investors holding shares in Physical Form are requested to submit a duly signed request letter of the Member with original cancelled cheque leaf having their name printed on it along with copy of a recent utility bill for address verification and PAN.
- j. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, PAN, registering of nomination and power of attorney, Bank Mandate details such as name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DP in case the shares are held in Dematerialized Form, and to the RTA in case the shares are held in Physical Form.
- k. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified from time to time.





- l. Members are requested to note that dividends, if not encashed by them, may contact the Company's Share Transfer Agent immediately to encash the same. In case dividends are un-encashed for a consecutive period of 7 years from the date of transfer to the Unpaid Dividend Account of the Company, such amounts are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). Further, the shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members / Claimants are requested to claim their dividends from the Company within the stipulated timeline.

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

8. 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 31<sup>st</sup> March, 2022 have been sent only to those members whose e- mail ids are registered with the Company or the Registrar and Share Transfer Agent or the Depository Participants(s) through electronic means and no physical copy of the Notice has been sent by the Company to any member.
9. Those shareholders who have not yet registered / updated their email address / contact details are requested to get them registered / updated by following the procedure given below:

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

10. 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.
11. The Notice has also been hosted on the website of the Company [www.ashapura.com](http://www.ashapura.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).
12. In compliance with the said Circulars, the Company has also published a public notice by way of an advertisement made dated 27<sup>th</sup> August, 2022 in Free Press Journal and Navashakti both having a wide circulation in Mumbai, inter alia, advising the members whose e-mail ids and bank Account details are not registered with the Company, its Registrar and Share Transfer Agent (RTA) or Depository Participant(s) (DPs), as the case may be, to register their e-mail ids with them.

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

13. 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.
14. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned hereafter. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
15. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

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

- (i) As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA). In continuation of this Ministry's General Circular No. 20/2020 dated 05<sup>th</sup> May, 2020 and General Circular Nos 02/2021 dated 13.01.2021, 19/2021 dated 8<sup>th</sup> December, 2021, 21/2021 dated 14<sup>th</sup> December, 2021 and 02/2022 dated 5<sup>th</sup> May, 2022, it has been decided to allow companies whose AGMs are due in the year 2022 to conduct their AGMs on or before 31.12.2022, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 dated 05<sup>th</sup> May, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
- (ii) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 and May 05, 2022 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-voting agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

# Ashapura Minechem Limited

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

- (i) The voting period begins on 26<sup>th</sup> September, 2022 (Monday) at 9.00 a.m. and ends on 28<sup>th</sup> September, 2022 (Wednesday) 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 i.e 22<sup>nd</sup> September, 2022 (Thursday) may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020** under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"><li>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li><li>2. After successful login the Easi / Easiest user will be able to see the e-voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-voting page of the e-Voting service provider for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-voting service providers' website directly.</li><li>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li><li>4. Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN No. from e-voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a>. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the evoting is in progress and also able to directly access the system of all e-voting Service Providers.</li></ol>



Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<ol style="list-style-type: none"> <li>1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-voting" under e-voting services and you will be able to see e-voting page. Click on company name or e-voting service provider name and you will be re-directed to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. After Successful login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 and 022-23058542/43.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30.

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

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

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

# Ashapura Minechem Limited

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

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

1. The procedure for attending meeting & e-voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **3 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at company email id. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **3 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at company email id. These queries will be replied to by the company suitably by email.



8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

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

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

16. 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. 22<sup>nd</sup> September, 2022 (Thursday) may obtain the login ID and password by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or [cosec@ashapura.com](mailto:cosec@ashapura.com).
17. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM.
18. Shri Virendra Bhatt, Practicing Company Secretary (Membership No. 1157) has been appointed as the Scrutinizer to scrutinize the voting at the AGM and remote e-voting process in a fair and transparent manner.

**PROCEDURE FOR INSPECTION OF DOCUMENTS:**

19. 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](mailto:cosec@ashapura.com).
20. 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](mailto:cosec@ashapura.com).

**OTHER INSTRUCTIONS:**

21. As per the provisions of Section 72 of the Companies Act and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website [www.ashapura.com](http://www.ashapura.com). Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to the Company/RTA in case the shares are held in physical form.
22. 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](http://www.ashapura.com).

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

# Ashapura Minechem Limited

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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.

24. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
25. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same.

The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.ashapura.com](http://www.ashapura.com) and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com) immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited & the National Stock Exchange of India Limited.

**By Order of the Board of Directors**

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

Mumbai, 10<sup>th</sup> August, 2022

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



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

### **Item No. 4.**

M/s. P A R K & Co., Chartered Accountants (Registration No - 116825W), were appointed as Statutory Auditors of the Company at the 36<sup>th</sup> Annual General Meeting (AGM) held on 21<sup>st</sup> September, 2017 for a period of 5 years, to hold office from the conclusion of the 36<sup>th</sup> AGM until the conclusion of the 41<sup>st</sup> AGM of the Company.

M/s. P A R K & Co. are eligible for re-appointment as Statutory Auditors of the Company for a further period of 5 years and have given their consent for the same. They have confirmed that their re-appointment, if made, will be within the limits prescribed under the provisions of Section 139 of the Companies Act, 2013 (the Act) and the rules made thereunder. M/s. P A R K & Co. have confirmed that they are eligible for the proposed appointment under Section 139 of the Act and are not disqualified for appointment under Section 141 and other relevant provisions of the Act, the Chartered Accountants Act, 1949 and the rules or regulations made thereunder. As confirmed to Audit Committee and stated in their report on financial statements, the Auditors have reported their independence from the Company according to the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) and the ethical requirements relevant to audit.

The Board of Directors of the Company (the Board), on the recommendation of the Audit Committee (the Committee), has recommended for the approval of the Members, the reappointment of M/s. P A R K & Co., Chartered Accountants, as the Statutory Auditors of the Company for a second term of five consecutive years, to hold office from the conclusion of the 41<sup>st</sup> AGM till the conclusion of the 46<sup>th</sup> AGM of the Company to be held in the year 2027.

The Committee considered various parameters like quality of the audit delivered by them for the last 5 years, experience of the audit partners and the team responsible for the audit of the Company, market standing of the Audit firm, technical knowledge etc., and found P A R K & CO. to be best suited to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company. The firm holds the 'Peer Review' certificate as issued by ICAI.

M/s P A R K & Co., Chartered Accountants, established in the year 1997 as a Proprietary concern was later converted into a Partnership Firm, having its offices at Bhavnagar, Rajkot and Mumbai. The firm and its partners have rich and collective experience across various sectors/fields viz. Statutory/ Tax Audits, Company Law matters, Consultancy services as also they are skilled in asset leveraging, business process re-engineering, business health identification and total cost management.

The remuneration proposed to be paid to the Statutory Auditors during their second and final term to be mutually agreed between the Board of Directors of the Company and the Statutory Auditors based on the recommendation of the Audit Committee. The Board of Directors in consultation with the Audit Committee may alter and vary the other terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested financially or otherwise in the resolution set out at Item No. 4 of the Notice.

Your Directors recommend the resolution as at Item No.4 for the approval of the members to be passed as an Ordinary Resolution..

### **Item No 5:**

The Board, on the recommendation of the Audit Committee, has approved the re-appointment of M/s. S. K. Rajani & Co., Cost Accountants as Cost Auditors, of the Company for the Financial Year ending on 31<sup>st</sup> March, 2022, 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 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. 5 for the approval of members to be passed as an Ordinary Resolution.

### **Item No 6:**

Members of the Company had through Resolution dated 27<sup>th</sup> December, 2019, had re-appointed/re-designated Shri. Chetan Shah as an Executive Chairman of the Company for a tenure of 3 years effective from 24<sup>th</sup> October, 2019. Accordingly his term ends on 23<sup>rd</sup> October, 2022.

The Nomination and Remuneration Committee, looking at the current business scenario and his exposure; experience and expertise in dynamic mining industry and business development, recommended the re-appointment of Shri Chetan Shah. Consequently, the Board of Directors had proposed to re-appoint him for a further period of 3 years 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.

# Ashapura Minechem Limited

Accordingly, the approval of the Members through Special Resolution pursuant to Sections 196, 197, 198, 203 read with Schedule V of the Companies Act, 2013 as amended from time to time is now sought for the re-appointment of Shri Chetan Shah as an Executive Chairman of the Company for another term of 3 years i.e the period starting from 24<sup>th</sup> October, 2022.

The details are set out below:

a.	Salary	:	Rs. 1,25,00,000/- p.a. (Rupees One Crore Twenty Five Lakhs only), 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.

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 revision in Remuneration to Shri Chetan Shah, Executive Chairman, is listed out herein below:

<b>I General Information :</b>																																			
1.	Nature of Industry	Mining and Mineral Processing Industry																																	
2.	Date or expected date of commencement of commercial production	19 <sup>th</sup> February, 1982																																	
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable																																	
4.	Financial performance based on given indicators:	<b>(Rs. in Lakhs)</b>																																	
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Managerial Remuneration (Total)	138.33	98.94																																	
5.	Foreign investments or collaborators, if any	The holdings of Foreign Portfolio Investor (Corporate), Foreign Institutional Investors and NRIs as on 31 <sup>st</sup> March, 2022 is 23.47% of the equity share capital.																																	
<b>II Information about the Appointee :</b>																																			
1.	Background details	Shri. Chetan Shah is a Commerce Graduate and has been associated with the Ashapura Group for more than 4 decades. Under his guidance and tutelage, the Ashapura Group has metamorphosed from a single product-single location company into a multi-mineral solutions conglomerate spread over 8 countries across the globe offering more than 120 products. He has varied experience in the mining industry and is responsible for the overall management of Ashapura Group.																																	
2.	Past remuneration	Details has been mentioned in Corporate Governance Report on Pg. No. 54																																	
3.	Recognition or awards	-																																	
4.	Job profile and his suitability	An Executive Chairman of the Company is entrusted with the responsibility of overall supervision and day-to-day management of the affairs of the Company, subject to superintendence & direction of the Board of Directors.																																	
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 Chetan Shah has been determined after taking into consideration the current state of affairs; financial performance of the Company viz-a-viz his experience & expertise in the business of the Company.																																	
7.	Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any	Shri Chetan Shah has no pecuniary relationship with the Company except for the proposed remuneration paid to him as an Executive Chairman of the Company. Shri Chetan Shah is not related to any of the Managerial Personnel of the Company.																																	





<b>III Other Information:</b>		
1.	Reasons of loss or inadequate profits	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. Detailed explanation has been provided in Director's Report and Management's Discussion and Analysis.
2.	Steps taken or proposed to be taken for improvement & expected increase in productivity and profits in measurable terms	The Company is endeavoring to explore inventive concepts & theories to improve the quality of its products; target & seize opportunities both at domestic & international market for better stability, expansion & payback for the Company.
<b>IV. Disclosures:</b>		
The elements of remuneration to be paid to Shri Chetan Shah are as stated in explanatory statement above.		

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

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

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

Shri Chetan 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 Chairman of the Company. Brief Profile of Shri Chetan Shah as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Notice.

Shri Chetan Shah and his relatives are concerned or interested in the said resolution as set out in Item No. 6 of the accompanying Notice.

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. 6 accompanying the Notice for the approval of Shareholders of the Company as a Special Resolution.

#### **Item No 7 :**

The Board of Directors, on recommendation of Nomination and Remuneration Committee, at its meeting held on 10<sup>th</sup> February, 2020, appointed Shri Hemul Shah (DIN: 00058558) as an Additional Director w.e.f. 16<sup>th</sup> February, 2020, for a period of 3 years. Accordingly, his tenure ends on 15<sup>th</sup> February, 2023.

Taking into consideration his expertise and profound knowledge in mining industry, the board in its meeting dated 10<sup>th</sup> August, 2022 decided to extend his tenure by further period of 1 year as an Executive Director and Chief Executive Officer (CEO) of the Company w.e.f 16<sup>th</sup> February, 2023 to 15<sup>th</sup> February, 2024 on such terms and conditions that forms part of the agreement, the key excerpts of same are reproduced below and which are subject matter of Member's approval.

Accordingly, the approval of the Members through Special Resolution pursuant to Sections 196, 197, 198, 203 read with Schedule V of the Companies Act, 2013 as amended from time to time is now sought for the re-appointment of Shri Hemul Shah, as an Executive Director and Chief Executive Officer of the Company for the period starting from 16<sup>th</sup> February, 2023.

a.	Salary	:	Upto Rs. 80,00,000/- (Rupees Eighty Lakhs only) per annum, 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.

# Ashapura Minechem Limited

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:

<b>I General Information :</b>																																		
1. Nature of Industry	Mining and Mineral Processing Industry																																	
2. Date or expected date of commencement of commercial production	19 <sup>th</sup> February, 1982																																	
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable																																	
4. Financial performance based on given indicators:	<b>(Rs. in Lakhs)</b>																																	
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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 <sup>st</sup> March, 2022 is 23.47% of the equity share capital.																																	
<b>II Information about the Appointee :</b>																																		
1. Background details	Shri Hemul Shah is Commerce Graduate. He has been associated with the Ashapura Group at different levels for more than 3 decades. He has strong business acumen, strategic intelligence, execution abilities and also has rich experience in Planning, Operational and General Management.																																	
2. Past remuneration	Details has been mentioned in Corporate Governance Report on Pg. No. 54																																	
3. Recognition or awards	-																																	
4. Job profile and his suitability	Being an Executive Director and CEO, he is entrusted with the responsibility of overall supervision and day to day management of the affairs of the Company, subject to superintendence and directions of the Board of Directors of the Company.																																	
5. Remuneration proposed	As stated in the explanatory statement above.																																	
6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	The remuneration proposed to be paid to Shri Hemul Shah has been determined after taking into consideration the current state of affairs; financial performance of the Company viz-a-viz his experience & expertise in the business of the Company.																																	
7. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any	Shri Hemul Shah has no pecuniary relationship with the Company except for the proposed remuneration paid to him as an Executive Director and CEO of the Company. Shri Hemul Shah is not related to any of the Managerial Personnel of the Company.																																	
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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.  The more detailed explanation is provided in Director's report and Management Discussion & Analysis.																																	
2. Steps taken or proposed to be taken for improvement & expected increase in productivity and profits in measurable terms	The Company is endeavoring to explore inventive concepts & theories to improve the quality of its products; target & seize opportunities both at domestic & international market for better stability, expansion & payback for the Company.																																	
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Further, pursuant to provisions of Section 203 of the Companies Act, 2013, he shall be recognized as Key Managerial Personnel (KMP) of the Company.

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

The aggregate of the remuneration and perquisites/benefits, including contributions towards Provident Fund, Superannuation Fund and Gratuity Fund, payable to the Managerial Personnel of the Company taken together, shall be 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 re-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 forms part of this Notice.

Shri Hemul Shah is concerned or interested in the said resolution as set out in Item No. 7 of the accompanying Notice.

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

The Board of Directors of your Company accordingly recommend the Resolution as set out in Item No. 7 accompanying the Notice for the approval of Shareholders of the Company as a Special Resolution.

#### **Item No 8 A & B:**

The provisions of the SEBI Listing Regulations, as amended by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021, effective April 1, 2022, mandates prior approval of Members by means of an ordinary resolution for all material related party transactions, even if such transactions are in the ordinary course of business of the concerned Company and on arm's length basis. A transaction with a related party shall be considered as material if the transaction(s) to be entered into individually or taken together with previous transactions during a Financial Year, exceed(s) Rs. 1,000 crores, or 10% of the annual consolidated turnover as per the last audited financial statements of the listed entity, whichever is lower.

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

The Company proposes to enter into transactions with its related party mentioned in Resolutions mentioned in Item no. 8 A & B of the Notice, as per the terms and conditions as mutually agreed between the parties. The Audit Committee of the Company has granted omnibus approval for the said related party transactions at its meeting held on 10<sup>th</sup> February, 2022 and has noted that although the proposed related party transactions are in the ordinary course of business of the Company and shall be entered into on an arm's length basis, they may, in aggregate, cross the applicable materiality thresholds as mentioned above.

Accordingly, as per the SEBI Listing Regulations, prior approval of the Members is being sought for entering into and/or carrying out and/or continuing with existing contracts/arrangements/ transactions or material modification(s) of earlier arrangements/transactions or as fresh and independent transaction(s) or otherwise (whether individually or series of transaction(s) taken together or otherwise) undertaken or to be undertaken by the Company and that shall be valid for one year i.e. from the date of this Annual General Meeting till the conclusion of the 42<sup>nd</sup> Annual General Meeting of the Company to be held in the year 2023.

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

#### **Information pertaining to Item No 8 A:**

1	Name of the Related Party	M/S Ashapura Holdings UAE FZE
2	Type of transaction	Purchase of goods, Sale of goods, Rendering of services and Receiving of services, leasing
3	Material terms and particulars of the proposed transaction	Material terms and conditions are based on the contracts which inter alia include the rates which are based on prevailing market price and commercial terms as on the date of entering into the contract.
4	Nature of Relationship with the Company including nature of its concern or interest (financial or otherwise)	Step Down Subsidiary of the Company
5	Tenure of the proposed transaction (particular tenure shall be specified)	The Approval Shall be valid for one year i.e. from the date of this Annual General Meeting till the conclusion of the 42 <sup>nd</sup> Annual General Meeting of the Company to be held in the year 2023.
6	Value of the proposed transaction	Approximately Rs. 720 Crores

## Ashapura Minechem Limited

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

### Information pertaining to Item No 8 B

1	Name of the Related Party	M/S Societe Guineenne Des Mines De Fer
2	Type of transaction	Purchase of goods, Sale of goods, Rendering of services and Receiving of services, leasing.
3	Material terms and particulars of the proposed transaction	Material terms and conditions are based on the contracts which inter alia include the rates which are based on prevailing market price and commercial terms as on the date of entering into the contract.
4	Nature of Relationship with the Company including nature of its concern or interest (financial or otherwise)	Step Down Subsidiary of the Company
5	Tenure of the proposed transaction (particular tenure shall be specified)	The Approval Shall be valid for one year i.e. from the date of this Annual General Meeting till the conclusion of the 42 <sup>nd</sup> Annual General Meeting of the Company to be held in the year 2023.
6	Value of the proposed transaction	Approximately Rs. 240 Crores
7	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided)	In excess of 10% of the annual consolidated turnover of the Company as per the last audited financial statements.
8	Whether the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary	NA
a)	details of the source of funds in connection with the proposed transaction;	-



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

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

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

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

**By Order of the Board of Directors**

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

Mumbai, 10<sup>th</sup> August, 2022

**Registered Office:**

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

E & OE regretted

# Ashapura Minechem Limited

## '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	Smt. Himani Shah	Shri Chetan Shah	Shri Hemul Shah
Date of Birth	10/03/1979	28/01/1955	04/01/1961
Qualification	Commerce Graduate and International Diploma Program in Marketing & Communication from University of California Berkeley Ext., USA	Commerce Graduate	Commerce Graduate
Brief Profile & Expertise in specific functional areas	She has considerable exposure in Marketing, Business Development & Human Resource domain.	He has been associated with the Ashapura Group for more than 4 decades. Under his guidance and tutelage, the Ashapura Group has metamorphosed from a single product – single location company into a multi-mineral solutions conglomerate spread over 8 countries across the globe offering more than 120 products. He has varied experience in the mining industry and is responsible for the overall management of Ashapura Group.	He has been associated with the Ashapura Group at different levels for more than 3 decades. He has strong business acumen, strategic intelligence, execution abilities and also has rich experience in Planning; Operational and General Management.
Directorship in other Public Companies	NIL	<ol style="list-style-type: none"> <li>1. Ashapura Claytech Ltd</li> <li>2. Ashapura Industrial Finance Ltd</li> <li>3. Ashapura Aluminium Ltd</li> <li>4. Ashapura International Limited (AIL)</li> <li>5. Ashapura Perfoclay Limited</li> <li>6. Bombay Minerals Limited (BML)</li> </ol>	<ol style="list-style-type: none"> <li>1. Orient Abrasives Limited (OAL)</li> <li>2. Ashapura Claytech Limited</li> <li>3. Ashapura International Limited</li> <li>4. Prashansa Ceramics Limited</li> <li>5. Bombay Minerals Limited</li> <li>6. Ashapura Industrial Finance Ltd</li> <li>7. Ashapura Aluminium Ltd</li> </ol>
Chairmanship / Membership of the Committees of the Board*	NIL	Membership SRC - Ashapura Minechem Ltd (AML)	Chairmanship SRC - OAL ACM - BML ACM - AIL Membership SRC – AML ACM - OAL
No. of shares held in the Company as on 31.03.2022	1,42,980 Equity Shares	1,35,43,814 Equity Shares	1,007 Equity Shares

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



## DIRECTORS' REPORT

To  
The Members,

Your Directors are pleased to present the 41<sup>st</sup> Annual Report of the Company together with the Audited Financial Statements (Standalone & Consolidated) for the year ended 31<sup>st</sup> March, 2022.

### 1. FINANCIAL RESULTS AND PERFORMANCE:

( ₹ in lakhs )

Particulars	Standalone		Consolidated	
	2021-2022	2020-2021	2021-2022	2020-2021
<b>Net Sales / Income from Operations</b>	<b>59,815.11</b>	42,148.70	<b>127,784.31</b>	1,14,811.24
Less: Total Expenditure	<b>62,075.74</b>	37,623.61	<b>123,390.80</b>	1,08,575.47
<b>Profit / (Loss) from Operations before Dep., Other Income and Exceptional Items</b>	<b>(2,260.63)</b>	4,525.09	<b>4,393.51</b>	6,235.77
Less: Depreciation	<b>1,952.03</b>	2,022.59	<b>5,812.84</b>	4,496.11
<b>Profit / (Loss) from Operations before Other Income and Exceptional Items</b>	<b>(4,212.66)</b>	2,502.50	<b>(1,419.32)</b>	1,739.67
Add: Other Income	<b>2,647.24</b>	2,151.31	<b>9,559.76</b>	6,079.15
<b>Profit/(Loss) before Exceptional Items, share of net profit of investments accounted for using the equity method and Tax</b>	<b>(1,565.42)</b>	4,653.81	<b>8,140.45</b>	7,818.82
Share of net profit of Joint Ventures & associates accounted for using the equity method	-	-	<b>1,638.71</b>	1,262.63
<b>Profit/(Loss) before exceptional items</b>	<b>(1,565.42)</b>	4,653.81	<b>9,779.16</b>	9,081.45
Add: Exceptional Items	-	1,933.22	-	1,933.22
<b>Profit / (Loss) before tax</b>	<b>(1,565.42)</b>	6,587.03	<b>9,779.16</b>	11,014.67
Tax Expenses				
Current Tax	-	-	<b>1,361.87</b>	313.62
Earlier Year's Tax	-	(1023.93)	<b>91.53</b>	1,604.59
Deferred Tax	-	-	<b>(327.48)</b>	348.09
<b>Profit/(Loss) after tax</b>	-	5,563.10	<b>8,653.24</b>	8,748.37
Profit attributable to non-controlling interest	-	-	1.50	0.14
<b>Profit/(Loss) for the year</b>	<b>(1,565.42)</b>	5,563.10	<b>8,653.24</b>	8,748.37

#### a) Performance of the company:

At Consolidated level, the Income from Operations and other income stood at Rs. 1,37,344 Lakhs as against Rs.1,20,890 Lakhs for the previous financial year ended 31<sup>st</sup> March, 2021 and that total expenses stood at Rs. 1,29,203 Lakhs which resulted into Net Profit. It was informed that as compared to the previous Financial Year, on a consolidated basis, the Company's total revenue in FY 2021-22 increased by 14%, whereas the Profit After Tax for FY 2021-22 was Rs. 8,653 Lakhs versus a profit Rs. 8,748 Lakhs in the total financial year.

Company's performance throughout FY 2021-22 was impacted by the acute & persistent rise in the global freight bulks and container rates. The second half of the Financial Year fourth quarter was particularly affected by logistical bottlenecks such as availability of ships, barges and ancillary equipment at viable rates along the Company's supply routes. The continuing Covid lockdowns in followed by docile real estate demand in China since January 2022 have since lead to a softening of global commodity prices in ores and minerals.

The Company has emerged as the largest manufacturer of Kaolin and value-added Kaolin products in India. Company has leveraged its in-house expertise and decades of experience to become a preferred supplier of coating and filler solutions to paint, paper, fibre glass & ceramic companies in India and the middle-east.

#### b) Business outlook:

After the second wave of COVID that peaked in May, 2021, the market recovery gained momentum, India's GDP grew at 8.7% in FY 2021-22. The recovery was accompanied by a sharp uptick in domestic and export freight costs, especially shipping freights. A combination of supply side bottlenecks, resurgence of demand and geopolitical events lead to higher energy and commodity costs which eventually crept into higher input posts and inflation. Central banks world over have tightened the liquidity spigot with most economies having to walk the tightrope between growth and debilitating inflation. While domestic markets remain relatively buoyant, the world's second largest economy is still grappling with Covid lockdowns and insipid real estate demand.

Financial markets remain fairly volatile and the deprecating currencies versus the US Dollar generally bode well for exporters.

Company looks forward to consolidate its ore export portfolio from Guinea in FY 2022-23 and seeks capitalise on opportunities offered by global geopolitical events. The Company continues to place reliance on long-term supply contacts with global majors for the supply of Bauxite.

# Ashapura Minechem Limited

## 2. SIGNIFICANT EVENTS DURING THE FY 2021-22 AND TILL THE DATE OF REPORT:

### a) Allotment of Equity Shares Upon Conversion Of Warrants To M/S Ashapura Industrial Finance Limited

The Company had issued warrants to M/s Ashapura Industrial Finance Limited on preferential basis accordingly, the Special Resolution was passed through Postal Ballot on 15<sup>th</sup> February, 2020. The said warrants were issued with an option to convert it to equity. M/s Ashapura Industrial Finance Limited had applied for the conversion of its warrants into equity shares. Consequently, the Board of Directors in its meeting held on 12<sup>th</sup> August 2021 approved the allotment of 45,00,000 shares of Rs. 2/- each at an issue price of Rs. 31.95/- per share to M/s Ashapura Industrial Finance Limited.

Furtherance to such allotment of equity shares, the paid up capital of the company had increased to Rs.18,29,72,196/- comprising of 9,14,86,098 equity shares of Rs. 2/- each. Also subsequent to that allotment, the shareholding of the promoter and promoter group was increased to 44.58% of the enhanced paid up equity share capital of the company.

### b) Retirement of Shri Ashok Kadakia

During the year under review, Shri Ashok Kadakia an Independent Director completed his second consecutive term on the Board of Directors of the Company. He completed the second consecutive term as an Independent Director on 12<sup>th</sup> August, 2021 and accordingly ceased to be a Director of the Company with effect from close of business hours on 12<sup>th</sup> August, 2021.

The Board of Directors and the Management of the Company places on record their deep appreciation for the contributions made by shri Ashok Kadakia during his tenure as an Independent Director of the company..

## 3. DIVIDEND:

Your Directors are pleased to recommend a final Dividend @ 25% per equity share of face value of Rs. 2/- each for the year ended 31<sup>st</sup> March, 2022. The Dividend for the Financial Year ended 31<sup>st</sup> March, 2022 amounts to 0.50 paise per share of face value of Rs. 2/- each. The final Dividend, subject to the approval of Members at the Annual General Meeting on 29<sup>th</sup> September, 2022 (Thursday), will be paid on or after 30<sup>th</sup> September, 2022 (Friday). The dividend for the Financial Year will absorb Rs.457 Lakhs.

Income Tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a Company after 1<sup>st</sup> April, 2020 shall be taxable in the hands of members hence the Dividend Payout will be exclusive of dividend distribution tax. The dividend, subject to its declaration, will be distributed to shareholders whose names appear on the Register of Members on 22<sup>nd</sup> September, 2022 (Thursday)

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

## 4. TRANSFER TO RESERVES:

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

## 5. IEPF:

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

## 6. SHARE CAPITAL:

The paid-up Equity Share Capital as on 31<sup>st</sup> March, 2022 was Rs. 1829.72 lakhs. During the year under review, the Company converted warrants to equity shares in 1:1 Ratio consequently issued 45 Lakhs shares to M/s Ashapura Industrial Finance Limited, Warrant holders, upon allotment of these equity shares; the paid up capital of the Company shall increase to Rs.1,829.72 lakhs comprising of 9,14,86,098 equity shares of Rs. 2/- each.

Further the Company did not grant stock options or sweat equity shares to employees. The details of the shareholding of the Directors as on 31<sup>st</sup> March, 2022 are as mentioned below:

Name	No. of Shares	% of Holdings
Chetan N. Shah	13543814	14.8042
Himani Shah	142980	0.1563
Harish Narendra Motiwalla	500	0.0005
Hemul Ramesh Shah	1007	0.0011

## 7. DEPOSITS:

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





## 8. DIRECTORS & KEY MANAGERIAL PERSONNEL:

The composition of the Board of Directors of the Company as on 31<sup>st</sup> March, 2022 is as below.

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

### a) Retirement by Rotation:

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of your Company, Smt. Himani Shah (DIN :- 02467277), retires by rotation at the ensuing Annual General Meeting and being eligible has offered herself 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) Declaration by Independent Directors:

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

### c) Re-appointment of Shri Chetan Shah, as an Executive Chairman of the Company:

The Board of Directors at its meeting held on 24<sup>th</sup> October, 2019 re-designated Mr. Chetan Shah as an Executive Chairman of the Company, for a period of three years with effect from 24<sup>th</sup> October, 2019, on the terms & conditions that forms part of the agreement. Further, his appointment was duly approved by shareholders in 38<sup>th</sup> Annual General Meeting of the Company which was held on 27<sup>th</sup> 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. Accordingly his term ends on 23<sup>rd</sup> October, 2022.

The Nomination & Remuneration Committee has recommended his re-appointment considering dynamics of the mining business viz-a-viz the need and the turn of events and the future outlook of the company. Accordingly, the Board of Directors in its meeting held on 10<sup>th</sup> August, 2022, proposed to re-appoint Shri Chetan Shah as an Executive Chairman of the Company for a further period of three years.

A special resolution seeking approval of the shareholders for his re-appointment as an Executive Chairman on the Board of Directors of the Company forms part of Notice convening 41<sup>st</sup> Annual General Meeting. The relevant details of Shri Chetan Shah as required pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations are furnished in the Notice of the 41<sup>st</sup> Annual General Meeting.

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

The Board of Directors at its meeting held on 10<sup>th</sup> February, 2020, on the recommendation of Nomination and Remuneration Committee, appointed Shri Hemul Shah (00058558) as an Executive Director and CEO w.e.f. 16<sup>th</sup> February, 2020. His tenure ends on 15<sup>th</sup> February, 2023 according to the agreed terms.

The Nomination & Remuneration Committee has recommended his re-appointment considering his long association with the Company; varied experience in planning, execution abilities and strategic intelligence, Accordingly the Board of Directors at its meeting held on 10<sup>th</sup> August, 2022, proposed that he should be re-appointed as an Executive Director and Chief Executive Officer (CEO) of the company for a further period of one year.

Special Resolution seeking approval of the shareholders for his appointment as an Executive Director and CEO of the Company forms part of the Notice convening 41<sup>st</sup> Annual General Meeting. The relevant details of Shri Hemul Shah as required pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations are furnished in the Notice of the 41<sup>st</sup> Annual General Meeting.

# Ashapura Minechem Limited

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## e) 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.

## f) 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 Ashish Desai as CFO and Shri Sachin Polke, Company Secretary & Vice President, are 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. 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:
- e. Shri Sandeep Deshpande – Group Head - HR (w.e.f 1<sup>st</sup> November, 2021)

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

### a. Business Performance & overview of principal Subsidiaries & Joint Venture Companies:

#### Ashapura International Limited (AIL):

The Company's revenue increased by 43% to Rs. 558.80 crores in FY 2021-22 as compared to the previous year, whereas the Profit after Tax increased to Rs. 34.97 crores in FY 2021-22, i.e. nearly 3.5 times that of the previous financial year.

The increase in revenue and profit were largely attributable to the increase in Bentonite volumes and onward sales of ore to export into markets.

#### Bombay Minerals Limited (BML):

The Company's revenue in FY 2021-22 was Rs. 90.46 crores, substantially lower than the Rs. 308.94 crores in FY 2020-21. A combination of factors such as paucity of raw material for calcination and lower export trading volumes lead to the lower scale of operation; consequently in FY 2021-22, the Company incurred a loss after tax of Rs.10.03 crores versus a profit after tax of Rs. 9.91 crores in the previous financial year.

The Company is actively evaluating alternate sources of raw material via imports.

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

The Company's revenue in FY 2021-22 increased by about 5% to Rs. 347.44 crores as compared to the previous financial year, whereas the profit after tax was Rs. 26.18 crores i.e. 34% less than the previous financial year on account of higher input costs and freight rates.

#### Other Overseas Subsidiaries:

The other overseas subsidiaries and joint ventures of the Company exhibited modest increases in revenues. The Company's step-down subsidiary in Guinea has shown remarkable resilience despite the volatility in freight costs.

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

During the year under review, Ashapura Midgulf NV and Ashapura Fareast SDN BHD became an overseas step down subsidiary of the company. Further Orient Advanced Material Pvt Ltd and Shantilal Multiport Infrastructure Private Limited became associate of the company through direct and/or indirect acquisition/transfer of shares by the Company/its subsidiary/associate Company.

Further, Sohar Ashapura Chemicals LLC company Ceased to be an overseas joint venture company during the year under review.

### c. Material Subsidiaries:

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

## 10. CONSOLIDATED FINANCIAL STATEMENTS:

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



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

## **11. STATUS OF THE PENDING LITIGATIONS:**

### **A. SHIPPING MATTERS:**

The Company signed consent term with Armada (later substituted by Global Value Investments Pte. Ltd.) and ASQ Connect Ltd. The Hon'ble Bombay High court took these consent terms on record & allowed ASQ Connect Ltd and Global Value Investments Pte. Ltd. to withdraw the various Execution Applications Commercial Execution Applications filed by them. The Company has obtained requisite approvals from relevant authorities to remit the amounts as per respective Settlement Agreements.

### **B. FOREX DERIVATIVES:**

The Company has approached the Bankers and has successfully settled the claims with all the bankers.

## **12. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN 31<sup>ST</sup> MARCH, 2022 AND 10<sup>TH</sup> AUGUST, 2022 (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.

## **13. 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.

## **14. MEETINGS OF THE BOARD:**

The Board of the Company comprised of seven Directors as on 31<sup>st</sup> March, 2022. During the year, 5 meetings of the Board of Directors were held. The details of meetings held and attended by each Director are detailed in the Corporate Governance Report, which forms part of this Annual Report.

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

## **15. COMMITTEES:**

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

## **16. DIRECTOR'S RESPONSIBILITY STATEMENT:**

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

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

## **17. 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.

# Ashapura Minechem Limited

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

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

## **18. 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).

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

### **A. Nomination & Remuneration Policy:**

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

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

### **B. Performance Evaluation Policy and Annual Performance Evaluation:**

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

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

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

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

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

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

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

The Independent Directors had met separately on 28th March, 2022 and discussed, inter-alia, the performance of the Chairman, Executive Director & Chief Executive Officer of the Company and the Board as a whole. The Nomination and Remuneration Committee has also carried out evaluation of every Director's performance.

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



### **C. Corporate Social Responsibility Policy:**

In terms of Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 amended vide Ministry of Corporate Affairs Notification dated 22<sup>nd</sup> January, 2021, the Company has amended the Corporate Social Responsibility (CSR) Policy. The same is hosted on the website of the Company [www.ashapura.com/investor-corner.php](http://www.ashapura.com/investor-corner.php). The Company has a CSR Committee to monitor adherence to CSR Policy and to track transactions related to Ongoing / Non-ongoing projects etc.

Further, a detailed report on the CSR activities inter- alia disclosing the composition of CSR Committee and CSR activities is attached as "Annexure-B" to this Report. The disclosure pertaining to the constitution of committee and number of meetings held during the year forms part of the Corporate Governance Report which is a part of Annual Report.

### **D. Vigil Mechanism - Whistle Blower Policy:**

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

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

### **E. Risk Management Policy:**

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

Moreover as per recent amendments in regulation 21 of SEBI listing regulation, any company which is amongst top 1000 companies based on Market capitalization (as on 31<sup>st</sup> March, 2021) shall require to form Risk Management Committee and have policy thereof. The board in its meeting held on 12<sup>th</sup> August, 2021 has duly constituted the risk management committee and approved the above-mentioned policy.

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

### **F. Prevention of Sexual Harassment at Workplace:**

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

The ICC which has been constituted as per the policy in this 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](http://www.ashapura.com/investor-corner.php).

### **G. Related Party Transactions Policy:**

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

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

During the year under review, all the transactions entered pursuant to the contracts and arrangements with related parties under Section 188 (1) of the Companies Act, 2013, were on arm's length basis and in the ordinary course of business. Further, the disclosure of material related party transactions as required under Section 134(3)(h) of the Act in Form AOC-2 has been attached in 'Annexure-E' to this report.

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

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

# Ashapura Minechem Limited

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## H. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:

Refer Report on Corporate Governance para on Familiarisation Programme.

## 20. AUDIT COMMITTEE:

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

## 21. AUDITORS AND AUDITORS' REPORT:

### A. Statutory Auditors:

Pursuant to provisions of Section 139 of the Companies Act, 2013 read with rules framed thereunder, as amended, the term of appointment of M/s. PARK & Co., Chartered Accountants as the Statutory Auditors expires at the conclusion of the ensuing Annual General Meeting (AGM). The Board places on record its appreciation for the services rendered by M/s. PARK & Co., during their tenure as the Statutory Auditors of the Company.

In reference to this, the Board of Directors at their Meeting held on 10<sup>th</sup> August, 2022, recommended that M/s PARK & Co., Chartered Accountants, be re-appointed as Statutory Auditor of the Company, for another period of five years so as to hold the office till the conclusion of Annual General Meeting to be held in the year 2027. As per the Provisions of the Companies Act, 2013, a resolution seeking approval of the Shareholders for the appointment of Statutory Auditors forms part of the Notice convening Annual General Meeting.

The Company has received written consent and certificate of eligibility in accordance with Sections 139, 141 and other applicable Provisions, if any, of the Companies Act, 2013 from M/s. PARK & Co., Chartered Accountants.

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

### B. 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 2021-2022 at the remuneration of Rs. 1,62,565/- (Rupees One Lakhs 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 2022-2023 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 2020-2021 was filed with the Ministry of Corporate Affairs on 9<sup>th</sup> September, 2021.

### C. Secretarial Auditors:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, your Company had engaged the services of Shri Virendra Bhatt, Company Secretary in Practice to undertake the Secretarial Audit of the Company for the Financial Year ended 31<sup>st</sup> March, 2022.

The Secretarial Audit Report in Form No.: MR – 3 for the Financial Year ended 31<sup>st</sup> March, 2022 is annexed with this report as "Annexure - C".

Company's Reply to the Secretarial Auditor's Observations:

- i) The Company has filed the Shareholding Pattern under Regulation 31(1)(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 within Ten working days.
- ii) Some of the Designated Persons of the Company has traded in the small number of securities of the Company during the closure of trading window and the Audit Committee has issued the warning letters to them.

## 22. FRAUDS REPORTED BY AUDITOR

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

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

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



The Company had appointed M/s. Atul HMV & Associates LLP, Chartered Accountants as its Internal Auditors for Financial Year 2021-2022 which carried out the periodic audit as per the Scope of Work approved by the Audit Committee. The Audit Committee of the Board of Directors of the Company periodically reviews the Internal Audit Reports submitted by the Internal Auditors. Internal Audit observations and corrective action taken by the Management are presented to the Audit Committee. The status of implementation of the recommendations are reviewed by the Audit Committee on a regular basis and concerns, if any, are reported to the Board. The Company is taking due action to ensure that the Internal Control is strengthened in all the areas of operations.

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

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

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

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

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

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

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

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

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

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

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

The Business Responsibility Report for the year ended 31st March, 2022 as stipulated under Regulation 34 of the SEBI Listing Regulations is set out separately which forms part of this Report.

29. No application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year under review.
30. There were no one-time settlements with Banks or Financial Institutions during the year under review.

#### **31. ACKNOWLEDGEMENT:**

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

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

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

Place : Mumbai  
Date : 10<sup>th</sup> August, 2022

E. & O.E. are regretted

# Ashapura Minechem Limited

"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 2021-2022.

- a) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the Financial Year :
- |                           |               |
|---------------------------|---------------|
| Chairman                  | : 25.85 times |
| Whole-time Director & CEO | : 24.62 times |

(NOTE: i) "median" means the numerical value separating the higher half of a population from the lower half and the median of a finite list of numbers may be found by arranging all the observations from lowest value to highest value and picking the middle one

ii) If there is an even number of observations, the median shall be the average of the two middle values

- b) the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year:  
Collectively : 19.60%
- c) the percentage increase in the median remuneration of employees in the Financial Year: 6.19%
- d) the number of permanent employees on the rolls of the Company: 396 (Previous year 411)
- 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 Increase in salary	:	4.18%
Increase in salary for Managerial person	:	12.82%
Increase in salary for other than Managerial person	:	2.89%

- Note: 1) The Managerial Personnel includes the other Whole Time Key Managerial Personnel recognized by the Board of Directors of the Company.
- 2) Overall increased in salary of 4.18% as on 31.03.2022 could be mainly attributed to reduction in manpower to 396 versus last Year 411 (31.03.2021).

- f) Affirmation that the remuneration is as per the remuneration policy of the company:

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

**For ASHAPURA MINECHEM LIMITED**

**Sd/-  
CHETAN SHAH  
EXECUTIVE CHAIRMAN  
(DIN: 00018690)**

**Place:** Mumbai

**Date:** 10<sup>th</sup> August, 2022





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

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

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

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

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

During the year under review, your Company undertook CSR activities for promotion of education & literacy, women empowerment, art & culture and for other activities as set out below.

**2. Composition of CSR Committee:**

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

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

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

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

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

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

Sr. No.	Financial Year	Amount Available For Set off	Amt. Set off in financial year, if any	Balance Amt.
1	2021-22	4.61 Lakhs	4.61 Lakhs	0

**6. Average net profit of the company as per section 135(5) :- Rs. 16,675.22 lakhs**

**7. Total amount spent during the year 2021-2022:-**

- Two percent of average net profit of the company as per section 135(5) :- Rs. 333.50 lakhs
- Surplus arising out of the CSR projects or programmes or activities of the previous financial years. :- Nil
- Amount required to be set off for the financial year, if any :- 4.61 lakhs
- Total CSR obligation for the financial year :- Rs. 328.89 lakhs

**8.**

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

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer	Name of the Fund	Amount	Date of transfer
Rs 341.01 lakhs	NA		NA		

# Ashapura Minechem Limited

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

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

Sl. No.	Name of The Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (Rs. In lakhs)	Mode of implementation on - Direct (Yes/No)	Mode of implementation - Through implementing agency.	
				State	District			Name	CSR Registration Number
1	Eradicating Hunger & promoting healthcare	i	Yes	Gujarat	Kutch	21.7	No	Kutch Navnirman Trust	CSR00014880
2	Promoting Education	ii				30.7			
3	Women Empowerment	iii				5.5			
4	Environmental sustainability, animal welfare	iv				18.3			
5	Protection of national heritage, art & handicrafts	v				101.5			
6	To promote rural sport, nationally recognized sport	vii				23.4			
7	Rural Development Projects	x				27			
8	Disaster Management, rehabilitation & reconstruction	xii				21.9			
9	Eradicating Hunger & promoting healthcare	i	Yes	Gujarat	Kutch	15	No	Ashapura Foundation	CSR00014879
10	Promoting Education	ii				9.04			
11	Women Empowerment	iii				18.85			
12	Environmental Sustainability, Animal Welfare	iv				1.11			
13	Protection of national heritage, art & handicrafts	v				6			
14	Rural Development Projects	x				15			
15	Protection of national heritage, art & handicrafts	v	Yes	Gujarat	Kutch	26.01	Yes		
<b>TOTAL</b>						<b>341.01</b>			

d. Amount spent in Administrative Overheads: N.A.

e. Amount spent on Impact Assessment, if applicable: N.A.

f. Total amount spent for the Financial Year: Rs. 341.01 lakhs

g. Excess amount for set off, if any:

Sr. No.	Particulars	Amount (in Rs. in Lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	328.89*
(ii)	Total amount spent for the Financial Year	341.01
(iii)	Excess amount spent for the financial year [(ii)-(i)]	12.12
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off over three succeeding financial years [(iii)-(iv)]	12.12

\*Note : This is total CSR obligation for the FY, after adjusting amount required to be set off for the FY pursuant to provisions of section 135 (5) of the companies Act, 2013.

9.

a. Details of Unspent CSR amount for the preceding three financial years: NA

b. Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):NA



- 
- 10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details):- NA**
- Date of creation or acquisition of the capital asset(s).
  - Amount of CSR spent for creation or acquisition of capital asset.
  - Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
  - Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

- 11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):- NA**

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

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

Place: Mumbai

Date : 10<sup>th</sup> August, 2022

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022**

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

To,  
The Members,  
**Ashapura Minechem Limited**

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

Based on my verification of the Company's statutory registers, minute books, forms and returns filed with the Registrar of Companies ('the ROC'), soft copy of the various records sent over mail as provided by the Company and other relevant records maintained by the Company and also the information provided by the Company, its officers and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 ("audit period"), prima facie complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the statutory registers, minute books, forms and returns filed with the ROC and other relevant records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

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

Though the following laws are prescribed in the format of Secretarial Audit Report by the Government, the same were not applicable to the Company for the financial year ended 31st March, 2022 :

- (a) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021-;
- (b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- (c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 and the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (vi) I further report that, based on the Compliance Report of various Laws submitted by Department Heads of the Company, I am of the opinion that the Company has prima facie proper system to comply with the applicable laws.
- (vii) I have also examined compliance with the applicable clauses of the following and I am of the opinion that the Company has prima facie complied with the applicable provisions:
  - (a) Secretarial Standards 1 and 2 issued by the Institute of Company Secretaries of India.
  - (b) The Listing agreements entered into by the Company with the Stock Exchanges read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

- i)** During the audit period, the Company converted the Warrants into Equity Shares on 12th August, 2021 and the Company has filed the Shareholding Pattern under Regulation 31(1)(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 within Ten working days.
- ii)** During the audit period, some of the Designated Persons of the Company has traded in the small number of securities of the Company during the closure of trading window and the Audit Committee has decided to issue the warning letters to them.



I further report that:

1. I have not examined the Financial Statements, Financial books and related financial Act like Income Tax, Sales Tax, Value Added Tax, Goods and Services Tax, ESIC, Provident Fund, Professional Tax, Foreign Currency Transactions, Related Party Transactions, including reconciliation of Bank Statements etc. For these matters, I rely on the report of statutory auditor's and their observations, if any, and notes on accounts in Financial Statements for the year ended 31st March, 2022.
2. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were prima facie carried out in compliance with the provisions of the Act.
3. As per the information provided, the company has prima facie given adequate notice to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on agenda items before the Meeting and for meaningful participation at the Meeting.
4. I was informed and I observed from the minutes of the Board and Committee Meetings that all the decisions at the Meetings were prima facie carried out unanimously.
5. There are prima facie adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines subject to observations and qualifications, if any made by the Statutory Auditors in their report.
6. The management is responsible for compliances of all business laws. This responsibility includes maintenance of statutory registers/files required by the concerned authorities and internal control of the concerned department.
7. During the audit period, the Company has issued 45,00,000 equity shares of Rs. 2/- each at an issue price of Rs. 31.95/- per share to Ashapura Industrial Finance Limited pursuant to conversion of warrants.
8. The National Stock Exchange of India Limited has vide its letter dated 15th February, 2021 has imposed penalty of Rs. 2,41,000/- on the Company due to non-appointment of Women Independent Director for the quarter ended 31st December, 2020. The National Stock Exchange of India Limited has vide its letter dated 10th January, 2022 waived off the fine imposed on the Company.
9. I further report that during the audit period, there were no instances of:
  - i. Public/ Rights/debentures/ sweat equity etc.;
  - ii. Issue of equity shares under Employee Stock Option Scheme;
  - iii. Redemption / Buy- back of securities;
  - iv. Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013 which would have major bearing on the Company's affairs;
  - v. Merger / Amalgamation / Reconstruction etc.;
  - vi. Foreign Technical Collaborations.

I further report that:

1. Maintenance of Secretarial record is the responsibility of the Management of the Company. My responsibility is to express an opinion on these Secretarial Records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. Where ever required, I have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
4. I have not verified the correctness and appropriateness of financial records and Books of Accounts of Company.
5. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor the efficacy or effectiveness with which the management has conducted the affairs of the company.
7. Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.
8. I have conducted online verification and examination of records, as facilitated by the Company due to Covid-19 and subsequent lockdown situation for the purpose of issuing this Report.

**Date: 10<sup>th</sup> August, 2022**  
**Place: Mumbai**

**Virendra G. Bhatt**  
**Practicing Company Secretary**  
**ACS No.: 1157 / COP No.: 124**  
**Peer Review Cert. No.: 1439/2021**  
**UDIN: A001157D000770728**

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

### A. CONSERVATION OF ENERGY:

#### a. Energy Conservation measures taken:

1. Use of Turbo/Natural Fans and Transparent sheets installation for Sunlight, Dust Ventilation and temperature reduction reduces power consumption at hot sections.
2. Improved Power Factor from 88 to 91 - by introduction of Capacitor – 50 KVA, reduces energy bill cost by 2-4% on day/night basis.
3. Total power assessments, awareness through presentations – among staff for correct usages of electricity reduces the power consumption by 10-12% of total power consumption.
4. Installation of VFD in all newly installed equipment's i.e. Induced draft fan, Roller Mill, Extruder, Blunger, Agitator and Air Blowers.
5. Modified/installed the machinery/equipment of required capacities i.e. Granulator, Pulverizer, Ball Mill, Jaw Crusher, Filter Press and grinding mills.
6. Use of pyrometers/temperature control system integration in PLC- SCADA System along VFD use in Dryer/Kiln.
7. Introduction of different types of vibro-sieves, trommel, Silo to feed material avoiding manual feeding practices.
8. Installation of triple deck vibro-screen for screening of material, so that we got 4 types of separated material in one cycle.
9. Introduction of fans to minimize the use of Air condition and replacement of LED/CFL Bulbs/light in premises buildings/offices saves electricity and reduce power consumption by 50%.
10. Replaced the starter and switches by MCB to prevent damages to electrical circuit because of excess current and also protect against electrical faults, short circuit and equipment failure.
11. Preventive maintenance of transformer and electrical lines for proper functioning.
12. Reduced energy consumption by Optimized the AC usage which in all over the IKC premises.
13. New, 20 kl - water filtration setup for Iron removal working on gravity i.e. without electricity use (work on gravity system) during purification of water which conserve energy.
14. Assessment and Implementation of preventive maintenance plan and workout troubleshooting record reduces energy consumption and breakdown maintenance cost too.
15. Introduce the appropriate equipment's such as hammer crusher and ultra-fine mill achieve required fineness for hard materials sizing - save time and energy.

#### b. Impact of above measures:

The effect of above measures is imminent as despite the unit power cost going up from the grid, the overall power cost is within control.



## B. TECHNOLOGY ABSORPTION:

	2021-22	2020-21
1. Efforts made towards technology absorption	<p><b>1) Specialty Mineral Products</b></p> <p>a. Development of Clay Based Phosphorus removal degumming Aid from Edible oil as an alternate of Phosphoric Acid.</p> <p>b. Development of Clay based 3MCPD Removal adsorbent and performance validation from the Crude Palm Oil.</p> <p>c. Upgradation of Inferior grade Bentonite for Bleaching Clay through the additive and process modification.</p> <p>d. Improvement of Net Acidity , Surface Area, and Pore Volume of ACTAL product by using Inorganic and Clay additive.</p> <p>e. Improvement of Loose Bulk Density of BTX product by Mechanical process and Fractionation.</p> <p>f. Development of White and Bright Opacifier for Pharma, Cosmetic, Paint etc as an alternate of TiO<sub>2</sub>.</p> <p>g. Development of Pharma Grade Purified Bentonite with Pb &lt;2ppm, and As &lt;1ppm content by Beneficiation and Purification.</p> <p>h. Development of Direct Compressive grade Calcium Carbonate for Pharmaceutical Industry to make a direct tablet.</p> <p>i. Study to improve the Foam Value of Soap nut Powder by natural means.</p> <p>j. Study to optimize the extraction process of Natural Herbal Extract to improve the Quality and Yield.</p> <p>k. Study to improve the stability of Juices like Aloe vera, Amal, Wheatgrass etc without chemical preservative.</p> <p>l. Study to extract the proteins from Soybean, Peas, and other protein rich source.</p> <p>m. Plant level manufacturing of ISP – 20/40 and 30/50 using lean grade bauxite material of 10000 psi proppant.</p> <p>n. Development of Light-weight proppant – 20/40 (7500 psi) by using available clay and Bauxite material</p> <p>o. Study of Binders/Additives – Organic/Inorganic lab level and conducted plant level trials to reduce the temperature and improve the strength.</p> <p>p. Development of tabular form of Mg-Al spinel aggregates and the performance in castable.</p> <p>q. Development of HFST aggregates (non-spherical form) using extrusion, briquetting and tablet method.</p> <p>r. Fused Calcium Aluminate flux development using low grade raw materials.</p>	<p><b>1) Specialty Mineral Products</b></p> <p>a. Development of Bleaching Clay for Plastic Oil purification.</p> <p>b. Development of some Herbal products tables for Immunity, Antistress and Energy enhancement.</p> <p>c. Low Cost Bleaching Clay for Rice Bran Oil purification.</p> <p>d. Multi-mineral grades new products development for Pharma and cosmetic industries such as High D-value Bentonite, DC grade Calcium Carbonate and some synthetic grade products such as Magnesium Silicate, Magnesium Trisilicate, Magnesium Aluminum meta Silicate, Magnesium Carbonate, Magnesium Oxide, Amorphous Silica &amp; Gypsum with high purity.</p> <p>e. Extensive study done on various types of Natural extracts and Essential Oils and done characterization using chromatographic technique i.e. HPLC.</p> <p>f. New products of Bleaching clay with higher efficiency through powder activation method.</p> <p>g. Bleaching products with low MCPD is developed and tested for efficient performance.</p> <p>h. With Bentonite, CEC enhancement study done for Bleaching Clay products.</p> <p>i. Enhancement of properties i.e. Net Acidity and Pore Volume is done in process using additives.</p> <p>j. Use of Lean-grade bauxite material and bag filter dust in proppant manufacturing.</p> <p>k. Study on effect of Organic and Inorganic binders in proppant manufacturing and its plant scale validation of process.</p> <p>l. Development of Ultra High Strength proppant using high-grade Bauxite for 20 k psi proppant.</p> <p>m. Trials with various fluxing agent to reduce the sintering temperature in proppant manufacturing process.</p> <p>n. Development of Zirmul aggregates and its thermo-mechanical properties tested to check suitability in making Castable.</p> <p>o. Development of ND-66 aggregates using BTA method and its performance evaluation in LC 60 castable.</p> <p>p. Effect of Iron conc in BTA products and further impact assessment on the physico- mechanical properties of LC 60 castable product.</p> <p>q. Alumina and Zirconium Silicate beads preparation by drip casting method and its properties evaluation.</p>

	<p><b>2) Industrial Functional &amp; White Mineral.</b></p> <ul style="list-style-type: none"> <li>a. Beneficiation study of Kaolin for Iron reduction.</li> <li>b. Study of very fine Kaolin with micron size using decanter/ centrifuge technique.</li> <li>c. Development of Sealing Bentonite for grouting application with enhance impermeability and strength.</li> <li>d. Exploration, evaluation and Testing of Rajasthan Ball clay for Ceramic application.</li> <li>e. Construction grade silica sand – Testing of parameters/ properties of Silica sand.</li> <li>f. Optimization and Suitability study of Quartz for Ferrosilicon application.</li> <li>g. Leachability study of Titanium from Titania-Sand and Illuminite.</li> <li>h. Development of Non-shrink Grout for construction application.</li> <li>i. Development and performance evaluation of Geopolymer concrete and also determine the usability bottlenecks for its scaleup and commercialization aspect.</li> <li>j. Development and evaluation of Epoxy resin tile grout for Building Material Application.</li> <li>k. Study on the evaluation and suitability of Bentonite for Nuclear waste disposal application.</li> <li>l. Beneficiation study of Bauxite for making sintered/ Fused products.</li> <li>m. Upgradation of Kutchh Kaolin from B-Grade to A-Grade by introduction of various processing-steps and properties enhancement i.e. whiteness and brightness.</li> <li>n. Plant level study and optimization of process of making Color Cat-litter.</li> <li>o. Glue development for compressed wood pallet.</li> <li>p. Characterization and evaluation of various types of Ball Clay, Bauxite, Silica, Iron Ore, etc. for mineral and mines exploration.</li> </ul> <p><b>3) Water Treatment and Catalysis development</b></p> <ul style="list-style-type: none"> <li>a. Development of phosphate adsorbent from spent acid – an Industrial by product.</li> <li>b. Performance evaluation study for Ammonia removal using in-house developed Zeolites-4A.</li> <li>c. Scale up the technology of Iron removal at Pilot Scale and establishment of 20 Kl / day work on gravity filtration setup in R&amp;D-premises.</li> </ul>	<p><b>2) Industrial Functional &amp; White Mineral.</b></p> <ul style="list-style-type: none"> <li>a. Synthesis and performance evaluation of Polymers for enhancement of Bentonite properties i.e. FSV, W/L, etc.</li> <li>b. Beneficiation study of Minerals such as Iron Ore and Bauxite from Indian and Guinea source.</li> <li>c. Development of Building products such as Wall putty, Tile Adhesive, Water Proofing, Decorative White Cement, Grout, Gypsum and Jointing Mortar.</li> <li>d. Wall Putty development with new features such as various colors and fragrance.</li> <li>e. Improvement properties study of Kaolin products such as whiteness, brightness, and opacity.</li> <li>f. Development of Rainbow color Cat litter and its performance evaluation.</li> <li>g. Resin development for compressed wood pallet and its performance validation at Plant process.</li> <li>h. Testing of resourced minerals i.e. Bauxite, Bentonite, Kaolin, Silica, etc.</li> <li>i. Development of Plaster of Paris (POP) using Gypsum and completed its large scale trial at Plant.</li> <li>j. Study the grindability efficiency of Ball Mill for Cement and Gypsum.</li> <li>k. Meta-Kaolin product development for Cable and Construction.</li> <li>l. Development of Calcined Kaolin with enhanced properties such as improved Oil Absorption value and Brightness.</li> <li>m. Development through processing and testing of resourcing Silica Sand for various grades of products for applications such as Frac-sand, Foundry, glass, back-filling, construction grade.</li> </ul> <p><b>3) Water Treatment and Catalysis development</b></p> <ul style="list-style-type: none"> <li>a. Development of various type of Catalytic products for reduction of SO<sub>2</sub>, H<sub>2</sub>S, etc.</li> <li>b. Zeolites development with various grade such as Zeolite – 3, 4, 5 &amp; 13X for purification and separation of gasses.</li> <li>c. Development of high performance and effective water impurities removal media for Iron and Alumina rich minerals and spent acid such as Ferrihydrite, treated minerals, etc.</li> <li>d. Modification and development of Mineral based adsorbent products in gravels and granules form removes heavy metals, Fluoride, Arsenic, Chromium, Silica, Phosphate, etc.</li> </ul>
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	<p>d. Development of high performance and effective water impurities removal media using Iron and alumina rich minerals and spent acid such as Ferrihydrite, treated minerals, etc.</p> <p>e. Development of Salt tablet for regeneration of Resin used for removal of Hardness.</p> <p>f. Soluble Silica removal study from water and established its method of analysis.</p> <p>g. Preparation &amp; characterization of Cordierite used as substrate for catalysis application.</p> <p>h. Development of value-added products such as low temperature ceramics, coagulant, pH-adjuster, aluminium sulphate, etc using spent acid – An industrial by-product.</p> <p>i. Adsorbent media development for Hardness removal and its performance evaluation study using column study.</p> <p>j. Environmental study laboratory establishment along with - NABL accreditation for water testing.</p> <p><b>4) Technology Adsorption Center</b></p> <p>a. Scale up of the product development and process optimization in Technology Adsorption Center (TAC) save cost, energy and time and make the company self-reliant in terms of scale up and SOPs finalization process.</p> <p>b. Grindability study of the various crushing units (with various minerals) is assessed per metric ton.</p> <p>c. Implemented maintenance plant for equipment/machinery as per the schedule on scheduled periodic calendar.</p> <p>d. Installation of optimum capacity machinery i.e. Jaw Crusher and roller crusher unit to cater the trial order and SOPs optimization.</p> <p>e. Establishment of pilot setups for study helps to understand the bottle necks in ceasing out the plant level SOPs.</p> <p><b>5) Accreditation &amp; Recognition:</b></p> <p>a. National Accreditation Board for Testing &amp; Calibration (NABL) - renewal completed successfully &amp; accreditation is valid for 2 years (till 26.04.2024). Additional 30 parameters were included for water analysis accreditation process.</p> <p>b. DSIR intermittent report submitted for yearly extension for year 2022-23 (Period – 2022-25)</p> <p>c. 5S – certification process implementation done followed standard work practices and maintained.</p> <p>d. Training completed for ISO/IEC 17025: 2017 and completed with NABL - certification process.</p>	<p>e. Scale up study performed in-house for Iron removal media with treated capacity of 1500-1800 liters per hour.</p> <p>f. Adsorbent media development for Hardness removal and its performance evaluation study using column study.</p> <p><b>4) Technology Adsorption Centre</b></p> <p>a. Grindability study of Gypsum and OPC cement and validate the power consumption along with cost evaluation per MT.</p> <p>b. Scale-up study of various adsorbent and refractory products to cease out plant level SOP.</p> <p>c. Optimize the grinding parameters of minerals with different properties such as hardness, steaky, density, etc. and check its suitability at various grinding mills.</p> <p>d. Modification and upgradation of equipment and machinery in Technology Adsorption Center to reduce wastage and to control safety measure.</p> <p>e. Maintenance plan for all equipment and machineries at Pilot plant and Process cum application center is established along with SOP's.</p> <p><b>5) Accreditation &amp; Recognition:</b></p> <p>a. Scope extension and renewal process for NABL-accreditation of Advanced Characterization Center facilities at IKC-Laboratory.</p> <p>b. DSIR renewal process completion for period 2019-22.</p> <p>c. 5S – certification process implemented in the working system.</p> <p>d. Certification process of staff is pursued for NABL 2017 – An upgraded version.</p> <p>e. Internal Audits methodology is adopted for all departments at IKC.</p> <p>f. In-house training conducted for safety and waste management program.</p> <p><b>6) Other Activities:</b></p> <p>a. Castable product testing facility is installed for Thermal and Mechanical testing of Aggregates and Castable products.</p> <p>b. Testing facilities for Herbal extracts and Oil i.e. High Performance Liquid Chromatography is installed for product evaluation.</p> <p>c. Herbal Tablet Lab level processing facilities is commissioned in Process Laboratory.</p>
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	<ul style="list-style-type: none"> <li>e. Conceptually adapted cross functional audits among departments and self-audit methodology is adapted at plant and units. Also introduces standard - method of testing at QC laboratories.</li> <li>f. To create awareness on Safety and Waste management – Presentation and Field training given to the staff. Maintained all safety &amp; Hazards norms for Fire, Electrical &amp; Chemicals.</li> </ul> <p><b>6. Other Activities:</b></p> <ul style="list-style-type: none"> <li>a. Extended the testing capabilities for Organic compound/Coal analysis by introduction of new Facilities such as HPLC, CHNS &amp; Microwave Digestor.</li> <li>b. Introduction of new Instrument/equipment facilities to enhance the testing capacity in process laboratory.</li> <li>c. Separate Section for High temperature equipments i.e. Furnaces, Autoclave &amp; Driers.</li> <li>d. Increases the Safety, Health &amp; Environment friendly system at work place.</li> <li>e. Environmental monitoring laboratory establishment along with - NABL accreditation for water testing.</li> <li>f. Plantation work promoted to increase the green area development within premises.</li> </ul>	<ul style="list-style-type: none"> <li>d. Water purification setup of 12000 – 15000 liters per day capacity is installed successfully to cater the in-house water consumption.</li> <li>e. Green Area development through plantation work is in progress.</li> </ul>
<p>2. Benefits derived like product improvement, cost reduction, product development, import substitution etc.</p>	<ul style="list-style-type: none"> <li>a. In-house development of pilot plant setups for Bleaching Clay and BTX grade catalysis to validate product performance at pilot scale and cease out the plant SOP.</li> <li>b. Cost reduction and Waste minimization done by utilization of lean-grade raw materials/rejects in making ceramic materials.</li> <li>c. Pilot scale trials and small- scale production of adsorbent and catalysis obviate the need of imported product.</li> <li>d. Generated Internal reference Material (IRMs) obviate the need of Certified reference Materials (CRMs) reduces the import requirement and saves the cost also.</li> <li>e. Refractory aggregates product development and manufacturing at plant through sintering/fusion method saves energy.</li> <li>f. Engineered Building product development and manufacturing at plant scale for construction industries.</li> <li>g. To cater the packaging need of all the material Pellet manufacturing plant indigenously and extend its supply to other companies.</li> </ul>	<ul style="list-style-type: none"> <li>a. Introduce efficient product range with higher performance/working efficiency in Water treatment and Oil purification process provide techno-commercial feasible solution to customers.</li> <li>b. In-house product development of various adsorbent and catalysis obviate the need of imported product.</li> <li>c. Substituted Refractory aggregates manufacturing through sintering route saves energy and replaces the energy intensive fused products.</li> <li>d. The development of niche products and various startups of company businesses i.e. Building Products, Pellet Manufacturing, etc. enhance value addition and profitability in business.</li> <li>e. Indigenous working with state-of -art well equipped facility of sophisticated instruments and equipment/ machinery for testing of Minerals, Materials and related products saves time, cost and energy.</li> <li>f. The new developed products scale up facilities platform is being used to create plant level SOPs facilitates quality and production team of all units/ plant.</li> </ul>



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: a. Details of technology imported b. Year of import c. Whether the technology been fully absorbed d. If not fully absorbed, areas where absorption has not taken place, and the reasons, therefore.	Indigenously dealt with technical requirement in terms of Projects and Testing.  No technology has been imported in the last 3 years.	No technology has been imported in the last 3 years.
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**C. EXPENDITURE ON RESEARCH & DEVELOPMENT:**

	2021-22 (Rs. In Lakhs)	2020-21 (Rs. In Lakhs)
a) Capital	90.50	183.75
b) Recurring	437.70	432.47
c) Depreciation and Amortization	96.14	88.91
d) Total	624.34	705.13
e) Total R&D Expenditure as a Percentage of total turnover	1.04%	1.67%

**D. FOREIGN EXCHANGE EARNING OUTGO:**

	2021-22 (Rs. In Lakhs)	2020-21 (Rs. In Lakhs)
a. Foreign Exchange earned in terms of actual inflows during the year(F.O.B.)	33,056.63	23,899.20
b. Foreign Exchange outgo during the year in terms of actual outflows	39,743.61	18,292.32

For and on Behalf of Board of Directors

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

Place: Mumbai  
Date: 10<sup>th</sup> August, 2022

**FORM NO. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto**

1. Details of contract or arrangements or transactions not at arm's length basis- **Not Applicable**

- Name(s) of related party and nature of relationship
- Nature of contracts/arrangement/transactions
- Duration of contracts/arrangement/transactions
- Salient terms of the contracts or arrangements or transactions including the value, if any
- Justification for entering into such contracts or arrangements or transactions
- Date(s) of approval by the Board
- Amount paid as advances, if any
- Date on which the special resolution was passed in general meeting as required under first proviso to section 188.

2. \*Details of material contracts or arrangement or transactions at arm's length basis-

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any
Societe Guineenne Des Mines De Fer	Sale/purchase/rent paid/received/services availed/provided	2021-22	The terms and conditions of goods/services set forth in each of the purchase order/ agreement. Transaction value- Rs. 8,261.15 Lakhs (as on 31 <sup>st</sup> March, 2022)	11/02/2021	-
Ashapura Holdings (UAE) FZE (Step Down Subsidiary)	Sale/purchase/rent paid/received/services availed/provided	2021-22	The terms and conditions of goods/services set forth in each of the purchase order/ agreement. Transaction value- Rs. 14,324.40 Lakhs (as on 31 <sup>st</sup> March, 2022)	11/02/2021	677.93

\* The Company has reported only material transaction (exceeding 10 % of annual turnover of preceding financial year). Please refer Note No 37 of Financial Statements for all Related Party Transactions.

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

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

Date: 10<sup>th</sup> August, 2022  
Place: Mumbai



**Business Responsibility Statement  
[Pursuant to Regulation 34(2) (f) of SEBI Listing Regulations]**

**About Ashapura**

Ashapura means “Fulfilling Aspirations”; we believe that sustainable growth occurs only when we fulfill 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 8 other countries. Our captive mineral resources, state-of-the-art manufacturing base, cutting edge research capabilities, logistical prowess and dynamic, progressive, result oriented employees accord us global leadership in several segments. Our consistent quality and our ability to customize mineral solutions make us a preferred supplier to multi-nationals in more than 70 countries across the continents.

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. Ashapura has always sought to minimize the environmental impact of its activities and to continually seek to explore environment friendly ways of mining and mineral processing.

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 2021-2022 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](http://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 <sup>rd</sup> Floor, D. N. Road, Fort, Mumbai – 400001, Maharashtra.	
4.	Website	<a href="http://www.ashapura.com">www.ashapura.com</a>	
5.	Email Id	<a href="mailto:cosec@ashapura.com">cosec@ashapura.com</a>	
6.	Financial Year reported	2021-2022	
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)	<ol style="list-style-type: none"> <li>1. Bauxite</li> <li>2. Bentonite</li> <li>3. Kaolin</li> <li>4. Calcined China Clay (CCC)</li> <li>5. Ground Calcium Carbonate (GCC)</li> <li>6. Trading</li> <li>7. Logistics</li> </ol>	

# Ashapura Minechem Limited

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: 8  (ii) Number of national locations at states level: 4
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. 1,829.72 Lakhs
2.	Total Turnover (INR)	Rs. 62,462.35 Lakhs
3.	Total Profit after taxes (INR)	Rs. (1,565.42) Lakhs
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	2%
5.	List of activities in which expenditure in 4 above has been incurred:	Please refer Annexure B of the Directors' Report.

## 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 Pvt. Ltd.
- X. Ashapura Minechem (UAE) FZE

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 - Shri Chetan 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?	<a href="http://www.ashapura.com">www.ashapura.com</a>								
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

# Ashapura Minechem Limited

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 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 2021-2022 is available at [www.ashapura.com](http://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. Aforesaid policies are applicable to the group companies wherever mandated by law.

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, 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 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.

2. 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.

3. 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.

4. 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

1. Please indicate the total number of employees:- 396
2. Please indicate the total number of employees fired on temporary/contractual/casual Basis:- NIL
3. Please indicate the number of permanent women employees:- 32
4. Please indicate the Number of permanent employees with disabilities:- NIL
5. Do you have an employee association that is recognized by management:- No
6. What percentage of your permanent employees is members of this recognized employee association? NIL
7. 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 : 46%
  - b) Permanent Women Employees : 22%
  - c) Casual/Temporary/Contractual Employees : 77%
  - d) Employees with Disabilities : Nil

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## 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, 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) CAPEXIL (Chemicals & Allied Products Export Promotion Council)
- (b) FIEO (Federation of Indian Export Organisations)
- (c) FIMI (Federation Of Indian Mineral Industries)
- (d) BCCI (Bombay Chamber Of Commerce & Industry)
- (e) DGFT (Directorate General Of Foreign Trade)
- (f) ECGC (Export Credit Gurantee Corporation)
- (g) GSP (Generalizee System Of Preferences)

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 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](http://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.

Details of the projects and the contribution made by the Company for the development of community are given in Annexure B of the Boards' Report forming part of the Annual Report.

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 unfairtrade 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.

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## REPORT ON CORPORATE GOVERNANCE

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

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

The Company is in compliance with the requirements stipulated under the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 ("Listing Regulations"). The Company presents the Report on Corporate Governance for the financial year ended 31st March, 2022 in compliance with Regulation 34(3) read with Schedule V of the Listing Regulations.

### 2. BOARD OF DIRECTORS:

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

The composition of the Board of Directors was in conformity with the provisions of Section 149 of the Companies Act, 2013 and Regulation 17 of the Listing Regulations during the period under review. The strength of the Board of Directors as on 31<sup>st</sup> March, 2022 consisted of Seven (7) Directors which apart from Executive Chairman being a Promoter-Director, comprised of One (1) Executive Director, One (1) Non-Executive Non-Independent Woman Director and Four (4) Non-Executive Independent Directors (including One Independent Woman Director). The Board meets the requirement of not less than half of the Board being Independent Directors, the Chairman being Executive Promoter Director.

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

Key Information pertaining to Directors as on 31st March, 2022 is given below:

Name	DIN	Category of Directors	Attendance at		No. of Directorships in other companies <sup>1</sup>	No. of Committee Positions held in Indian Public Limited Companies <sup>2</sup>	
			Board Meetings	Last AGM Held on 29 <sup>th</sup> Sept, 21		Member	Chairman
Shri Chetan Shah	00018960	E.C	5	Yes	6	1	-
Shri Hemul Shah	00058558	E.D & CEO	5	Yes	8	5	3
Shri Harish Motiwalla	00029835	I.N.E.D	5	Yes	6	9	5
Shri Abhilash Munsif	02773542	I.N.E.D	5	Yes	1	2	-
Shri Pundarik Sanyal	01773295	I.N.E.D	5	Yes	4	5	2
Smt. Himani Shah	02467277	N.E.D	5	Yes	-	-	-
Smt. Neeta Shah	07134947	I.N.E.D	4	Yes	1	-	-
Shri Ashok Kadakia*	00317237	I.N.E.D	3	N.A.	4	3	2

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

- 1 Excludes directorships in Private Limited Companies, LLPs, Foreign Companies, Companies incorporated under Section 8 of the Companies Act, 2013 and Alternate Directorships.
- 2 Represents only Membership of Indian Public Companies and Chairmanship of Indian Public Listed Companies of the Audit Committee and the Stakeholders' Relationship Committee including Ashapura Minechem Limited.

\* During the year, Shri Ashok Kadakia completed his second term as an Independent Director on closing hours of 12<sup>th</sup> August, 2021.

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:

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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
Smt. Himani Shah	Nil	Not Applicable
Shri Harish Motiwalla	Multibase India Limited	Independent Director
	Excel Industries Limited	Independent Director
	Orient Abrasives Limited	Independent Director
	Hitech Corporation Limited	Independent Director
Shri Abhilash Munsif	Nil	Not Applicable
Shri Pundarik Sanyal	Asit C Mehta Financial Services Limited	Independent Director
Smt. Neeta Shah	Orient Abrasives Limited	Independent Director

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

None of the Directors of the Company have any inter-se relationships except Smt. Himani Shah who is 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, 2022 is given below:

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

### D. Board Meetings:

The Board met Five (5) times during the Financial Year 2021-2022 on 01st April, 2021, 22nd June, 2021, 12th August, 2021, 12th November, 2021 and 08th February, 2022 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, 2022 comprises of qualified members who bring in the required skills, competence and expertise that allow them to make effective contributions to the Board and its Committees.

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

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

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



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

**F. Independent Directors:**

- a. The Company has received necessary declarations from the Independent Directors of the Company, confirming that they meet the criteria of independence as prescribed. Further, in the opinion of the Board, Independent Directors fulfil the conditions specified in the Listing Regulations and are independent of the Management.
- b. During the year, the Independent Directors separately met on 28<sup>th</sup> March, 2022, without the attendance of Non-Independent Directors and Management Personnel of the Company. The meeting was held with the objective of reviewing the performance of Non-Independent Directors, the Board as a whole and the Chairman of the Company. The Independent Directors also assessed the quality, quantity and timeliness of flow of information between the Management of the Company and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties.

**c. Familiarization Program of Independent Directors:**

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

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

**d. CEO/CFO Certification:**

A Compliance Certificate, pursuant to the provisions of Regulation 17(8) of the Listing Regulations read with Part B of Schedule II thereunder, duly signed by Shri Hemul Shah, CEO & Shri Ashish Desai, CFO in respect of the financial year ended 31<sup>st</sup> March, 2022 was taken on record by the Board of Directors of the Company.

**e. Code of Conduct:**

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

A declaration from the CEO that all Board members and senior management personnel have affirmed compliance with the Code of Conduct for the financial year ended 31<sup>st</sup> March, 2022, 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 2021-2022.

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

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

**A. AUDIT COMMITTEE:**

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

**a. Terms of Reference:**

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

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

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

## b. Composition:

As on 31st March, 2022, the Audit Committee comprised of Three (3) Independent Directors. The members of the Audit Committee are eminent professionals and financially literate. The composition of the Audit Committee and the details of meetings attended by its members are given below:

Name	Category	Number of meetings Attended
Shri Harish Motiwalla (Chairman)	I.N.E.D	5
Shri Abhilash Munsif	I.N.E.D	5
Shri Pundarik Sanyal	I.N.E.D	5
Shri Ashok Kadakia*	I.N.E.D	3

\*Shri Ashok Kadakia completed his second term as an Independent Director from closing hours of 12th August, 2021.

Shri Harish Motiwalla, the Chairman of the Audit Committee was present at the 40th Annual General Meeting of the Company held on 29th September, 2021.

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 Five (5) times on 01st April, 2021, 22nd June, 2021, 12th August, 2021, 12th November, 2021 and 08th February, 2022 and that the time elapsed between any two consecutive meetings did not exceed 120 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:

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

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

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

### **b. Composition:**

As on 31st March, 2022, the Nomination & Remuneration Committee comprised of three (3) Directors. The composition of the Nomination & Remuneration Committee and the details of meetings attended by its members are appearing hereinafter:

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

### **c. Meetings:**

During the year under review, Two (2) meetings of the Nomination and Remuneration Committee were held on 12th August, 2021 and 28th March, 2022.

### **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 2021-2022 by Independent Directors at their separate Meeting held on 28<sup>th</sup> March, 2022, 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.

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The details of sitting fees paid to Non-Executive Directors for the year ended 31<sup>st</sup> March, 2022 are as under:

(Amount in Rs.)

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

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

The details of Remuneration paid to Executive Director for the year ended 31<sup>st</sup> March, 2022 are as under:

Name	Salaries & Perquisites including allowance	Tenure as per agreement upto	Notice period
Shri Chetan Shah	Rs. 84,00,000/-	23 <sup>rd</sup> October, 2022	3 months
Shri Hemul Shah	Rs. 54,33,444 /-	15 <sup>th</sup> February, 2023	3 months

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

## C. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

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

### a. Terms of Reference:

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

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

### b. Composition:

As on 31<sup>st</sup> March, 2022, the Stakeholders' Relationship Committee comprised of three (3) Directors. The composition of the Stakeholders' Relationship Committee and the details of meetings attended by its members are given below:

Name	Category	Number of meetings Attended
Shri Pundarik Sanyal (Chairman)***	I.N.E.D	3
Shri Chetan Shah	E.D	2
Shri Hemul Shah*	E.D & CEO	2
Shri Ashok Kadakia (Chairman)**	I.N.E.D	1

\* Shri Hemul Shah was co-opted as Member w.e.f. 13<sup>th</sup> August, 2021.

\*\*Shri Ashok Kadakia completed his second term as an Independent Director from closing hours of 12<sup>th</sup> August, 2021, accordingly ceased to be Chairman of the committee.

\*\*\*Shri Pundarik Sanyal was co-opted as Member and appointed as Chairman of the committee on 13<sup>th</sup> August, 2021 in place of Shri Ashok Kadakia.

### c. Meetings:

During the year under review, the members of the Stakeholders' Relationship Committee met three (3) times on 05<sup>th</sup> May, 2021, 13<sup>th</sup> August, 2021 and 28<sup>th</sup> March, 2022.



**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 2021-2022 are as follows:**

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

**D. RISK MANAGEMENT COMMITTEE:**

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

**a. Terms of Reference:**

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

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

**b. Composition:**

As on 31st March, 2022, the Risk Management Committee comprised of four (4) Members. The composition of the Risk Management Committee and the details of meetings attended by its members are given below:

Name	Category	No. of Meetings Attended
Shri Hemul Shah (Chairman)	E.D & CEO	2
Shri Harish Motiwalla	I.N.E.D	2
Shri Pundarik Sanyal	I.N.E.D	2
Shri Ashish Desai	CFO	2

The Committee was constituted on 22<sup>nd</sup> June, 2021.

**c. Meetings:**

During the year under review, the members of the Risk Management Committee met two (2) times on 12th November, 2021 and 28th March, 2022.

**E. COMMITTEE OF DIRECTORS:**

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

**a. Terms of Reference:**

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

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

# Ashapura Minechem Limited

## b. Composition:

As on 31st March, 2022, the Committee of Directors comprised of four (4) Directors. The Composition of the Committee of Board of Directors and the particulars of attendance of the Committee Members are as follows:

Name	Category	No. of Meetings Attended
Shri Chetan Shah (Chairman)	E.D	10
Shri Hemul Shah	E.D & CEO	10
Shri Harish Motiwalla	I.N.E.D	10
Smt. Himani Shah	N.E.D	5

## c. Meetings:

During the year under review, Ten (10) meetings of the Committee of Directors were held on 05th April, 2021, 11th May, 2021, 29th June, 2021, 08th July, 2021, 02nd September, 2021, 25th October, 2021, 25th November, 2021, 13th December, 2021, 10th January, 2022 and 29th March, 2022.

## F. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

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

### a. Terms of reference:

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

### b. Composition:

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

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

### c. Meetings:

During the year under review, one (1) meeting of the CSR Committee were held on 08th February, 2022.

## 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
2020-2021	29 <sup>th</sup> Sept, 2021	12:00 p.m.	Video Conferencing	No
2019-2020	30 <sup>th</sup> Dec, 2020	3.00 p.m.	Video Conferencing	Yes
2018-2019	27 <sup>th</sup> Dec, 2019	3.00 p.m.	Rangaswar Hall, 4th Floor, Y.B. Chavan Centre, General Jagannath Bhosale Road, Nariman Point, Mumbai-400021	Yes

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

Date of AGM	Special Resolution Details
29 <sup>th</sup> September, 2021	No Special Resolution was passed
30 <sup>th</sup> December, 2020	<ul style="list-style-type: none"> <li>• Appointment of Shri Hemul Shah (DIN:00058558) as an Executive Director &amp; CEO</li> <li>• Re-appointment of Shri Pundarik Sanyal (DIN:01773295) as Non-Executive, Independent Director of the Company for the second term</li> <li>• Reclassification of the Authorised Share Capital of the Company</li> </ul>
27 <sup>th</sup> December, 2019	<ul style="list-style-type: none"> <li>• Re-appointment of Shri Harish Motiwalla (DIN:00029835) as Non-Executive, Independent Director of the Company for the second term</li> <li>• Re-appointment of Shri Abhilash Munsif (DIN:02773542) as Non-Executive, Independent Director of the Company for the second term</li> </ul>



#### Details of Special Resolution passed last year through postal ballot:

During the Financial Year ended 31<sup>st</sup> March, 2022, 2 (two) Special Resolutions were passed through postal ballot for below mentioned matters

1. Sale/transfer of asset /plant of Bombay Minerals Limited, Material subsidiary of the Company.
2. Approval of related party transactions, the result of which was declared on 11th August, 2021.

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
Sale/transfer of asset /plant of Material subsidiary of the Company	99.9985	0.0015
Approval of related party transactions	99.9923	0.0077

#### Procedure followed for Postal Ballot:

The Board at its meeting held on 22<sup>nd</sup> June ,2021, had approved the Notice of Postal Ballot / E-Voting for passing of special resolution to obtain approval of shareholders for sale/transfer of asset /plant of Bombay Minerals Limited, Material subsidiary of the Company and for approval of related party transactions.

#### Person Conducting the Postal Ballot Exercise:

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

#### Procedure followed:

1. In compliance with the Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Section 108, 110 and other applicable provisions of the Companies Act, 2013, read with the rules made thereunder, the Company provided electronic voting facility to all its members, to enable them to cast their votes electronically. The Company engaged the services of Central Depository Services (India) Limited (CDSL) for the purpose of providing e-voting facility.
2. The Company dispatched the postal ballot notice dated 22<sup>nd</sup> June, 2021 containing draft resolutions together with the explanatory statements to the members whose names appeared in the register of members / list of beneficiaries as on cut-off date i.e. Friday, 09th July, 2021. The Company also published a notice in the newspaper declaring the details of completion of dispatch on 12th July, 2021 as mandated under the Act and applicable rules.
3. Ministry of Corporate Affairs ("MCA") vide it's General Circular Nos. 14/2020 dated 8th April, 2020, 17/2020 dated 13th April, 2020, and 39/2020 dated 31st December, 2020 provided relaxation with the requirement of providing physical copies of the Notice, postal ballot forms and pre-paid Business Reply Envelopes to Members on account of the threats posed by the COVID-19 pandemic. Therefore, members were requested to provide their assent or dissent through e-voting only.
4. The Scrutinizer submitted his report on 12<sup>th</sup> August, 2021, 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 on 12<sup>th</sup> August, 2021. The last date specified for closure of e-voting i.e. 11<sup>th</sup> August, 2021, was taken as the date of passing the resolution.

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

Apart from the above announcement of 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	<a href="https://www.ashapura.com">https://www.ashapura.com</a>
Whether it also displays official news release	The Management issues press release as and when necessary on <a href="https://www.ashapura.com">https://www.ashapura.com</a> and on both the stock exchanges
Presentations made to institutional investors or to the analysts	-

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

# Ashapura Minechem Limited

## 6. GENERAL SHAREHOLDER INFORMATION:

<b>Annual General Meeting:</b>	Thursday, 29th September, 2022 at 12.30 p.m. through Video Conferencing /Other Audio Visual Means (VC)																		
<b>Financial Year:</b>	April 01, 2021 to March 31, 2022																		
<b>Date of Book Closure:</b>	23rd September, 2022 (Friday) to 29th September, 2022 (Thursday) (both days inclusive)																		
<b>Record Date for Dividend:</b>	22nd September, 2022 (Thursday)																		
<b>Dividend Payment Date:</b>	After 29th September, 2022, if approved by the members in the ensuing Annual General Meeting.																		
<b>Listing Details:</b>	Equity Shares are listed on the following Stock Exchanges: BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001. National Stock Exchange of India Limited, “Exchange Plaza”, Bandra Kurla Complex, Bandra (East), Mumbai – 400051. The Annual Listing Fees for the year 2021-2022 has been paid to the said Stock Exchanges.																		
<b>Stock Code:</b>	BSE Ltd. - 527001 National Stock Exchange of India Ltd. - ASHAPURMIN																		
<b>ISIN Number:</b>	INE348A01023																		
<b>Corporate Identification Number (CIN):</b>	L14108MH1982PLC026396																		
<b>Registrar and Share Transfer Agent:</b>	M/s. Link Intime India Pvt. Ltd. C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai-400 083																		
<b>Share Transfer System:</b>	<p>The Board-level Stakeholders’ Relationship Committee examines and redresses investors’ grievances. The status of investors’ grievances and share transfers are reported to the Board.</p> <p>As mandated by SEBI, securities of the Company can be transferred /traded only in dematerialised form. Further, SEBI vide its circular dated January 25, 2022, mandated that all service requests for issue of duplicate certificate, claim from unclaimed suspense account, renewal/ exchange of securities certificate, endorsement, subdivision/splitting/consolidation of certificate, transmission and transposition which were allowed in physical form should be processed in dematerialised form only. The necessary forms for the above request are available on the website of the Company.</p> <p>Shareholders holding shares in physical form are advised to avail the facility of dematerialisation.</p> <p>Shareholders should communicate with Link Intime India Private Limited, the Company’s Registrars &amp; Share Transfer Agent at <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a> quoting their folio number or Depository Participant ID and Client ID number, for any queries relating to their securities.</p> <p>The average time taken for processing and registration of relodged share transfer requests is less than 15 days. The Stakeholders Relationship Committee considers the transfer proposals generally on a weekly basis.</p>																		
<b>Distribution of Shareholding &amp; Category-wise distribution:</b>	Refer Table A & B																		
<b>Dematerialization of shares and liquidity:</b>	<p>As on 31<sup>st</sup> March, 2022, 99.76% of the paid-up share capital (face value of Equity Shares of Rs. 2 each) is held in Demat form with NSDL and CDSL.</p> <table border="1"> <thead> <tr> <th>Mode</th> <th>No. of equity shares</th> <th>% to the Total Share Capital</th> </tr> </thead> <tbody> <tr> <td>Physical</td> <td>216043</td> <td>0.24%</td> </tr> <tr> <td>Electronic:</td> <td></td> <td></td> </tr> <tr> <td>(A) NSDL</td> <td>54612209</td> <td>59.69 %</td> </tr> <tr> <td>(B) CDSL</td> <td>36657846</td> <td>40.07%</td> </tr> <tr> <td><b>TOTAL</b></td> <td><b>91486098</b></td> <td><b>100.00%</b></td> </tr> </tbody> </table>	Mode	No. of equity shares	% to the Total Share Capital	Physical	216043	0.24%	Electronic:			(A) NSDL	54612209	59.69 %	(B) CDSL	36657846	40.07%	<b>TOTAL</b>	<b>91486098</b>	<b>100.00%</b>
Mode	No. of equity shares	% to the Total Share Capital																	
Physical	216043	0.24%																	
Electronic:																			
(A) NSDL	54612209	59.69 %																	
(B) CDSL	36657846	40.07%																	
<b>TOTAL</b>	<b>91486098</b>	<b>100.00%</b>																	
<b>Outstanding GDR / ADR / Warrants or any Convertible Instruments and their likely impact on Equity:</b>	NIL																		
<b>Plant Locations:</b>	<ol style="list-style-type: none"> <li>Village Baraya, Bhuj-Mundra Highway, Tal. Mundra, Kutch, Gujarat.</li> <li>Chitra, GIDC Bhavnagar, Gujarat.</li> <li>Village Paddhar, Taluka - Bhuj, Dist. Kutch, Gujarat.</li> <li>Mamuara, Taluka - Bhuj, Dist. Kutch, Gujarat.</li> <li>KINFRA Apparel Park, Menamkulam, Thiruvananthapuram, Kerala.</li> <li>Industrial Area, Baikampady, Mangalore.</li> </ol>																		



<b>Address for Correspondence:</b>	<p>The Company's Registrar and Share Transfer Agent viz. M/s Link Intime India Pvt. Ltd. provides all shareholder related services.</p> <p>Any query relating to shares and requests for transactions such as transfers, transmissions and nomination facilities, duplicate share certificates, change of address and also dematerialization of shares may please be taken up with: 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>
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## 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 37 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. The Company has duly complied with all the requirements of the provisions of the Listing Regulations, as well as other relevant regulations and guidelines of SEBI, as issued from time to time and applicable to the Company during last three years except the delay in appointment of Woman Independent Director. Consequently, National Stock Exchange imposed penalty for delaying in such appointment. The Company paid the same and filed the application for waiver in respect of which the hearing took place on 24<sup>th</sup> September, 2021. The Waiver Committee of National Stock Exchange decided in favour of the company and instructed to waive off the penalty imposed.
- 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. Details of Compliance with Mandatory requirements and adoption of Non Mandatory Requirements.
  - The Company has complied with mandatory requirements under SEBI (LODR) Regulations, 2015.
  - Disclosure with regard to discretionary requirements as specified in Part E of Schedule II to the SEBI (LODR) Regulations, 2015 is as under:

Sr. No	Discretionary Requirement	Discretionary Requirement - to the extent adopted
1	The Board : A Non-Executive Chairperson may be entitled to maintain a chairperson's office at the Company's expense and also allowed reimbursement of expenses incurred in the performance of his/her duties.	The Company has an Executive Chairperson.
2	Shareholder Rights : A half yearly declaration of Financial performance including summary of the significant events in last six months may be sent to each household of shareholders.	As the half yearly results are published in English newspapers having wide circulation all over India and in a Marathi newspaper (having circulation in Mumbai), the same are not sent to the shareholders of the Company. Annual audited financial results are taken on record by the Board and then published in newspapers as aforesaid and also communicated to the shareholders through the Annual report. Further the financial results and significant events, if any, are communicated by the Company to the Stock Exchange and are also uploaded on its website i.e. <a href="http://www.ashapura.com">www.ashapura.com</a>
3	Modified opinion(s) in audit report	The Company is in the regime of unqualified financial statements.

# Ashapura Minechem Limited

4	Separate posts of Chairperson and the Managing Director or the Chief Executive Officer.	The Company has appointed separate persons to the post of Chairperson and Chief Executive Officer. The Board of Directors and Shareholders had unanimously approved an Executive Director to be the Chairperson of the Company.
5	Reporting of Internal Auditor	The Internal Auditor reports directly to the Audit Committee and attends the Audit Committee meetings and interacts directly with the Audit Committee members.

- e. The Company has in place a Code of Conduct for Prevention of Insider Trading and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information to regulate, monitor and report trading by Insiders as prescribed under SEBI (Prohibition of Insider Trading) Regulations, 2015, as approved by the Board of Directors.
- f. Details of Utilization of Funds raised through Preferential Allotment: - During the year under review company had raised funds through preferential allotment on conversion of 45,00,000 warrants into Equity Shares to M/s Ashapura Industrial Finance Limited. The proceeds from such issue was utilised for general corporate purpose i.e. to cater the need of working capital requirement of the company as a part of financial strategy.
- g. In terms of Regulation 16 of the Listing Regulations, the Company has in place a policy on Determining Material Subsidiary, approved by the Board and the same has been displayed on the Company's website at <http://www.ashapura.com/investor-corner.php>.
- h. Pursuant to regulation 24A, the secretarial Audit report of Company's material unlisted subsidiaries incorporated in India has been attached as Annexure I & II.
- i. Certificate from Company Secretary in Practice on Non-Disqualification of Directors of the Company:  
A Certificate has been received from Shri Virendra Bhatt, Practicing Company Secretary, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such Statutory Authority. The said certificate has been attached .
- j. Fees Paid to Statutory Auditors:  
The details of fees paid by the Company to the Statutory Auditor is mentioned in Note No. 28 of the Standalone Financial Statements.
- k. Disclosures in Relation to Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013:  
The details have been disclosed in the Directors Report forming part of this Annual Report.
- l. Disclosure regarding any 'Loans and Advances' in the nature of loans to firms/companies in which directors are interested by the Company or any of it's subsidiaries is mentioned in Note no 37.

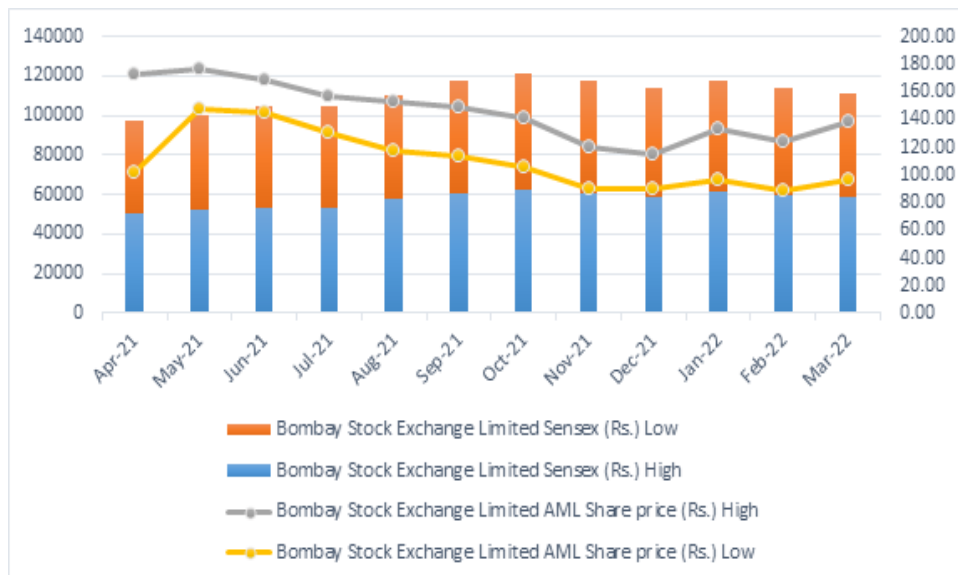
## Market Price Data :

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-21	50375.77	47204.50	172.00	101.50	15044.35	14151.40	172.00	102.35
May-21	52013.22	48028.07	176.30	147.60	15606.35	14416.25	176.80	148.00
Jun-21	53126.73	51450.58	169.00	145.05	15915.65	15450.90	170.70	145.30
Jul-21	53290.81	51802.73	156.40	131.10	15962.25	15513.45	156.50	131.00
Aug-21	57625.26	52804.08	153.30	116.85	17153.50	15834.65	152.25	116.45
Sep-21	60412.32	57263.90	149.55	113.40	17947.65	17055.05	148.00	114.65
Oct-21	62245.43	58551.14	141.20	105.10	18604.45	17452.90	141.75	105.00
Nov-21	61036.56	56382.93	119.60	89.40	18210.15	16782.40	121.00	88.40
Dec-21	59203.37	55132.68	114.55	90.20	17639.50	16410.20	114.70	90.50
Jan-22	61475.15	56409.63	133.50	96.55	18350.95	16836.80	133.30	94.70
Feb-22	59618.51	54383.20	124.20	89.00	16203.25	16203.25	124.40	89.00
Mar-22	58,890.92	52,260.82	138.00	96.00	17559.80	15671.45	138.40	91.75

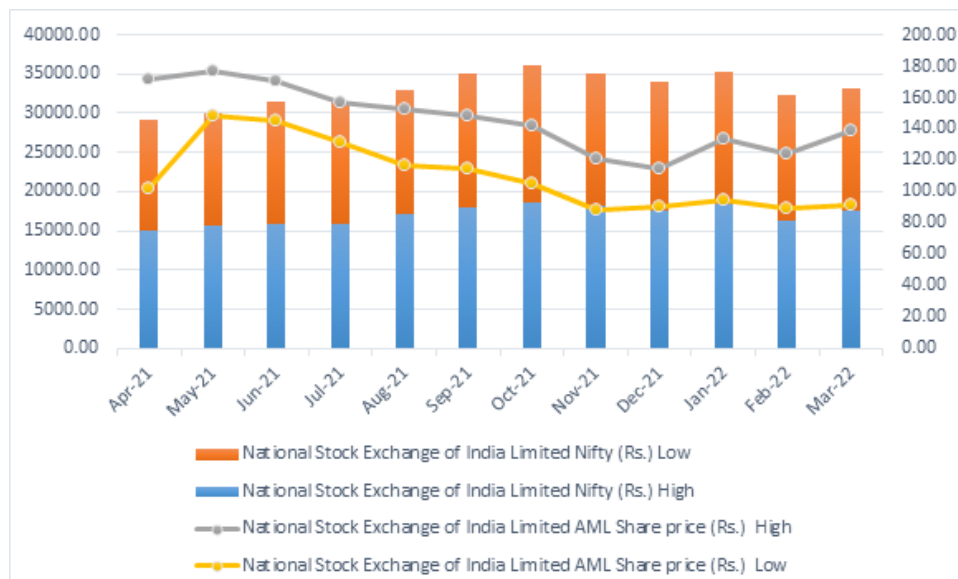




### Share Performance of the Company in comparison to BSE Sensex:



### 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.

### 9. UNCLAIMED SUSPENSE DEMAT ACCOUNT:

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

# Ashapura Minechem Limited

Particulars	No. of Shareholders	No. of Shares
Aggregate number of Shareholders and the outstanding shares in the suspense account lying as on 1 <sup>st</sup> April, 2021	40	38000
Shareholders who approached the Company for transfer of shares from suspense account during the year	NIL	NIL
Shareholders to whom shares were transferred from the suspense account during the year	NIL	NIL
Shares transferred to Demat Account of IEPF Authority during the year	1	1000
Aggregate number of Shareholders and the outstanding shares in the suspense account lying as on 31 <sup>st</sup> March, 2022	39	37000

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

**“TABLE A”  
DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2022**

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares	% of Shareholding
1-500	19672	81.3229	2502016	2.7349
501-1000	1859	7.685	1545351	1.6892
1001-2000	1191	4.9235	1928408	2.1079
2001-3000	400	1.6536	1039247	1.1360
3001-4000	209	0.864	767923	0.8394
4001-5000	194	0.802	926921	1.0132
5001-10000	306	1.265	2285723	2.4984
10001 & above	359	1.4841	80490509	87.9811
<b>TOTAL</b>	<b>24190</b>	<b>100</b>	<b>91486098</b>	<b>100</b>

**“TABLE B”  
CATEGORY-WISE DISTRIBUTION AS ON 31ST MARCH, 2022**

Categories	Total No. of Shares	% of Holdings
<b>A) Promoters Holding</b>		
Individuals	26513454	28.98
Bodies Corporate	14266652	15.59
<b>Total (A) ..</b>	<b>40780106</b>	<b>44.58</b>
<b>B) Public Holding</b>		
<b>i) Institutions</b>		
Mutual Fund	118000	0.13
Foreign Portfolio Investor (Corporate)	18848137	20.60
Alternate Investment Funds	0	0.00
Nationalised Bank	8000	0.01
Non-Nationalised Bank	0	0.00
<b>Total (B)(i)</b>	<b>18974137</b>	<b>20.74</b>
<b>ii) Non-Institutions</b>		
Bodies Corporate	6124072	6.69
Limited Liability Partnership	46213	0.05
Overseas Corporate Bodies	0	0.00
Trust	1200	0.00
Foreign Nationals	0	0.00
Non Resident Indian	1048310	1.15
Non Resident (non repatriable)	1574291	1.72
Market Maker	2	0.00



Other Directors	1507	0.00
Hindu Undivided Family	978691	1.07
Clearing Members	306660	0.34
Investor & Education Protection Fund	1200	0.00
NBFCs registered with RBI	16444	0.02
Public	21633265	23.65
<b>Total (B)(ii)</b>	<b>31731855</b>	<b>34.68</b>
<b>Total (B)(i) + (B)(ii)</b>	<b>50705992</b>	<b>55.42</b>
<b>Grand Total .. ..</b>	<b>91486098</b>	<b>100.00</b>

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

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

Place : Mumbai  
Date : 10<sup>th</sup> August, 2022

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022**

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

To,  
The Members,  
**Ashapura International Limited**

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

Based on physical and online verification of the books, papers, minutes, statutory registers, records, forms and returns filed and other 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, the explanations and clarifications given and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to spread of COVID 19 pandemic, I hereby report that in my opinion, the Company during the audit period covering the financial year 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022, has prima facie complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minutes, statutory registers, Records, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2022 according to the applicable provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made there under; as also Secretarial Standards 1 & 2 Issued by the Institute of Company Secretaries of India.
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iii) Foreign Exchange Management Act, 1999 & the Rules & Regulations made there under.
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) 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;
- Though the following laws are prescribed in the format of Secretarial Audit Report by the Government, the same were NOT applicable to the Company for the financial year ended March 31, 2022:-
  - (a) The Securities And Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009;
  - (b) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (c) The Securities & Exchange Board of India (Issue & listing of Debt securities) Regulations, 2008;
  - (d) The Securities & Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
  - (e) The Securities & Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (v) I further report that, based on the discussion had with the Management and the Management Representation Letter furnished, the Company has inter-alia complied with the following laws:
  - (a) Industrial Disputes Act, 1947
  - (b) The Payment of Wages Act, 1936
  - (c) The Minimum Wages Act, 1948
  - (d) The Employees Provident Fund & Miscellaneous Provisions Act, 1952
  - (e) The Payment of Bonus Act, 1965
  - (f) The Payment of Gratuity Act, 1972
  - (g) The Contract Labour (Regulations & Abolition) Act, 1970
  - (h) Mines Act, 1952
  - (i) Metalliferous Mines Regulations, 1961
  - (j) Water (Prevention & Control) of Pollution Act, 1974
  - (k) Air (Prevention & Control) of Pollution Act, 1981
  - (l) Customs Act, 1962
  - (m) Hazardous Wastes (M&H) Rules
  - (n) Environment Protection Rules, 1986
  - (o) Mineral Conservation & Development Rules, 1988
  - (p) Factories Act, 1948

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



I further report that:

- i. the Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings and directorships in other Companies and interest in other entities;
- ii. the Company has obtained all necessary approvals under various provisions of the Act where necessary;
- iii. there was no prosecution initiated against or show cause notice received by the Company during the year under review under the Companies Act and rules, regulations and guidelines under these Acts.

I further report that the Board of Directors is duly constituted as on 31<sup>st</sup> March, 2022. The following activities took place in the Board of Directors during the year under review and upto the date of this Report.

Smt. Geetha Nerurkar was reappointed as the Executive Director of the Company for a further period of 3 years w.e.f. 1<sup>st</sup> April, 2021.

I report the following OBSERVATION during the Audit:

The Company has complied with provisions of Section 185 and 186 of the Act in respect of loans, Investment, guarantees and security, to the extent applicable, except that no interest is charged on unsecured loans granted to a fellow subsidiary company.

I further report that prima facie adequate notice is given to all Directors in respect of the Board Meetings, agenda & detailed notes on agenda were sent in advance. Further as per the information provided, majority decisions are carried through while the dissenting members' views, if any, are captured & recorded as part of the minutes.

I further report that the Company's Management and Board of Directors are also responsible for establishing and maintaining adequate systems and process, commensurate with the size and operations of the Company to identify, monitor and ensure compliances with the applicable laws, rules, regulations and guidelines.

I further report that the Management is responsible for compliances of all business laws. This responsibility includes maintenance of statutory registers/ records required by the concerned authorities and internal control of the concerned department.

I further report that during the audit period the Company had no specific events like Public/Right/Preferential issue of shares/debentures/sweat equity, etc.

I further report that:-

1. Maintenance of Secretarial record is the responsibility of the Management of the Company. My responsibility is to express an opinion on these Secretarial Records based on the audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of the financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

**Dipti Gohil**  
**ACS No -14736**  
**COP No - 11029**  
**P. R. No. 2026/2022**  
**UDIN : A014736D000761493**

**Place: Mumbai**  
**Date: 08<sup>th</sup> August, 2022**

**Form No. MR-3  
SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022**

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

To,  
The Members,  
**Bombay Minerals Limited**

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

Based on physical and online verification of the books, papers, minutes, statutory registers, Records, forms and returns filed and other 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, the explanations and clarifications given and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to spread of COVID 19 pandemic, I hereby report that in my opinion, the Company during the audit period covering the financial year 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022, has prima facie complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minutes, statutory registers records, forms and returns filled & other records maintained by the company for the FY ended on 31st march, 2022 according to the applicable provision of :

- (i) The Companies Act, 2013 (the Act) and the Rules made there under; as also Secretarial Standards 1 & 2 Issued by the Institute of Company Secretaries of India.
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iii) Foreign Exchange Management Act, 1999 & the Rules & Regulations made there under.
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) 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;
- Though the following laws are prescribed in the format of Secretarial Audit Report by the Government, the same were NOT applicable to the Company for the financial year ended March 31, 2021:-
  - (a) The Securities And Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009;
  - (b) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (c) The Securities & Exchange Board of India (Issue & listing of Debt securities) Regulations, 2008;
  - (d) The Securities & Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
  - (e) The Securities & Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (v) I further report that, based on the discussion had with the Management and the Management Representation Letter furnished, the Company has inter-alia complied with the following laws:
  - (a) Industrial Disputes Act, 1947
  - (b) The Payment of Wages Act, 1936
  - (c) The Minimum Wages Act, 1948
  - (d) The Employees Provident Fund & Miscellaneous Provisions Act, 1952
  - (e) The Payment of Bonus Act, 1965
  - (f) The Payment of Gratuity Act, 1972
  - (g) The Contract Labour (Regulations & Abolition) Act, 1970
  - (h) Mines Act, 1952
  - (i) Metalliferous Mines Regulations, 1961
  - (j) Water (Prevention & Control) of Pollution Act, 1974
  - (k) Air (Prevention & Control) of Pollution Act, 1981
  - (l) Customs Act, 1962
  - (m) Hazardous Wastes (M&H) Rules
  - (n) Environment Protection Rules, 1986
  - (o) Mineral Conservation & Development Rules, 1988
  - (p) Factories Act, 1948

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



I further report that:

- i. the Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings and directorships in other Companies and interest in other entities;
- ii. the Company has obtained all necessary approvals under various provisions of the Act where necessary;
- iii. there was no prosecution initiated against or show cause notice received by the Company during the year under review under the Companies Act and rules, regulations and guidelines under these Acts.

I further report that as per the information provided prima facie adequate notice is given to all Directors in respect of the Board Meetings, agenda & detailed notes on agenda. Further, as per the information provided, majority decisions are carried through while the dissenting members' views, if any, are captured & recorded as part of the minutes.

I further report that the Board of Directors of the Company is duly constituted. The changes in the composition of the Board of Directors that took place during the period under review and also upto the date of this Report, were carried out in compliance with the provisions of the Act as under:

Shri. Hemul Shah, Director who was due for retirement by rotation was reappointed as a Director at the AGM held on held on 25<sup>th</sup> September, 2021.

I report the OBSERVATIONS during the Audit:

- 1) The Company has complied with provisions of Section 185 and 186 of the Act in respect of loans, Investment, guarantees and security, to the extent applicable, except that no interest is charged on unsecured loans granted to a subsidiary company.
- 2) During the previous year, the Company had availed additional financial assistance from Bank of Baroda but the company has not filed required form due to certain technical difficulties. Nevertheless, the said loan has been repaid on the date of this report.

I further report that 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.

I further report that the Management is responsible for compliances of all business laws. This responsibility includes maintenance of statutory registers/ records required by the concerned authorities and internal control of the concerned department.

I further report that during the audit period the Company had no specific events like Public/Right/Preferential issue of shares/debentures/sweat equity, etc.

I further report that:-

1. Maintenance of Secretarial record is the responsibility of the Management of the Company. My responsibility is to express an opinion on these Secretarial Records based on the audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of the financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

**Place: Mumbai**  
**Date: 08<sup>th</sup> August, 2022**

**Dipti Gohil**  
**ACS No -14736**  
**COP No - 11029**  
**PR.NO.: 2026/2022**  
**UDIN : A014736D000761504**

# Ashapura Minechem Limited

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

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

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

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its Officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on 31<sup>st</sup> March, 2022 have been disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs:

Sr. No.	Name of the Director	DIN	Date of Appointment at current Designation	Original Date of Appointment
1	Chetan Navnitlal Shah	00018960	24/10/2019	19/02/1982
2	Harish Narendra Motiwalla	00029835	22/09/2009	29/07/2009
3	Hemul Ramesh Shah	00058558	30/12/2020	16/02/2020
4	Pundarik Sanyal	01773295	29/09/2016	09/02/2016
5	Himani Chetan Shah	02467277	30/12/2020	10/02/2020
6	Abhilash Nandaprasad Munsif	02773542	22/09/2009	29/07/2009
7	Neeta Sunil Shah	07134947	30/12/2020	11/11/2020

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

**Date: 02<sup>nd</sup> May, 2022**  
**Place: Mumbai**

**Virendra G. Bhatt**  
**Practicing Company Secretary**  
**ACS No.: 1157 / COP No.: 124**  
**Peer Review Cert. No.: 1439/ 2021**  
**UDIN: A001157D000255664**

### Note:

*I have partially conducted online verification and examination of records, as facilitated by the Company due to Covid-19 and subsequent lockdown situation for the purpose of issuing this Certificate.*





## INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To  
The Members of  
ASHAPURA MINECHEM LIMITED

- 1 We have examined the compliance of conditions of Corporate Governance by Ashapura Minechem Limited ("the Company") for the year ended 31<sup>st</sup> March, 2022 as stipulated in regulations 17 to 27 and clause (b) to (i) of regulation 46 (2) and para C, D and E of schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 ("Listing Regulations").

### Managements' Responsibility

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

### Auditors' Responsibility

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

### Opinion

- 7 Based on our examination of the relevant records and according to the information and explanations provided to us and the representation provided by the Management, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31<sup>st</sup> March, 2022.
- 8 We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

### Restriction on Use

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

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

**PRASHANT VORA**  
Partner  
Membership No. 034514  
UDIN: 22034514A05RJR4242

Place: Rajkot  
Date: August 10, 2022

## 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 31<sup>st</sup> March, 2022, received from all the Board Members and Senior Management Personnel of the Company, a declaration of compliance with the Code of Conduct as applicable to them.

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

Place : Mumbai  
Date : August 10, 2022

# Ashapura Minechem Limited

## MANAGEMENT DISCUSSION AND ANALYSIS

### OVERVIEW:

This report is an integral part of the Board's Report and covers management perspective on economic environment, industrial scenario, business performance, opportunities, threats, risks & concern, internal control etc. during the Financial Year 2021-2022. This should be read in conjunction with the Company's Financial Statements, the schedules and notes thereto and other information included elsewhere in the Annual Report.

### ECONOMIC ENVIRONMENT:

Covid-19 lockdowns restrictions and guidelines gradually eased world over in FY 2021-22, wherein countries learnt to live with an uneasy truce with the stubborn pandemic. There remain some major pockets in China and Southeast Asia where the virus continues to cause disruptions and lockdowns. The supply chain disruptions are still not behind us and have slowly crept into the inflation numbers of countries big and small; this year saw commodity prices gyrate from their peak at the beginning of the year to worrisome troughs towards the middle. To tame inflation on the demand side, Central Banks world over have begun tightening their belts which has led to capital outflows from developing countries, depreciating their currencies rapidly against the US Dollar. The disturbance amongst Russia and Ukraine lead to a sustained spike in energy and food prices which disproportionately affected import reliant economies.

As the spigot of easy liquidity turns into a miserly trickle, the IMF expects global growth to moderate from 5.9 in 2021 to 4.4 percent in 2022. Rising costs in addition to rapidly rising interest rates are likely to tame whatever post-Covid animal spirits the world manage to garner.

The Indian economy did reasonably well to grow at 8.7 per cent (as per the NSO) in FY 2021-22, although this was sub-par to the expected 9 per cent plus. With that, India has now overtaken UK, to become the 5th largest economy in the world at USD 3.53 trillion. Consumer centric manufacturing including the auto sector grew admirably for a better part of the year. However, supply shortages and higher input prices weighed-in on output in the mining, construction and manufacturing sector, even as credit growth has picked up and states are spending more. The pass-through of this inflationary pressure could eventually hit private consumption which is one of the key drivers of the Indian economy.

The Production Linked Incentive (PLI) Schemes which were introduced by the Government of India in November 2020 across 14 key sectors, to create national manufacturing champions are slowly taking shape. Several global majors in the electronics and telecom hardware sectors have set-up large manufacturing bases in the country.

### INDUSTRY SCENARIO:

Globally, the non-energy related mining & mineral processing industry experienced a sharp upswing both in activity and in prices during the first quarter of FY 2021-22, however persistently high logistic costs and erratic delivery schedules were a dampener. The second half of the financial year was peppered by Covid lockdowns in China, followed by a demand scare on account of the Chinese housing sector turmoil.

From a resource acquisition perspective, there is a marked increase amongst countries in building strategic sources and reserve bases for green energy minerals such as cobalt and lithium. Aluminium is a preferred lightweight metal used in machines and automobiles in the green energy revolution; this bodes well for your Company, given its adequate reserves in Bauxite which is the principal ore for making Aluminium.

In India although the mineral production in India recorded a growth of 13.2 per cent, the growth was largely on account of a sharp increase in lignite & natural gas production.

All in all, the restoration of the scale and vigour in the global mining and mineral processing industry to its pre-Covid levels have been a heartening feature.

### OPPORTUNITIES:

Although global demand and growth are expected to be relatively tempered on account of rising interest rates and prices, there has been a structural reorientation in the flow of goods and services amongst the world's major economies. If these geopolitical headwinds persist, there could be sustainable opportunities for your Company both in the export market as well as in India. For example, Ukraine has been a large global exporter of white performance minerals to India and to other countries in South Asia. The supply disruptions on account of the conflict in the region has translated into significant opportunities for the Company's multi-mineral portfolio.

The recent developments in the South China Sea have resulted in a stoppage of export of construction minerals to Taiwan, which offers an opportunity for other global majors to step in.

### THREATS:

Global economies are no less fragile than those were a couple of years ago during the pandemic, although the reasons thereof are entirely different. Although, each country has its own set of unique challenges, a global demand squeeze caused by a liquidity crunch or turbulence in the housing market in the US or China could have wide ramifications. Deepening of geopolitical fissures could easily undo the post-Covid recovery that the world has witnessed over the last few months.

### FINANCIAL PERFORMANCE:

The Financial Statements for the year ended 31st March, 2022, have been prepared in accordance with the Companies (Indian Accounting Standards) Rule, 2015 (Ind AS) prescribed under section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable.

Income from operations at standalone level increased by 41% and stood at Rs. 625 Crores as against Rs. 443 Crores for the previous financial year ended 31st March, 2021 and that the total expenses stood at Rs. 641 Crores which resulted into loss of Rs. 16 Crores before exceptional items and tax.



At Consolidated level, the total income from operations increased by 14% and stood at Rs. 1,373 Crores as against Rs. 1,209 Crores for the previous financial year ended 31<sup>st</sup> March, 2021 and that total expenses stood at Rs. 1,292 Crores which resulted into profit of Rs. 81 Crores before exceptional items and tax, an increase of 4% over the previous financial year.

Notwithstanding the disruptions caused by lockdowns in its major Asian markets in addition to the challenges caused by the unavailability of barges and ships for loading and affreightment, the Company managed to increase its revenue and profit over the previous year on a consolidated level.

In FY 2021-22, the Company has emerged as the largest manufacturer of Kaolin and value-added Kaolin products in India. Ashapura has leveraged its in-house expertise and decades of experience to become a preferred supplier of coating and filler solutions to paint, paper, fibre glass and ceramic companies in India and the Middle East.

#### **OUTLOOK:**

The outlook for FY 2022-23 is set to be positive on account of firm domestic demand in India and a structural reorientation of global mineral supply chains in the export market.

The Company is well placed to cater to Asia's largest economy in light of its tendency to increase ore imports from Africa versus Australia; furthermore, its white performance mineral portfolio is poised to replace exports from Ukraine that have been disrupted by the turmoil in the region.

The Company has garnered a large resource base of Bauxite, which is the primary ore for Aluminium metal. Aluminium which is already a widely used metal is finding increased usage in e-vehicles and electronics. FY 2022-23, the Company looks forward to consolidating its dominance in the Indian white fillers market.

#### **RISK & CONCERNS:**

Traditionally, the mining industry is fraught with several challenges such as commodity cycles, environmental risks, regulatory & compliance change risks. In the recent past, the Company has grappled with freight market and logistical risks which have continued to disturb business in the post-Covid economy.

Continuing shutdowns in large global manufacturing economies in Europe and Asia whether on account of energy shortages or on account of the continuing pandemic pose a genuine risk to global mineral demand apart from hawkish monetary policies of Central Banks.

#### **INTERNAL CONTROL SYSTEM AND ITS ADEQUACY:**

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

On the recommendation of the Audit Committee, the Company appointed M/s Atul HMV & Associates LLP as the Internal Auditors of the Company for the financial year 2021-2022. Observations made in internal audit reports on business processes, systems, procedures and internal controls and implementation status of recommended remedial measures by the Internal Auditors, are presented quarterly to the Audit Committee.

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

#### **RESEARCH & DEVELOPMENT:**

Company's Research and Development (R&D) capabilities are playing an important role towards furthering your company's vision and goals. 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 through new Process & Product development, process improvements for Maximisation of quality, cost and energy optimisation, waste utilisation etc.

During the year, the team carried out research & development activities in the field of Specialty Mineral Products, Industrial Functional & White Mineral etc. During the year under review, the team also put their efforts in Water Treatment and Catalysis development.

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

#### **HUMAN RESOURCES DEVELOPMENT:**

The human resource of the Company is critical in achieving its growth ambition. The Company conducts skill development trainings for its human assets. The people in the company are provided with an enabling work environment that encourages growth and prosperity.

Your Company considers human resource to be an important and valuable asset for the organization. Therefore, it constantly strives to attract and retain best "Talents" for present and future business needs. Your Company continues to maintain healthy and harmonious relations across all its plants and offices. Senior management is easily accessible for counseling and redressal of grievances. The company had a dedicated human asset of over 396 employees spread across locations in the organization as on 31<sup>st</sup> March, 2022.

#### **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

# Ashapura Minechem Limited

and around our mining locations. During the year, we performed various social development veterinary activities. Women & Child Development, Rural Development Education, Health & Hygiene, Skill Development and Livelihood Developments Programmes were the key areas of our social interventions.

In line with the provisions of Section 135, Schedule VII of the Companies Act, 2013, the Company has framed its Corporate Social Responsibility (CSR) policy for development of programmes and projects for the benefit of weaker sections of the society and the same has been approved by Corporate Social Responsibility Committee (CSR Committee) and the Board of Directors of the Company. The CSR policy of the Company provides a road map for its CSR activities. As part of its CSR initiatives, your Company has undertaken several projects in accordance with Schedule VII of the Act. The Company implements its CSR initiatives via 2 channels:

- Directly by the Company;
- Through its trusts

During the year under review, the Company has made contribution of Rs. 3.41 Crores for various CSR activities in compliance to the provisions of Companies Act, 2013 relating to Corporate Social Responsibility and has met its CSR spending obligation in its right spirit. The details of CSR activities during the year are given under 'Annexure B' forming part of the Directors' Report.

The CSR policy was amended in line with the latest amendments notified by the Ministry of Corporate Affairs on 22<sup>nd</sup> January, 2021 through Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021

## Key Financial Ratios:

The Key Financial Ratios for FY 2021-2022 and FY 2020-2021, along with explanation for significant changes (change of 25% or more) are as follows:

Sr. No.	Particulars	2021-2022	2020-2021	% change
1	<b>Debtors turnover Ratio (Days)</b> Sale/Average Debtors	112	140	20%
2	<b>Inventory turnover Ratio (Days)*</b> Sales /Average Inventory	74	100	27%
3	<b>Interest coverage ratio **</b> (EBIT : Profit before Exceptional Item and tax + Interest on borrowing)/ Interest Expenses	0.48	2.35	80%
4	<b>Current ratio</b> Current assets /Current Liability	1.18	1.47	20%
5	<b>Operating Profit Margin **</b> (EBIT- other Income) /Net revenue from Operation	-0.02	0.14	-114%
6	<b>Net Profit Margin**</b> (Net Profit /Revenue from Operation)	-0.03	0.13	-120%
7	<b>Return on Net worth **</b> (Net Profit /Average net worth )	-0.35	2.30	-115%
8	<b>Debts Equity Ratio</b> Total debts /Shareholders fund	1.87	1.66	13%

Notes:

Exceptional items are excluded from Net profit.

\* Due to increase in sales by 42% during the financial year 21-22 compared to previous year.

\*\* Due to significant increase in cost of Raw material and Other manufacturing overhead, Profit has reduced during the FY 21-22 compared to FY 20-21 by 134%.

## 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 : 10<sup>th</sup> August, 2022

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## 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 2022, 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 2022, of its loss including other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in our forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Key Audit Matter	How our audit addressed the Key Audit Matter
<p><b>Revenue Recognition</b></p> <p>Revenue is one of the key profit drivers and is, therefore, susceptible to misstatement. Cut-off is the key assertion in so far as revenue recognition is concerned, since inappropriate cut-off can result in material misstatement of results for the year.</p>	<p>We carried out testing controls around dispatches and deliveries, inventory reconciliation and substantive testing for cut-offs and analytical review procedures.</p>
<p><b>Assessment of litigations and related disclosure of contingent liabilities</b></p> <p>The Company is subject to large number of various ongoing legal and tax related claims as stated under note no. 34 – Contingent Liabilities.</p> <p>Significant judgment is required to assess such matters to determine the probability of occurrence of material outflow of economic resources and whether a provision should be recognized or a disclosure should be made. The management judgment is also supported with legal advice in certain cases as considered appropriate.</p> <p>As the ultimate outcomes of the matters are uncertain and material in nature, it is considered to be a Key Audit Matter.</p>	<p>We understood, assessed and tested the operating effectiveness of key controls surrounding assessment of litigations and discussed with the management the recent developments and the status of the material litigations;</p> <p>We evaluated management's assessment by understanding precedents set in similar cases and assessed the reliability of the management's past estimates and judgments;</p> <p>We reviewed the disclosures made by the Company in the financial statements in this regard and obtained representation letter from the management on the assessment of these matters.</p>

#### Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Business Responsibility Report, Corporate Governance Report, Shareholder's Information, but does not include the standalone financial statements and auditor's report thereon. The Board's Report and other information are expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

# Ashapura Minechem Limited

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In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the aforesaid reports and information, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance.

## **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibility for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is high level of assurance, but is not a guarantee that audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatements of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of the internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosure, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



## Report on Other Legal and Regulatory Requirements

- 1 As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India terms of sub-section (11) of section 143 of the Act, we give in the Annexure – A, a statement on the matters specified in clause 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The balance sheet, the statement of profit and loss including other comprehensive income, statement of changes in equity and the cash flow statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015;
  - e) On the basis of written representations received from the directors as on 31st March 2022, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2022, from being appointed as a director in terms section 164(2) of the Act;
  - f) With respect to the adequacy of internal financial controls over financial reporting of the Company and operating effectiveness of such controls, our separate report in annexure – B may be referred;
  - g) In our opinion and to the best of our information and according to the explanations given to us, remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 read schedule V of the Act.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;
    - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
    - iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv.
    - a. The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - b. The Management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - c. Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above, contain any material misstatement.
  - v. The dividend declared or paid during the year by the Company is in accordance with section 123 of the Act.

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

Mumbai  
May 30, 2022

**PRASHANT VORA**  
**Partner**  
**Membership No. 034514**  
**UDIN: 22034514AJXZHA1193**

# Ashapura Minechem Limited

## ANNEXURE – A TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

On the basis of such checks as we considered appropriate and in terms of information and explanations given to us, we state that:

- 1 In respect of property, plant and equipment:
  - a. The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment.
  - b. The Company has maintained proper records showing full particulars of intangible assets.
  - c. Property, plant and equipment were physically verified by the management at reasonable intervals in a phased manner in accordance with a programme of physical verification. No material discrepancies were noticed on such verification.
  - d. The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements included under property, plant and equipment are held in the name of the Company.
  - e. The Company has not revalued any of its property, plant and equipment (including right of use assets) or intangible assets during the year.
  - f. There are no proceedings initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 as amended and Rules made thereunder.
- 2
  - a. The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
  - b. The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets. The requirement to report under clause 3(ii)(b) of the Order is, therefore, not applicable.
- 3 In respect of investments, guarantees or securities provided or loans or advances in the nature of loans granted by the Company:
  - a. The Company has not provided any loans or advances in the nature of loans or stood guarantee or provided security to any other entity during the year except:

Particulars	Loans (₹ in lacs)
Aggregate amount of loans granted during the year – subsidiaries	3,700.00
Aggregate amount of loans granted during the year - others	14.85
Balances outstanding as on balance sheet date – subsidiaries	5,097.66
Balances outstanding as on balance sheet date – others	9.61
  - b. The terms and conditions of the grant of these loans and investment made during the year are not prejudicial to the interest of the Company.
  - c. In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest have not been stipulated and the repayments are regular. However, receipts of interest on loans of ₹ 1,369.91 lacs granted to one of the subsidiaries are not regular.
  - d. There is no overdue amount in respect of loans granted.
  - e. No loans or advances in the nature of loans granted by the Company that have fallen due during the year, have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
  - f. The Company has not granted any loans or advances in the nature of loans that are either repayable on demand or without specifying any terms or period of repayment.
- 4 The Company has complied with provisions of Section 185 and 186 of the Act in respect of loans, investments, guarantees and securities, to the extent applicable.
- 5 The Company has not accepted any deposits from public or any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and rules made thereunder, to the extent applicable, except for advances from customers aggregating to ₹ 1,967.65 lacs,





which, in the opinion of the management, are accepted in the ordinary course of business. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.

6 We have broadly reviewed the cost records maintained by the Company pursuant to Section 148(1) of the Act and are of the opinion that, prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

7 In respect of statutory and other dues:

- a. The Company has generally been regular in depositing undisputed statutory dues, including provident fund, employees state insurance, income tax, cess, goods & service tax and other statutory dues, to the extent applicable, with the appropriate authorities during the year. There are no undisputed statutory dues outstanding for a period of more than six months from the date they became payable.
- b. There are no statutory dues, which have not been deposited on account of dispute except for the followings:

Nature of Dues	Statute	₹ in lacs	Relevant Year	Forum where dispute is pending
Service Tax	Service Tax Act	231.68	Various Years	The Commissioner of Goods & Service Tax
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	2,701.63	2018-19	The Commissioner of Income Tax (Appeals)

8 The Company has not surrendered or disclosed any transactions, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

- 9
- a. The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
  - b. The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
  - c. The term loans have been applied for the purposes for which they were obtained.
  - d. On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used for long-term purposes by the Company.
  - e. On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associate or joint venture companies.
  - f. The Company has not raised loans during the year on the pledge of securities held in its subsidiaries.

- 10
- a. The Company has not raised any money during the year by way of initial public offer or further public offer (including debt instruments).
  - b. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review except for conversion of preferential share warrants to the promoter group in accordance with the relevant provisions of the Act.

- 11
- a. No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
  - b. No report under sub-section (12) of section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
  - c. The Company has not received any whistle blower complaint during the year and up to the date of this report.

12 The Company is not a Nidhi Company as per the provisions of the Act. The requirement to report under clause 3 (xii) of the Order is, therefore, not applicable.

13 Transactions with the related parties are in compliance with Section 177 and 188 of the Act, wherever applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.

# Ashapura Minechem Limited

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- 14
- a. The Company has an internal audit system commensurate with the size and nature of its business.
  - b. We have considered the internal audit reports of the Company issued till date for the period under audit.
- 15 The Company has not entered into any non-cash transactions with its directors or persons connected with its directors.
- 16
- a. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.
  - b. The Company has not conducted any non-banking financial or housing finance activities without obtaining a valid certificate of registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
  - c. The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
  - d. There is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly the requirement to report under clause 3(xvi)(d) of the Order is not applicable.
- 17 The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- 18 There has been no resignation by the statutory auditors of the Company during the year.
- 19 According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- 20 There are no unspent Corporate Social Responsibility (CSR) amounts required to be transferred under sub-section (5) or (6) of Section 135 of the Act.

Mumbai  
May 30, 2022

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

**PRASHANT VORA**  
**Partner**  
**Membership No. 034514**  
**UDIN: 22034514AJXZHA1193**



## **ANNEXURE – B TO THE INDEPENDENT AUDITOR’S REPORT**

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

We have audited the internal financial controls over financial reporting of **Ashapura Minechem Limited** (“the Company”) as of 31st March, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (“the Guidance Note”) issued by the Institute of Chartered Accountants of India (“the ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the ICAI and prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that -

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company’s assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Mumbai  
May 30, 2022

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

**PRASHANT VORA**  
**Partner**  
**Membership No. 034514**  
**UDIN: 22034514AJXEHA1193**

# Ashapura Minechem Limited

## BALANCE SHEET AS AT 31st MARCH, 2022

(Indian ₹ in lacs)

Particulars	Note No.	As at 31st March 2022	As at 31st March 2021
<b>ASSETS:</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2	12,658.47	14,109.22
Capital work in progress	2	274.24	127.40
Investment properties	3	2,121.94	2,248.76
Intangible assets	4	35.10	29.54
Financial assets			
Investments	5	3,951.45	4,376.53
Loans	6	5,101.78	1,249.31
Other financial assets	7	1,116.52	1,745.59
Other non-current assets	8	74.41	60.93
		<b>25,333.91</b>	<b>23,947.28</b>
<b>Current Assets</b>			
Inventories	9	11,487.68	11,781.01
Financial assets			
Investments	5	-	-
Trade receivables	10	15,416.73	21,349.87
Cash and cash equivalents	11	910.10	1,064.23
Other bank balances	12	382.65	640.19
Loans	6	5.49	3.33
Other financial assets	7	166.74	262.90
Current tax assets (net)	13	750.25	1,340.99
Other current assets	8	10,192.57	7,857.52
		<b>39,312.21</b>	<b>44,300.04</b>
		<b>64,646.12</b>	<b>68,247.32</b>
<b>EQUITY AND LIABILITIES:</b>			
<b>Equity</b>			
Equity share capital	14	1,829.72	1,739.72
Other equity	15	1,827.49	3,069.69
Money received against share warrants	39	-	359.44
		<b>3,657.21</b>	<b>5,168.85</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	16	4,216.22	6,745.95
Other financial liabilities	17	-	-
Provisions	18	680.74	628.03
Other non-current liabilities	19	22,723.99	25,668.16
		<b>27,620.95</b>	<b>33,042.14</b>
<b>Current liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	16	2,629.73	1,812.05
Trade payables	20	-	-
Total outstanding dues of Micro and Small Enterprises		-	-
Total outstanding dues of creditors other than Micro and Small Enterprises		10,604.41	11,676.34
Other financial liabilities	17	2,595.87	2,600.93
Current tax liabilities (net)	13	-	1,023.93
Other current liabilities	19	17,345.86	12,780.54
Provisions	18	192.09	142.54
		<b>33,367.96</b>	<b>30,036.33</b>
		<b>64,646.12</b>	<b>68,247.32</b>

The accompanying notes are integral part of these financial statements.

As per our report of even date

For and on behalf of the Board of Directors

**For P A R K & COMPANY**  
Chartered Accountants

sd/-  
**CHETAN SHAH**  
Executive Chairman

sd/-  
**HEMUL SHAH**  
Executive Director & Chief Executive Officer

sd/-  
**PRASHANT VORA**  
Partner

sd/-  
**ASHISH DESAI**  
Chief Financial Officer

sd/-  
**SACHIN POLKE**  
Company Secretary & Vice President

Mumbai  
May 30, 2022

Mumbai  
May 30, 2022



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

(Indian ₹ in lacs)

Particulars	Note No.	2021-2022	2020-2021
<b>REVENUE:</b>			
Revenue from operations	21	59,815.12	42,148.70
Other income	22	2,647.23	2,151.30
		<b>62,462.35</b>	<b>44,300.00</b>
<b>EXPENSES:</b>			
Cost of materials consumed	23	5,057.24	5,612.37
Purchases of traded goods		26,572.55	12,810.48
Changes in inventories	24	225.22	-836.37
Employee benefits expenses	25	2,648.28	2,248.86
Finance costs	26	3,010.97	3,448.46
Depreciation and amortisation expenses	27	1,952.04	2,022.60
Other expenses	28	24,561.47	14,339.78
		<b>64,027.77</b>	<b>39,646.18</b>
<b>Profit/(loss) before exceptional items and tax</b>		<b>(1,565.42)</b>	<b>4,653.82</b>
Exceptional Items	33	-	1,933.22
<b>Profit/(loss) before tax</b>		<b>(1,565.42)</b>	<b>6,587.04</b>
Tax expenses			
Current tax		-	-
Earlier years' tax	13	-	(1,023.93)
Deferred tax		-	-
<b>Profit/(loss) for the year</b>		<b>(1,565.42)</b>	<b>5,563.11</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
a. Remeasurements of defined benefit plans		(75.64)	(44.92)
b. Gains on Investments in equity instruments classified as FVOCI		(491.46)	(14.53)
Items that may be reclassified to profit or loss			
<b>Other comprehensive income for the year</b>		<b>(567.10)</b>	<b>(59.45)</b>
<b>Total Comprehensive Income for the year</b>		<b>(2,132.52)</b>	<b>5,503.66</b>
Basic earning per share	29	<b>(1.75)</b>	6.40
Diluted earning per share	29	<b>(1.75)</b>	6.18
Face value per share		<b>2.00</b>	2.00

The accompanying notes are integral part of these financial statements.

As per our report of even date

For and on behalf of the Board of Directors

For P A R K & COMPANY  
Chartered Accountants

sd/-  
**CHETAN SHAH**  
Executive Chairman

sd/-  
**HEMUL SHAH**  
Executive Director & Chief Executive Officer

sd/-  
**PRASHANT VORA**  
Partner

sd/-  
**ASHISH DESAI**  
Chief Financial Officer

sd/-  
**SACHIN POLKE**  
Company Secretary & Vice President

Mumbai  
May 30, 2022

Mumbai  
May 30, 2022

# Ashapura Minechem Limited

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2022

(Indian ₹ in lacs)

Particulars	As at 31st March 2022	As at 31st March 2021
<b>A CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net profit for the year	(1,565.42)	5,563.11
Adjustments for -		
Depreciation and amortization	1,952.04	2,022.60
Loss / (profit) on sale of investments	(1.63)	(13.09)
Loss / (profit) on sale of property, plant & equipment	(32.78)	33.85
Income tax expenses	-	1,023.93
Reversal of impairment loss/(profit) recognised on receivables	(1,267.55)	(885.05)
Dividend	(142.74)	(277.65)
Interest income	(186.92)	(265.47)
Finance cost	3,010.97	3,474.46
Operating profit before working capital changes	3,331.39	5,113.58
Adjustments for -		
(Increase)/decrease in trade and other receivables	4,328.83	(9,460.14)
(Increase)/decrease in other current and non-current assets	(2,348.53)	(659.02)
(Increase)/decrease in inventories	293.33	(1,125.44)
Increase/(decrease) in provisions	26.62	(200.96)
Increase/(decrease) in other current and non-current liabilities	1,621.15	(764.78)
Increase/(decrease) in trade and other payables	(1,105.29)	5,766.05
Cash generated from operations	2,816.11	(6,444.29)
Direct taxes paid	(433.19)	(219.66)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>4,148.89</b>	<b>4,012.74</b>

**B CASH FLOW FROM INVESTING ACTIVITIES :**

Payments for property, plant & equipment and intangible assets	(539.83)	(176.00)
Net cash flow on purchase of investments	(64.75)	32.48
Proceeds from disposal of property, plant & equipment and CWIP	45.74	31.90
Dividend received	142.74	277.65
Interest received	186.92	265.47
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(229.18)</b>	<b>431.50</b>

**C CASH FLOW FROM FINANCING ACTIVITIES :**

Proceeds from loans borrowed	817.68	-
Repayments of borrowings	(2,529.73)	(1,660.05)
Proceeds from issue of share Capital	1,078.31	-
Dividend paid	(445.76)	-
Interest paid	(2,994.34)	(3,474.46)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(4,073.84)</b>	<b>(5,134.51)</b>

**Net Increase in Cash and Cash Equivalents** (154.13) (690.27)

Cash and cash equivalents as at beginning of the year 1,064.23 1,754.50  
Cash and cash equivalents as at end of the year 910.10 1,064.23

The accompanying notes are integral part of these financial statements.

As per our report of even date

For and on behalf of the Board of Directors

**For P A R K & COMPANY**  
Chartered Accountants

sd/-  
**CHETAN SHAH**  
Executive Chairman

sd/-  
**HEMUL SHAH**  
Executive Director & Chief Executive Officer

sd/-  
**PRASHANT VORA**  
Partner

sd/-  
**ASHISH DESAI**  
Chief Financial Officer

sd/-  
**SACHIN POLKE**  
Company Secretary & Vice President

Mumbai  
May 30, 2022

Mumbai  
May 30, 2022

# Ashapura Minechem Limited

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2022

### A. SHARE CAPITAL

Indian (₹ in Lacs)

Particulars	As at 31st March 2022	As at 31st March 2021
At the beginning of the year	1,739.72	1,739.72
Changes in equity share capital during the year	90.00	-
At the end of the year	1,829.72	1,739.72

### B. OTHER EQUITY

(Indian ₹ in lacs)

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	
<b>As at 1st April, 2020</b>	<b>1.00</b>	<b>(20,727.79)</b>	<b>17,734.59</b>	<b>505.99</b>	<b>52.24</b>	<b>(2,433.97)</b>
Profit/(loss) for the year	-	5,563.11	-	-	-	5,563.11
Other comprehensive income for the year	-	-	-	(14.53)	(44.92)	(59.45)
<b>As at 31st March, 2021</b>	<b>1.00</b>	<b>(15,164.68)</b>	<b>17,734.59</b>	<b>491.46</b>	<b>7.32</b>	<b>3,069.69</b>
Addition during the year	-	-	1,347.75	-	-	1,347.75
Profit/(loss) for the year	-	(1,565.42)	-	-	-	(1,565.42)
Other comprehensive income for the year	-	-	-	(491.46)	(75.64)	(567.10)
Final dividend , declared and paid during the year	-	(457.43)	-	-	-	(457.43)
<b>As at 31st March, 2022</b>	<b>1.00</b>	<b>(17,187.53)</b>	<b>19,082.34</b>	<b>-</b>	<b>(68.32)</b>	<b>1,827.49</b>

The accompanying notes are integral part of these financial statements.

As per our report of even date

For and on behalf of the Board of Directors

For P A R K & COMPANY  
Chartered Accountants

sd/-  
**CHETAN SHAH**  
Executive Chairman

sd/-  
**HEMUL SHAH**  
Executive Director & Chief Executive Officer

sd/-  
**PRASHANT VORA**  
Partner

sd/-  
**ASHISH DESAI**  
Chief Financial Officer

sd/-  
**SACHIN POLKE**  
Company Secretary & Vice President

Mumbai  
May 30, 2022

Mumbai  
May 30, 2022





## Notes forming part of the financial statements for the year ended 31<sup>st</sup> March 2022

### 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 30th May, 2022.

### 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) The Company depreciates property, plant and equipment on written down value method except for building, plant & machinery, laboratory equipment and excavators where depreciation is provided on straight line method over the estimated useful life prescribed in Schedule II of the Act from the date the assets are ready for intended use after considering the residual value.
- (vi) Intangible assets mainly represent implementation cost for software and other application software acquired/developed for in-house use. These assets are stated at cost. Cost includes related acquisition expenses, related borrowing costs, if any, and other direct expenditure.
- (vii) Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.

#### **d. Investments properties**

- a) Property which is held for long-term rental or for capital appreciation or both is classified as investment property. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.
- b) Investment properties currently comprise of plots of land and buildings.
- c) Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in statement of profit and loss in the period in which the property is derecognised.

#### **e. Investments and financial assets**

- (i) Investments in subsidiary, joint venture and associate companies

Investments in subsidiary, joint venture and associate companies are recognised at cost and not adjusted to fair value at the end of each reporting period. Cost represents amount paid for acquisition of the said investments.

The Company assesses at the end of each reporting period, if there is any indication that the said investments may be impaired. If so, the Company estimates the recoverable value of the investments and provides for impairment, if any, i.e. the deficit in the recoverable value over cost.

- (ii) Other investments and financial assets

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value. In case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in the statement of profit or loss. In other cases, the transaction costs are attributed to the acquisition value of financial asset.

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.

(iv) The gain or loss on decrease/increase in reporting currency due to fluctuations in foreign exchange rates are recognised in the statement of profit or loss.

**q. Employee benefit expenses**

(i) Contributions to defined contribution schemes such as provident fund, employees' state insurance, labour welfare fund etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. These benefits are classified as defined contribution schemes as the Company has no further obligations beyond the monthly contributions.

(ii) The Company provides for gratuity which is a defined benefit plan, the liabilities of which are determined based on valuations, as at the reporting date, made by an independent actuary using the projected unit credit method. Re-measurement comprising of actuarial gains and losses, in respect of gratuity are recognised in the other comprehensive income in the period in which they occur. The classification of the Company's obligation into current and non-current is as per the actuarial valuation report.

(iii) The employees are entitled to accumulate leave subject to certain limits, for future encashment and availment, as per the policy of the Company. The liability towards such unutilised leave as at the end of each balance sheet date is determined based on independent actuarial valuation and recognised in the statement of profit and loss.

**r. Leases**

**Company as lessee**

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

**Company as lessor**

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

**s. Borrowing costs**

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Also, the effective interest rate amortisation is included in finance costs. Borrowing costs relating to acquisition, construction or production of a qualifying asset which takes substantial period of time to get ready for its intended use are added to the cost of such asset to the extent they relate to the period till such assets are ready to be put to use. All other borrowing costs are expensed in the statement of profit and loss in the period in which they occur.



#### **t. Impairment of non financial assets**

As at each reporting date, the Company assesses whether there is an indication that a non-financial asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, the Company determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through the statement of profit and loss.

#### **u. Taxes on income**

Income tax expense comprises current tax expense and the deferred tax during the year. Current and deferred taxes are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current income tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. In case of uncertainty of reversal of the deferred tax assets or when it is no longer probable that sufficient taxable profits will be available in the foreseeable future, deferred tax assets, as a matter of prudence, are not recognised.

The carrying amount of deferred tax is reviewed at each reporting date and measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

#### **v. Provisions and contingent liabilities**

The Company creates a provision when there is present obligation, legal or constructive, as a result of past events that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events. Contingent assets are neither recognised nor disclosed in the financial statements.

#### **w. Earnings per share**

- (i) Basic earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.
- (ii) For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to the equity shareholders and the weighted average number of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

#### **x. Offsetting instruments**

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

#### **y. Events after the reporting period**

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue. Non-adjusting events are events that are indicative of conditions that arose after end of the reporting period. Non-adjusting events after the reporting date are not accounted, but disclosed

#### **z. 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
<b>Gross carrying value</b>								
<b>As at 1st April, 2020</b>	<b>1,512.19</b>	<b>5,346.16</b>	<b>22,972.53</b>	<b>75.98</b>	<b>1,035.88</b>	<b>1,421.80</b>	<b>748.80</b>	<b>33,113.34</b>
Additions	-	24.36	262.23	-	14.27	0.42	1.52	<b>302.80</b>
Disposals /transfer	-	-	(47.48)	-	-	-	(10.91)	<b>(58.39)</b>
<b>As at 31st March, 2021</b>	<b>1,512.19</b>	<b>5,370.52</b>	<b>23,187.28</b>	<b>75.98</b>	<b>1,050.15</b>	<b>1,422.22</b>	<b>739.41</b>	<b>33,357.75</b>
Additions	11.00	95.32	222.45	-	42.07	0.15	-	<b>370.99</b>
Disposals	-	-	(19.76)	-	(5.67)	(7.64)	(10.39)	<b>(43.46)</b>
<b>As at 31st March, 2022</b>	<b>1,523.19</b>	<b>5,465.84</b>	<b>23,389.97</b>	<b>75.98</b>	<b>1,086.55</b>	<b>1,414.73</b>	<b>729.02</b>	<b>33,685.28</b>
<b>Accumulated depreciation</b>								
<b>As at 1st April, 2020</b>	-	<b>913.31</b>	<b>13,451.85</b>	<b>73.54</b>	<b>956.52</b>	<b>1,226.15</b>	<b>684.75</b>	<b>17,306.12</b>
Depreciation charged	-	170.58	1,731.95	-	16.98	41.14	9.64	<b>1,970.29</b>
Disposals /transfer	-	-	(17.52)	-	-	-	(10.36)	<b>(27.88)</b>
<b>As at 31st March, 2021</b>	-	<b>1,083.89</b>	<b>15,166.28</b>	<b>73.54</b>	<b>973.50</b>	<b>1,267.29</b>	<b>684.03</b>	<b>19,248.53</b>
Depreciation charged	-	81.12	1,671.47	-	19.92	29.90	6.37	<b>1808.78</b>
Disposals	-	-	(8.19)	-	(5.39)	(7.26)	(9.66)	<b>(30.50)</b>
<b>As at 31st March, 2022</b>	-	<b>1,165.01</b>	<b>16,829.56</b>	<b>73.54</b>	<b>988.03</b>	<b>1,289.93</b>	<b>680.74</b>	<b>21,026.81</b>
<b>Net carrying value</b>								
<b>As at 31st March, 2021</b>	<b>1,512.19</b>	<b>4,286.63</b>	<b>8,021.00</b>	<b>2.44</b>	<b>76.65</b>	<b>154.93</b>	<b>55.38</b>	<b>14,109.22</b>
<b>As at 31st March, 2022</b>	<b>1,523.19</b>	<b>4,300.83</b>	<b>6,560.41</b>	<b>2.44</b>	<b>98.52</b>	<b>124.80</b>	<b>48.28</b>	<b>12,658.47</b>

### Capital work in progress ageing schedule:

(Indian ₹ in lacs)

Particulars	Capital work in progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>31st March, 2022</b>					
Projects in progress	174.94	-	11.28	-	<b>186.22</b>
Projects temporarily suspended	-	-	7.55	80.47	<b>88.02</b>
	<b>174.94</b>	<b>0.00</b>	<b>18.83</b>	<b>80.47</b>	<b>274.24</b>
<b>31st March, 2021</b>					
Projects in progress	28.10	11.28	-	-	<b>39.38</b>
Projects temporarily suspended	-	-	21.05	66.97	<b>88.02</b>
	<b>28.10</b>	<b>11.28</b>	<b>21.05</b>	<b>66.97</b>	<b>127.40</b>

There are no projects which are overdue for completion or has exceeded its cost as compared to the original plan.

**Note 3****Investment Properties**

(Indian ₹ in lacs)

Particulars	Land	Building	Total
<b>Gross carrying value</b>			
<b>As at 1st April, 2020</b>	<b>257.50</b>	<b>2,803.13</b>	<b>3,060.63</b>
Additions	-	-	-
Disposals	-	-	-
<b>As at 31st March, 2021</b>	<b>257.50</b>	<b>2,803.13</b>	<b>3,060.63</b>
Additions	-	-	-
Disposals	-	-	-
<b>As at 31st March, 2022</b>	<b>257.50</b>	<b>2,803.13</b>	<b>3,060.63</b>
<b>Accumulated depreciation</b>			
<b>As at 1st April, 2020</b>	-	<b>775.48</b>	<b>775.48</b>
Depreciation charged/transfer	-	36.39	<b>36.39</b>
Disposals	-	-	-
<b>As at 31st March, 2021</b>	-	<b>811.87</b>	<b>811.87</b>
Depreciation charged	-	126.82	<b>126.82</b>
Disposals	-	-	-
<b>As at 31st March, 2022</b>	-	<b>938.69</b>	<b>938.69</b>
<b>Net Carrying Amount</b>			
<b>As at 31st March, 2021</b>	<b>257.50</b>	<b>1,991.26</b>	<b>2,248.76</b>
<b>As at 31st March, 2022</b>	<b>257.50</b>	<b>1,864.44</b>	<b>2,121.94</b>

**i) Amount recognised in profit or loss for investment properties**

(Indian ₹ in lacs)

Particulars	31st March 2022	31st March 2021
<b>Rental income</b>	92.39	90.18
Direct operating expenses	-	-
Gain from investment properties before depreciation	92.39	90.18
Depreciation	126.82	36.39
Gain from investment properties	<b>(34.43)</b>	<b>53.79</b>

**ii) Contractual obligations**

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

**iii) Fair Value**

The fair value of the Investment Property as at March 31, 2022 has been arrived at on the basis of a valuation carried out by independent valuers registered with the authority which governs the valuers in India. All fair value estimates for investment properties are included in Level 2. Fair valuation of the investment properties as on 31st March, 2022 is ₹ 3,511.16 lacs.

# Ashapura Minechem Limited

## Note 4

### Intangible assets

(Indian ₹ in lacs)

Particulars	Computer Software	Total
<b>Gross carrying value (at deemed cost)</b>		
<b>As at 1st April, 2020</b>	<b>250.28</b>	<b>250.28</b>
Additions	-	-
<b>As at 31st March, 2021</b>	<b>250.28</b>	<b>250.28</b>
Additions	22.00	<b>22.00</b>
<b>As at 31st March, 2022</b>	<b>272.28</b>	<b>272.28</b>
<b>Accumulated depreciation</b>		
<b>As at 1st April, 2020</b>	<b>204.82</b>	<b>204.82</b>
Amortisation	15.92	<b>15.92</b>
<b>As at 31st March, 2021</b>	<b>220.74</b>	<b>220.74</b>
Amortisation	16.44	<b>16.44</b>
<b>As at 31st March, 2022</b>	<b>237.18</b>	<b>237.18</b>
<b>Net carrying value</b>		
<b>As at 31st March, 2021</b>	<b>29.54</b>	<b>29.54</b>
<b>As at 31st March, 2022</b>	<b>35.10</b>	<b>35.10</b>

## Note No. 5

### Investments

(Indian ₹ in lacs)

Particulars	31st March 2022	31st March 2021
<b><u>Non-current Investments</u></b>		
<b>a. Investments valued at cost, fully paid up</b>		
<b>Investments in subsidiaries in India</b>		
Ashapura International Limited <sup>1</sup> 3,000,000 Equity Shares of ₹ 10 each	327.27	327.27
Ashapura Claytech Limited 3,560,000 Equity Shares of ₹ 10 each fully paid-up	371.00	371.00
Prashansha Ceramics Limited 700,000 Equity Shares of ₹ 10 each fully paid-up	147.00	147.00
Bombay Minerals Limited <sup>1</sup> 218,080 Equity Shares of ₹ 10 each fully paid-up	961.54	961.54
Ashapura Aluminum Limited 50,000 Equity Shares of ₹ 10 each fully paid-up	5.00	5.00
Ashapura Consultancy Services Private Limited 10,000 Equity Shares of ₹ 10 each fully paid-up	1.00	1.00
Ashapura Resources Private Limited 10,000 Equity Shares of ₹ 10 each fully paid-up	1.00	1.00





Sharda Consultancy Private Limited 10,000 Equity Shares of ₹ 10 each fully paid-up	1.00	1.00
Peninsula Property Developers Private Limited 10,000 Equity Shares of ₹ 10 each fully paid-up	1.00	1.00
	<b>1,815.81</b>	<b>1,815.81</b>
<b>Investments in subsidiaries outside India</b>		
Ashapura Minechem UAE FZE 68 Equity Shares of AED 1,50,000 each fully paid-up	1,123.13	1,123.13
Ashapura Midgulf NV - Belgium 30,750 Equity Shares of Euro 1 each fully paid-up	17.76	-
	<b>1,140.89</b>	<b>1,123.13</b>
<b>Investments in joint ventures in India</b>		
Ashapura Perfoclay Limited <sup>1</sup> 8,966,590 Equity Shares of ₹ 10 each fully paid-up	896.66	896.66
	<b>896.66</b>	<b>896.66</b>
<b>Investments in joint ventures outside India</b>		
Ashapura Midgulf NV - Belgium 30,750 Equity Shares of Euro 1 each fully paid-up	-	17.76
	<b>-</b>	<b>17.76</b>
<b>Investments in associates in India</b>		
Ashapura Arcadia Logistics Private Limited 55,000 Equity Shares of ₹ 10 each fully paid-up	5.50	5.50
Shantilal Multiport Infrastructure Private Limited 8,49,975 Equity Shares of ₹ 10 each fully paid-up	91.38	-
	<b>96.88</b>	<b>5.50</b>
<b>b. Investments in equity shares in others carried at fair value through OCI, fully paid up (Unquoted)</b>		
Shantilal Multiport Infrastructure Private Limited 186,285 Equity Shares of ₹ 10 each fully paid-up	-	516.46
	<b>-</b>	<b>516.46</b>
<b>c. Investment valued at cost</b>		
National Savings Certificates (under lien with VAT/mining authorities)	1.21	1.21
	<b>1.21</b>	<b>1.21</b>
<b>Total non-current investments</b>	<b>3,951.45</b>	<b>4,376.53</b>
<sup>1</sup> investments in these equity shares are pledged with a creditor.		
Aggregate amount of quoted investments	-	-
Market value of quoted investments	-	-
Aggregate amount of unquoted investments	<b>3,951.45</b>	<b>4,376.53</b>

# Ashapura Minechem Limited

## Note 6

### Loans

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2022	31st March 2021	31st March 2022	31st March 2021
<b>Unsecured, considered good</b>				
Loans to a wholly-owned subsidiary companies	5,097.66	1,245.48	-	-
Employee loans	4.12	3.83	5.49	3.33
<b>Total loans</b>	<b>5,101.78</b>	<b>1,249.31</b>	<b>5.49</b>	<b>3.33</b>

### Disclosures for loans to subsidiaries:

(Indian ₹ in lacs)

Name of the entity	Outstanding balances		Maximum balance outstanding during the year	
	31st March 2022	31st March 2021	31st March 2022	31st March 2021
Ashapura Minechem (UAE) FZE	1,369.91	1,245.48	1,369.91	1,245.48
Ashapura International Limited	2,115.75	-	2,115.75	-
Bombay Minerals Limited	1,612.00	-	1,612.00	-
	<b>5,097.66</b>	<b>1,245.48</b>		

## Note 7

### Other financial assets

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2022	31st March 2021	31st March 2022	31st March 2021
Term deposits with maturity of more than 12 months *	267.51	182.93	-	-
Claims receivables	-	-	166.74	262.90
Security deposits	836.66	1,550.24	-	-
Interest receivables	12.35	12.42	-	-
<b>Total other financial assets</b>	<b>1,116.52</b>	<b>1,745.59</b>	<b>166.74</b>	<b>262.90</b>

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



## Note 8

### Other assets

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2022	31st March 2021	31st March 2022	31st March 2021
Trade advances to suppliers	-	-	10,063.15	8,227.37
Less: Loss allowance for doubtful advances	-	-	2,782.07	2,782.07
			7,281.08	5,445.30
Capital advances	74.41	60.93	-	-
Employee advances			6.50	3.82
Prepaid expenses	-	-	122.49	127.83
Input credit receivables	-	-	970.51	467.44
Other advances	-	-	1,811.99	1,813.13
<b>Total other assets</b>	<b>74.41</b>	<b>60.93</b>	<b>10,192.57</b>	<b>7,857.52</b>
<b>Security deposits:</b>				
Towards land and premises to directors, firms and companies in which some of the directors are interested	45.00	45.00	-	-
Towards premises to subsidiary companies	51.00	51.00	-	-
<b>Trade advances:</b>				
- To subsidiary companies	-	-	2,451.40	3,004.04
- To companies or firms in which some of the directors are interested	-	-	700.31	674.00

## Note 9

### Inventories

(Indian ₹ in lacs)

Particulars	31st March 2022	31st March 2021
Raw materials	1,007.95	1,174.45
Semi finished goods	1,669.89	2,098.57
Finished goods	2,686.39	2,526.30
Stock-in-trade	5,269.53	5,226.16
Stores & spares	628.92	535.79
Packing materials	225.00	219.74
<b>Total inventories</b>	<b>11,487.68</b>	<b>11,781.01</b>

# Ashapura Minechem Limited

## Note 10

### Trade Receivables

(Indian ₹ in lacs)

Particulars	31st March 2022	31st March 2021
Unsecured, considered good	15,126.36	21,116.65
Unsecured, significant increase in credit risk	408.88	352.14
Unsecured, considered doubtful	1,354.93	1,214.36
Less: Loss allowance for bad and doubtful debts	(1,473.44)	(1,333.28)
<b>Total trade receivables</b>	<b>15,416.73</b>	<b>21,349.87</b>
Above includes due from related party		
- Subsidiaries	4,424.68	4,553.30
- Joint ventures & associates	925.12	1,168.78

#### 10.1 Trade receivables ageing schedule:

( Indian ₹ in lacs)

Particular	Not due	Outstanding for the following period from due date of payments					Total
		< 6 Months	6 months- 1 year	1 - 2 years	2 - 3 years	> 3 years	
<b>31st March, 2022</b>							
Undisputed, considered good	3,391.45	9,215.31	1,426.91	5.68	241.11	845.90	15,126.36
Undisputed having significant increase in credit risk	-	-	-	279.38	129.50	-	408.88
Undisputed trade receivables- credit impaired	-	-	-	-	-	1,354.93	1,354.93
	<b>3,391.45</b>	<b>9,215.31</b>	<b>1,426.91</b>	<b>285.06</b>	<b>370.61</b>	<b>2,200.83</b>	<b>16,890.17</b>
							<b>(1,473.44)</b>
							<b>15,416.73</b>
<b>31st March, 2021</b>							
Undisputed, considered good	3,829.57	15,776.47	465.01	199.71	118.73	727.16	21,116.65
Undisputed having significant increase in credit risk	-	-	-	201.50	150.64	-	352.14
Undisputed trade receivables- credit impaired	-	-	-	-	-	1,214.36	1,214.36
	<b>3,829.57</b>	<b>15,776.47</b>	<b>465.01</b>	<b>199.71</b>	<b>269.37</b>	<b>1,941.52</b>	<b>22,683.15</b>
							<b>(1,333.28)</b>
							<b>21,349.87</b>

**Note 11****Cash and cash equivalents**

(Indian ₹ in lacs)

<b>Particulars</b>	<b>31st March 2022</b>	<b>31st March 2021</b>
Balances with banks	571.93	1,006.48
Cash on hand	46.07	56.10
Other term deposits	292.10	1.65
<b>Total cash and cash equivalents</b>	<b>910.10</b>	<b>1,064.23</b>

**Note 12****Other bank balances**

(Indian ₹ in lacs)

<b>Particulars</b>	<b>31st March 2022</b>	<b>31st March 2021</b>
Margin money deposits *	370.98	640.19
Dividend accounts	11.67	-
<b>Total other bank balances</b>	<b>382.65</b>	<b>640.19</b>

There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at 31st March, 2022.

\* under lien against guarantees to mining authorities and letter of credits.

**Note 13****Income tax**

(Indian ₹ in lacs)

<b>Particulars</b>	<b>31st March 2022</b>	<b>31st March 2021</b>
--------------------	----------------------------	----------------------------

The following table provides the details of income tax assets and liabilities :

Current income tax assets	750.25	1,340.99
Current income tax liabilities	-	1,023.93
<b>Net balance</b>	<b>750.25</b>	<b>317.06</b>

**The gross movement in the current tax asset / (liability) :**

Net current income tax asset at the beginning	317.06	1,121.33
Income tax paid (net of refunds)	433.19	219.66
Current income tax expense *	-	(1,023.93)
Income tax on other comprehensive income	-	-
<b>Net current income tax asset at the end</b>	<b>750.25</b>	<b>317.06</b>

\* payable under Vivad Se Vishwas Scheme under Income Tax dispute resolution scheme in the previous year.

# Ashapura Minechem Limited

## Note 14

### Equity share capital

(Indian ₹ in lacs)

Particulars	31st March 2022	31st March 2021
<b>Authorised</b>		
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
	<b>9,000.00</b>	<b>9,000.00</b>
<b>Issued, Subscribed and Paid up</b>		
91,486,098 (86,986,098) equity shares of ₹ 2 each	1,829.72	1,739.72
<b>Total equity share capital</b>	<b>1,829.72</b>	<b>1,739.72</b>

a. Equity shares issued as fully paid-up bonus shares or otherwise than by cash during the preceding five years: Nil

### b. Reconciliation of equity shares outstanding at the beginning and at the end of the year :

(Indian ₹ in lacs)

Particulars	As on 31st March, 2022		As on 31st March, 2021	
	No. of shares	₹	No. of shares	₹
<b>Balance at the beginning of the year</b>	8,69,86,098	1,739.72	8,69,86,098	1,739.72
Issue of equity shares an conversion Warrants during the year	45,00,000	90.00	-	-
<b>Balance at end of the year</b>	<b>9,14,86,098</b>	<b>1,829.72</b>	<b>8,69,86,098</b>	<b>1,739.72</b>

### c. Shares held by promoters and promoter group :

Name of Shareholder	As at 31st March ,2022		As at 31st March 2021		Change (%)
	Nos.	% of holding	Nos.	% of holding	
Ashapura Industrial Finance Limited	1,41,61,612	15.48	95,14,331	10.94	4.54
Mr. Chetan Navnitlal Shah	1,35,43,814	14.80	1,35,43,814	15.57	(0.77)
Ms. Dina Chetan Shah	92,02,360	10.06	92,02,360	10.58	(0.52)
Mr. Manan Shah	22,39,220	2.45	22,39,220	2.57	(0.13)
Ms. Chaitali Salot	12,55,620	1.37	12,55,620	1.44	(0.07)
Ms. Himani Shah	1,42,980	0.16	1,42,980	0.16	(0.01)
Late Shri Navnitlal R Shah Estate	1,29,460	0.14	1,29,460	0.15	(0.01)
Ashapura Overseas Private Limited	1,00,000	0.11	-	-	0.11
Gurbarga Trading Co. Private Limited	2,520	0.01	2,520	0.01	-
Hemprabha Trading Co Private Limited	2,520	0.01	2,520	0.01	-

Name of Shareholder	As at 31st March ,2021		As at 31st March 2020		Change (%)
	Nos.	% of holding	Nos.	% of holding	
Ashapura Industrial Finance Limited	95,14,331	10.94	80,88,000	9.30	1.64
Mr. Chetan Navnitlal Shah	1,35,43,814	15.57	1,35,43,814	15.57	-
Ms. Dina Chetan Shah	92,02,360	10.58	92,02,360	10.58	-



Mr. Manan Shah	22,39,220	2.57	22,39,220	2.57	-
Ms. Chaitali Salot	12,55,620	1.44	12,55,620	1.44	-
Ms. Himani Shah	1,42,980	0.16	1,42,980	0.16	-
Late Shri Navnitlal R Shah Estate	1,29,460	0.15	1,29,460	0.15	-
Gurbarga Trading Co. Private Limited	2,520	0.01	2,520	0.01	-
Hemprabha Trading Co Private Limited	2,520	0.01	2,520	0.01	-

**d. Shares held by each shareholder holding more than five percent shares :**

Name of Shareholder	As at 31st March 2022		As at 31st March 2021	
	Nos.	% of holding	Nos.	% of holding
Ashapura Industrial Finance Limited	1,41,61,612	15.48	95,14,331	10.94
Mr. Chetan Navnitlal Shah	1,35,43,814	14.80	1,35,43,814	15.57
Ms. Dina Chetan Shah	92,02,360	10.06	92,02,360	10.58
Albula Investment Fund Limited	72,57,017	7.93	78,57,345	9.03

**e. Rights, preferences and restrictions attached to shares :**

The company has one class of equity shares having a face value of ₹ 2 each ranking pari pasu in all respect including voting rights and entitlement to dividend. Each holder of equity shares is entitled to one vote per share. Dividend proposed by the board of directors and approved by the shareholders in the annual general meeting is paid to the shareholders.

**Note 15**

**Other equity**

Particulars	(Indian ₹ in lacs)	
	31st March 2022	31st March 2021
<b><u>Capital Redemption Reserve</u></b>		
Balance at the beginning of the year	1.00	1.00
Additions during the year	-	-
Balance at the end of the year	1.00	1.00
<b><u>Securities Premium Account</u></b>		
Balance at the beginning of the year	17,734.59	17,734.59
Additions during the year	1,347.75	-
Balance at the end of the year	19,082.34	17,734.59
<b><u>Retained earnings</u></b>		
Balance at the beginning of the year	(15,164.68)	(20,727.79)
Profit/(loss) for the year	(1,565.42)	5,563.11
Final dividend , declared and paid during the year	(457.43)	-
Transfer to general reserve	-	-
Balance at the end of the year	(17,187.53)	(15,164.68)
<b><u>Other components of equity</u></b>		
Remeasurement of defined benefit plans	(68.32)	7.32
Gains on investments in equity instruments	-	491.46
	(68.32)	498.78
<b>Total other equity</b>	<b>1,827.49</b>	<b>3,069.69</b>

**Capital redemption reserve:** The Company has created capital redemption reserve from distributable profit upon redemption of preference shares in the past years.

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**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

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2022	31st March 2021	31st March 2022	31st March 2021
<b>Secured</b>				
Term loans from banks and others	4,216.22	6,745.95	-	-
Current maturities of long-term debt	-	-	2,529.73	1,812.05
	<u>4,216.22</u>	<u>6,745.95</u>	<u>2,529.73</u>	<u>1,812.05</u>
<b>Unsecured</b>				
Inter corporate deposits	-	-	100.00	-
	-	-	<u>100.00</u>	-
<b>Total borrowings</b>	<u><b>4,216.22</b></u>	<u><b>6,745.95</b></u>	<u><b>2,629.73</b></u>	<u><b>1,812.05</b></u>

Note: Term loans 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, pledged of shares held by some of the directors and also against personal guarantees of some of the directors.

## Note 17

### Other financial liabilities

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2022	31st March 2021	31st March 2022	31st March 2021
Interest accrued and due on borrowings	-	-	16.63	-
Unpaid dividend	-	-	11.67	-
Derivatives and other claims payable	-	-	2,500.00	2,500.00
Payables towards services received	-	-	67.57	100.93
<b>Total other financial liabilities</b>	<u>-</u>	<u>-</u>	<u><b>2,595.87</b></u>	<u><b>2,600.93</b></u>





**Note 18**  
**Provisions**

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2022	31st March 2021	31st March 2022	31st March 2021
Provision for leave encashment	77.28	81.94	22.95	19.45
Provision for minning restoration	555.16	546.09	-	-
Provision for bonus	-	-	64.51	66.67
Provision for gratuity	48.30	-	86.81	38.60
Provision for royalty	-	-	17.82	17.82
<b>Total provisions</b>	<b>680.74</b>	<b>628.03</b>	<b>192.09</b>	<b>142.54</b>

**Note 19**  
**Other liabilities**

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2022	31st March 2021	31st March 2022	31st March 2021
Advances from customers	-	-	3,667.62	3,240.72
Statutory liabilities	-	-	80.63	88.14
Shipping claims payable	22,723.99	25,668.16	13,250.00	8,620.00
Other liabilities	-	-	347.61	831.68
<b>Total other liabilities</b>	<b>22,723.99</b>	<b>25,668.16</b>	<b>17,345.86</b>	<b>12,780.54</b>

\*investment in equity share as stated in note no. 5 are pledged with one of the creditors

**Note 20**  
**Trade payables**

(Indian ₹ in lacs)

Particulars	Current	
	31st March 2022	31st March 2021
Trade payables		
Total outstanding dues of Micro and Small Enterprises	-	-
Total outstanding dues of creditors other than Micro and Small Enterprises	10,604.41	11,676.34
<b>Total trade payables</b>	<b>10,604.41</b>	<b>11,676.34</b>

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## 20.1 Trade payables ageing schedule:

( Indian ₹ in lacs)

Particular	Not Due	Outstanding for the following period from due date of payments				Total
		Less than 1 year	1 - 2 years	2 - 3 years	> 3 years	
<b>31st March, 2022</b>						
Outstanding dues to MSME	-	-	-	-	-	-
Others	6,120.48	2,334.74	29.94	348.53	1,770.72	10,604.41
<b>Total....</b>	<b>6,120.48</b>	<b>2,334.74</b>	<b>29.94</b>	<b>348.53</b>	<b>1,770.72</b>	<b>10,604.41</b>
<b>31st March, 2021</b>						
Outstanding dues to MSME	-	-	-	-	-	-
Others	3,548.36	5,810.73	463.80	434.93	1,418.52	11,676.34
<b>Total....</b>	<b>3,548.36</b>	<b>5,810.73</b>	<b>463.80</b>	<b>434.93</b>	<b>1,418.52</b>	<b>11,676.34</b>

## Note 21

### Revenue from operations

(Indian ₹ in lacs)

Particulars	2021-2022	2020-2021
<b>Sale of Products</b>		
Export sales	48,226.56	30,717.56
Domestic sales	9,505.16	10,107.94
	<b>57,731.72</b>	<b>40,825.50</b>
<b>Other Operating Revenue</b>		
Research & development fees receipts	578.70	200.69
Other operating income	1,504.70	1,122.51
<b>Total revenue from operations</b>	<b>59,815.12</b>	<b>42,148.70</b>

## Note 22

### Other income

(Indian ₹ in lacs)

Particulars	2021-2022	2020-2021
Interest receipts	186.92	265.47
Dividend receipts	142.74	277.65
Profit on sale of investments (net)	1.63	13.09
Profit on sale of property, plant & equipment (net)	32.78	-
Lease rent receipts	425.40	373.83
Gain on foreign currency fluctuation	436.63	229.77
Sundry balances/excess provisions written back (net)	1,267.55	885.05
Miscellaneous income	153.58	106.44
<b>Total other income</b>	<b>2,647.23</b>	<b>2,151.30</b>

**Note 23****Cost of materials consumed**

(Indian ₹ in lacs)

Particulars	2021-2022	2020-2021
<b>Raw materials consumed</b>		
Opening stock	1,174.45	961.08
Add: Purchases	4,043.67	5,147.04
Less: Closing stock	(1,007.95)	(1,174.45)
	<u>4,210.17</u>	<u>4,933.67</u>
<b>Packing materials consumed</b>		
Opening stock	219.74	153.08
Add: Purchase and direct expenses	679.44	557.30
Less: Closing stock	(225.00)	(219.74)
	<u>674.18</u>	<u>490.64</u>
Rent and royalty	50.04	93.52
Mining expenses	122.85	94.54
<b>Total cost of material consumed</b>	<u><b>5,057.24</b></u>	<u><b>5,612.37</b></u>

**Note 24****Changes in inventories**

(Indian ₹ in lacs)

Particulars	2021-2022	2020-2021
<b>Closing Stock</b>		
Finished goods	2,686.39	2,526.30
Stock-in-trade	5,269.53	5,226.16
Semi finished goods	1,669.89	2,098.57
	<u>9,625.81</u>	<u>9,851.03</u>
<b>Opening Stock</b>		
Finished goods	2,526.30	1,600.19
Stock-in-trade	5,226.16	5,186.43
Semi finished goods	2,098.57	2,228.04
	<u>9,851.03</u>	<u>9,014.66</u>
<b>Changes in inventories</b>	<u><b>225.22</b></u>	<u><b>(836.37)</b></u>

**Note 25****Employee benefit expenses**

(Indian ₹ in lacs)

Particulars	2021-2022	2020-2021
Salaries, wages, allowances and bonus	2,226.68	1,828.07
Directors' remuneration	138.33	98.94
Contribution to provident fund & other welfare funds	140.20	208.15
Staff welfare expenses	143.07	113.70
<b>Total employee benefit expenses</b>	<u><b>2,648.28</b></u>	<u><b>2,248.86</b></u>

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## Note 26

### Finance costs

Particulars	(Indian ₹ in lacs)	
	2021-2022	2020-2021
Interest		
Banks	-	-
Income tax	0.05	0.18
Others	3,007.13	3,448.28
	3,007.18	3,448.46
Other borrowing costs	3.79	-
<b>Total finance costs</b>	<b>3,010.97</b>	<b>3,448.46</b>

## Note 27

### Depreciation and amortisation expenses

Particulars	(Indian ₹ in lacs)	
	2021-2022	2020-2021
Property, plant and equipment	1,808.78	1,970.29
Investment properties	126.82	36.39
Intangible assets	16.44	15.92
<b>Total depreciation and amortisation</b>	<b>1,952.04</b>	<b>2,022.60</b>

## Note 28

### Other expenses

Particulars	(Indian ₹ in lacs)	
	2021-2022	2020-2021
<b>Manufacturing expenses</b>		
Power and fuel	2,638.74	2,101.31
Machinery repairs and maintenance	90.41	75.83
Stores and spares	673.60	491.27
Carriage inward	34.63	18.97
Other expenses	853.40	908.67
	4,290.78	3,596.05
<b>Selling and distribution expenses</b>		
Sales Commission	196.83	-
Export freight and insurance	15,169.93	6,818.35
Export custom duty	0.40	16.24
Export and other shipment expenses	3,049.55	2,198.50
	18,416.71	9,033.09
<b>Administrative and other expenses</b>		
Advertisement and business promotion	38.31	17.45
Rent	81.85	62.62
Rates and taxes	55.56	103.50
Repairs to buildings and others	108.66	71.01
Insurance premiums	117.11	121.06
Travelling expenses	90.89	69.83
Bank discount, commission and other charges	39.48	28.94
Legal and professional fees	292.49	317.20
Payment to auditors	53.70	53.49
Directors sitting fees	17.50	21.50
Loss on sale of property, plant & equipment (net)	-	33.85
Corporate social responsibility expenses	341.01	151.50
Donations	0.45	6.39
Miscellaneous expenses	616.97	652.30
	1,853.98	1,710.64
<b>Total other expenses</b>	<b>24,561.47</b>	<b>14,339.78</b>



Expenditure towards Corporate Social Responsibility (CSR) activities

1. Amount required to be spent u/s 135(5) of the Companies Act 2013	328.89	146.89
2. Amount spent in cash during the year		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	341.01	151.50
3. (Excess)/Shortfall at the end of the year	(12.12)	(4.61)
4. Nature of CSR activities	Education, healthcare, women empowerment, promotion of arts	

Payments to auditors

Audit fees (including quarterly limited review)	46.30	44.50
Tax audit fees	6.00	6.00
Other services	1.40	2.75
Reimbursement of expenses	-	0.24
	<u>53.70</u>	<u>53.49</u>

**Note 29**

Earning per share

Particulars	2021-2022	2020-2021
Profit for the year (Indian ₹ in lacs)	(1,565.42)	5,563.11
Weighted average number of shares (Nos)	8,96,61,440	8,69,86,098
Diluted number of shares (Nos)	8,96,61,440	9,00,29,058
Earnings per share (Basic) ₹	(1.75)	6.40
Earnings per share (Diluted) ₹	(1.75)	6.18
Face value per share ₹	<u>2.00</u>	<u>2.00</u>

**Note 30**

Fair value measurement

i) Financial instruments by category :

( Indian ₹ in lacs )

Particulars	31st March 2022				31st March 2021			
	FVPL	FVOCI	Amortised cost	Fair value	FVPL	FVOCI	Amortised cost	Fair value
<b>Financial assets</b>								
Investments	-	3,951.45	3,951.45	-	516.46	3,860.07	4,376.53	
Trade receivables	-	15,416.73	15,416.73	-	-	21,349.87	21,349.87	
Loans - non-current	-	5,101.78	5,101.78	-	-	1,249.31	1,249.31	
Loans - current	-	5.49	5.49	-	-	3.33	3.33	
Other financial assets - non-current	-	1,116.52	1,116.52	-	-	1,745.59	1,745.59	
Other financial assets - current	-	166.74	166.74	-	-	262.90	262.90	
Cash and cash equivalents	-	910.10	910.10	-	-	1,064.23	1,064.23	
Other bank balances	-	382.65	382.65	-	-	640.19	640.19	
<b>Total financial assets</b>	-	<u>27,051.46</u>	<u>27,051.46</u>	-	<u>516.46</u>	<u>30,175.49</u>	<u>30,691.95</u>	

# Ashapura Minechem Limited

## Financial liabilities

<b>Borrowings</b>								
Long term borrowings	-	-	4,216.22	4,216.22	-	-	6,745.95	6,745.95
Short term borrowings	-	-	2,629.73	2,629.73	-	-	1,812.05	1,812.05
Trade payables	-	-	10,604.41	10,604.41	-	-	11,676.34	11,676.34
Other financial liabilities - non-current	-	-	-	-	-	-	-	-
Other financial liabilities -current	-	-	2,595.87	2,595.87	-	-	2,600.93	2,600.93
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>20,046.23</b>	<b>20,046.23</b>	<b>-</b>	<b>-</b>	<b>22,835.27</b>	<b>22,835.27</b>

## 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 2022

( Indian ₹ in lacs )

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial investment at FVOCI</b>				
Investment in equity shares (unquoted)	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### Financial assets measured at fair value - recurring fair value measurements at 31st March 2021

( Indian ₹ in lacs )

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial investment at FVOCI</b>				
Investment in equity shares (unquoted)	-	-	516.46	516.46
<b>Total</b>	<b>-</b>	<b>-</b>	<b>516.46</b>	<b>516.46</b>

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 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 indetermination asset included in level 3.



## Note 31

### Financial risk management

The Company's activities expose it to credit risk, liquidity risk and market risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, financial assets and trade receivables	Credit ratings, Aging analysis, credit evaluation	Diversification of counter parties, investment limits, check on counter parties basis credit rating and number of overdue days
Liquidity risk	Borrowings, trade payables and other liabilities	Maturity analysis	Maintaining sufficient cash/cash equivalents and marketable securities
Market risk	Financial assets and liabilities not denominated in INR	Sensitivity analysis	Constant evaluation and proper risk management policies

The Board provides guiding principles for overall risk management as well as policies covering specific areas such as foreign exchange risk, credit risk and investment of surplus liquidity.

#### A. Credit risk

Credit risk refers to the risk of a counter party default on its contractual obligation resulting into a financial loss to the Company. The maximum exposure of the financial assets represents trade receivables, work in progress and receivables from group companies and others.

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
<b>Financial Assets</b>			
Investments	-	3,951.45	3,951.45
Loans	5.49	5,101.78	5,107.27
Trade receivables	15,416.73	-	15,416.73
Cash and cash equivalents	910.10	-	910.10
Other bank balances	382.65	-	382.65
Other financial assets	166.74	1,116.52	1,283.26
<b>Total financial assets</b>	<b>16,881.71</b>	<b>10,169.75</b>	<b>27,051.46</b>
<b>Financial Liabilities</b>			
Long term borrowings	-	4,216.22	4,216.22
Short term borrowings	2,629.73	-	2,629.73
Trade payables	10,604.41	-	10,604.41
Other financial liabilities	2,595.87	-	2,595.87
<b>Total financial liabilities</b>	<b>15,830.01</b>	<b>4,216.22</b>	<b>20,046.23</b>

# Ashapura Minechem Limited

## Liquidity exposure as on 31st March 2021

### Financial Assets

Investments	-	4,376.53	4,376.53
Loans	3.33	1,249.31	1,252.64
Trade receivables	21,349.87	-	21,349.87
Cash and cash equivalents	1,064.23	-	1,064.23
Other bank balances	640.19	-	640.19
Other financial assets	262.90	1,745.59	2,008.49
<b>Total financial assets</b>	<b>23,320.52</b>	<b>7,371.43</b>	<b>30,691.95</b>

### Financial Liabilities

Long term borrowings	-	6,745.95	6,745.95
Short term borrowings	1,812.05	-	1,812.05
Trade payables	11,676.34	-	11,676.34
Other financial liabilities	2,600.93	-	2,600.93
<b>Total financial liabilities</b>	<b>16,089.32</b>	<b>6,745.95</b>	<b>22,835.27</b>

## C. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in foreign currency exchange rates, interest rates, credit, liquidity and other market changes.

The Company has several balances in foreign currency and consequently, the Company is exposed to foreign exchange risk. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies, to the extent possible.

### a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings, wherever possible.

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.

### c) Exposure in foreign currency - unhedged

Currency	( respective foreign currencies in lacs)	
	31st March, 2022	31st March, 2021
<b>Receivables</b>		
USD	200.08	203.77
EURO	13.47	11.97
<b>Payables</b>		
USD	103.19	21.09
EURO	2.18	1.44
AED	1.02	12.86
<b>Loans to overseas subsidiaries</b>		
USD	18.07	17.04





#### 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.

Particulars	Currency	Change in rate	Effect on profit before tax
31 March 2022	USD	+5%	435.70
	USD	-5%	(435.70)
31 March 2021	USD	+5%	729.98
	USD	-5%	(729.98)
31 March 2022	EURO	+5%	47.53
	EURO	-5%	(47.53)
31 March 2021	EURO	+5%	45.17
	EURO	-5%	(45.17)

#### Note 32

##### Capital management

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

The Company's capital management objective is to maximise the total shareholder returns by optimising cost of capital through flexible capital structure that supports growth. Further, the Company attempts to ensure optimal credit risk profile to maintain/enhance credit rating.

The Company determines the amount of capital required on the basis of annual operating plan and long-term strategic plans. The funding requirements are met through internal accruals and long-term/short-term borrowings. The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

The following table summarises the capital of the Company:

Particulars	( Indian ₹ in lacs )	
	As at 31st March 2022	31st March 2021
Total debt	6,845.95	8,558.00
Total equity	3,657.21	5,168.85
Total debt to equity ratio	1.87	1.66

##### Dividends

Dividends recognised in the financial statements	( Indian ₹ in lacs )	
	31st March 2022	31st March 2021
Final dividend for the year ended 31st March, 2021 of ₹ 0.50 per equity share	457.43	-
Dividends not recognised in the financial statements		
Directors have recommended the payment of final dividend of ₹ 0.50 (0.50) per share. The proposed dividend is subject to the approval of the shareholders in the ensuing general meeting	457.43	457.43

# Ashapura Minechem Limited

## Note 33

### Exceptional items represents:

( Indian ₹ in lacs )

No.	Particulars	31st March 2022	31st March 2021
1	Excess/(additional) liabilities in respect of settlement with creditors (net)	-	1,933.22

## Note 34

### Contingent Liabilities

( Indian ₹ in lacs )

No.	Particulars	31st March 2022	31st March 2021
1	Guarantees to banks against credit facilities extended to subsidiary companies	4,181.15	4,980.00
2	Guarantees to banks against credit facilities extended to associate companies	3,200.00	3,200.00
3	Guarantees given by the Company to various Government Authorities	4,246.63	4,383.25
4	In respect of Contract remaining to be executed	54.30	157.06
5	In respect of Taxation Matters	2,701.63	2,843.42
6	In respect of disputed VAT and service tax matters	278.37	278.37
7	Shipping claims against the Company not acknowledged as debt	6,038.01	5,368.00
8	Other claims against the Company not acknowledged as debt	4,553.85	4,559.23
9	In respect of other matters	18.68	21.68
	<b>Total....</b>	<b>25,272.62</b>	<b>25,791.01</b>

## Note 35

### Employee benefits

#### Funded Scheme - Gratuity

Liability for employee gratuity has been determined by an actuary, appointed for the purpose, in conformity with the principles set out in the Indian Accounting Standard 19 the details of which are as hereunder. The Company makes contributions to approved gratuity fund.

( Indian ₹ in lacs )

No.	Particulars	31st March 2022	31st March 2021
	<b>Amount recognised in balance sheet</b>		
	Present value of funded defined benefit obligation	713.23	597.06
	Fair value of plan assets	578.12	558.46
	<b>Net unfunded obligation/(surplus assets)</b>	<b>135.11</b>	<b>38.60</b>
	<b>Expense recognised in the statement of profit and loss</b>		
	Current service cost	34.48	33.44
	Prior period - Change in limit	-	76.60
	Interest on net defined benefit asset	2.62	(7.16)
	<b>Total expense charged to profit and loss Account</b>	<b>37.10</b>	<b>102.88</b>
	<b>Amount recorded as other comprehensive income</b>		
	Opening amount recognised in OCI outside profit & loss Account	7.32	52.24
	Remeasurements during the period due to:		
	Changes in financial assumptions	(71.93)	(35.76)
	Actual return on plan assets less interest on plan assets	(3.71)	(9.16)
	<b>Closing amount recognised in OCI outside profit &amp; loss account</b>	<b>(68.32)</b>	<b>7.32</b>
	<b>Reconciliation of net liability/(asset)</b>		
	<b>Opening net defined benefit liability/(asset)</b>	<b>38.60</b>	<b>(104.24)</b>
	Expense charged to profit and loss account	37.10	102.88
	Net liabilities transfer out (net)	(4.85)	-
	Amount recognised outside profit and loss account	75.64	44.92
	Employer contributions	(11.38)	(4.96)
	<b>Closing net defined benefit liability/(asset)</b>	<b>135.11</b>	<b>38.60</b>



### Movement in benefit obligation

<b>Opening of defined benefit obligation</b>	<b>597.06</b>	<b>573.19</b>
Current service cost	34.48	33.44
Prior period - Change in limit	-	76.59
Interest on defined benefit obligation	40.60	39.38
Net liabilities transfer out (net)	(4.85)	-
Actuarial loss/(gain) arising from change in Demographic assumptions	(0.22)	-
Actuarial loss/(gain) arising from change in financial assumptions	(15.23)	2.47
Benefits paid from the fund	(25.98)	(161.30)
Actuarial loss/(gain) on obligation	87.37	33.29
<b>Closing of defined benefit obligation</b>	<b>713.23</b>	<b>597.06</b>

### Movement in plan assets

<b>Opening fair value of plan assets</b>	<b>558.46</b>	<b>677.43</b>
Return on plan assets excluding interest income	(3.71)	(9.16)
Interest income	37.98	46.54
Contributions by employer	11.37	4.95
Benefits paid	(25.98)	(161.30)
<b>Closing of defined benefit obligation</b>	<b>578.12</b>	<b>558.46</b>

### Principal actuarial assumptions

Discount Rate	7.23	6.80
Salary escalation rate p.a.	7.23	6.80
Future salary increase	5.00	5.00
Rate of employee turnover	4.00	4.00

### Sensitivity analysis for significant assumption is as shown below:

( Indian ₹ in lacs )

No.	Particulars	31st March 2022	31st March 2021
1	Discount Rate - 1% increase	(32.73)	(33.42)
	Discount Rate - 1% decrease	36.60	37.55
2	Salary - 1% increase	37.05	37.85
	Salary - 1% decrease	(33.70)	(34.27)
3	Employee Turnover - 1% increase	4.86	3.99
	Employee Turnover - 1% decrease	(5.36)	(4.42)

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

( Indian ₹ in lacs )

No.	Particulars	31st March 2022	31st March 2021
1	Within the next 12 months (next annual reporting period)	205.20	111.09
2	Between 2 and 5 years	198.32	173.17
3	Beyond 5 years	716.18	698.15

# Ashapura Minechem Limited

## Note 36

### Details of Income and Expenditure on Research and Development:

( Indian ₹ in lacs )

Particulars	2021-2022	2020-2021
Salaries, wages, allowances and bonus	264.55	225.72
Contribution to employee benefit funds	10.16	9.78
Staff welfare expenses	4.46	2.65
Machinery repairs and maintenance	9.60	11.95
Laboratory analysis and other expenses	69.82	99.62
Other selling expenses	3.04	5.46
Travelling expenses	0.61	0.61
Rent	14.52	14.52
Building and other repairs	12.05	15.48
Advertisement and business promotion	0.01	0.17
Legal and professional fees	10.28	14.37
Sundry balances written off	-	0.04
Payment to auditors	0.30	0.30
Insurance premiums	0.17	0.17
Loss on foreign currency fluctuation	-	0.00
General expenses	38.13	31.15
	437.70	431.99
Material cost	-	0.48
Depreciation	96.14	88.91
	533.84	521.38
<b>Less:</b>		
Receipt from research activities	578.70	200.69
Interest income	0.03	0.03
Other operational income	-	-
	578.73	200.72
<b>Net surplus/(deficit)</b>	<b>44.89</b>	<b>(320.66)</b>
<b>Capital expenditure</b>	<b>90.50</b>	<b>183.75</b>



**Note 37**

As per Ind AS 24, Disclosure of transactions with related parties (as identified by the management) as defined in Ind AS are given below:

Sr No.	Particulars	Country of incorporation
<u>(i) Subsidiary companies</u>		
1	Ashapura Alumium Limited	India
2	Ashapura Boff Bauxite SA	Guinea
3	Ashapura Claytech Limited	India
4	Ashapura Consultancy Services Private Limited	India
5	Ashapura Fareast Acticlays Sdn Bhd <sup>1</sup>	Malaysia
6	Ashapura Farest MPA Sdn Bhd <sup>1</sup>	Malaysia
7	Ashapura Global Infratech SARLU	Guinea
8	Ashapura Guinea Resources SARL	Guinea
9	Ashapura Holdings Fareast Pte Ltd	Singapore
10	Ashapura Holdings (UAE) FZE	UAE
11	Ashapura International Limited	India
12	Ashapura Midgulf NV <sup>2</sup>	Belgium
13	Ashapura Minechem (UAE) FZE	UAE
14	Ashapura Minex Resources SAU	Guinea
15	Ashapura Resources Private Limited	India
16	Bombay Minerals Limited	India
17	FAKO Resources SARL	Guinea
18	Peninsula Property Developers Private Limited	India
19	Prashansa Ceramics Limited	India
20	PT Ashapura Bentoclay Fareast	Indonesia
21	Sharda Consultancy Private Limited	India
22	Societe Guineenne des Mines de Fer	Guinea
<u>(ii) Joint ventures and associates</u>		
23	APL Valueclay Private Limited	India
24	Ashapura Arcadia Logistic Private Limited	India
25	Ashapura Dhofar Resources LLC	Oman
26	Ashapura Fareast Acticlays Sdn Bhd <sup>3</sup>	Malaysia
27	Ashapura Farest MPA Sdn Bhd <sup>3</sup>	Malaysia
28	Ashapura Midgulf NV <sup>4</sup>	Belgium
29	Ashapura Perfoclay Limited	India
30	Orient Abrasives Limited	India
31	Orient Advanced Materials Private Limited <sup>5</sup>	India
32	Shantilal Multiport Private Limited <sup>6</sup>	India
33	Sohar Ashapura Chemicals LLC <sup>7</sup>	Oman
<u>(iii) Entities controlled/significantly influenced by directors</u>		
34	Aeon Procure Private Limited <sup>13</sup>	India
35	Aeonx Digital Private Limited <sup>13</sup>	India
36	Altage Stone Crushing Industries	India
37	Ambica Logistics Private Limited	India
38	Ashapura Exports Private Limited	India
39	Ashapura Foundation	India
40	Ashapura Overeas Private Limited	India
41	Ashok Alco-chem Limited <sup>13</sup>	India

# Ashapura Minechem Limited

42	Chetan N Shah - HUF	India
43	Kutch Navniraman Trust	India
44	Manico Resources Private Limited	India
45	Minologistic Corporation	India
46	Minotech Resources LLP	India
47	Minotrans Logistic Corporation	India
48	Sharda Industrial Corporation	India

## (iv) Key managerial personnel

49	Mr. Chetan Shah	Executive Chairman
50	Mr. Hemul Shah	Excutive Director & CEO
51	Mr. Harish Motiwala	Independent Director
52	Mr. Ashok Kadakia	Independent Director
53	Mr. Abhilash Munsif	Independent Director
54	Mr. Pundrik Sanyal	Independent Director
55	Ms Himani Shah	Non Independent Director
56	Mrs. Navita Gaiha <sup>8</sup>	Independent Director
57	Mrs. Neeta Shah <sup>9</sup>	Independent Director
58	Mr. Sachin Polke	Company Secretary & Vice President
59	Mr. Ashish Desai	Chief Financial Officer
60	Ms. Surekha Sathe <sup>10</sup>	Vice President - Information Technology
61	Mr. Akhilesh Kumar Sinha <sup>11</sup>	Vice President - Human Resources
62	Mr. Sandeep Deshpande <sup>12</sup>	Group Head - Human Resources and Administration

## (v) Relatives of key managerial personnel

63	Ms. Dina Shah
64	Ms Chaitali Salot
65	Mr. Manan Shah

<sup>1</sup> w.e.f. 18<sup>th</sup> October, 2021

<sup>2</sup> w.e.f. 3<sup>rd</sup> May, 2021

<sup>3</sup> upto 17<sup>th</sup> October, 2021

<sup>4</sup> upto 2<sup>nd</sup> May, 2021

<sup>5</sup> w.e.f. 4<sup>th</sup> June, 2021

<sup>6</sup> w.e.f. 23<sup>rd</sup> August, 2021

<sup>7</sup> upto 17<sup>th</sup> May, 2021

<sup>8</sup> upto 10<sup>th</sup> June, 2020

<sup>9</sup> w.e.f. 11<sup>th</sup> November, 2020

<sup>10</sup> upto 30<sup>th</sup> June, 2020

<sup>11</sup> upto 9<sup>th</sup> July, 2021

<sup>12</sup> w.e.f. 25<sup>th</sup> June, 2021

<sup>13</sup> w.e.f. 23<sup>rd</sup> December, 2020

( Indian ₹ in lacs )

Nature of transaction	Relationship	Year ended 31st March 2022	Year ended 31st March 2021
<b>1. Sales of materials</b>			
Ashapura International Limited	Subsidiary	2,206.07	2,544.28
Bombay Minerals Limited	Subsidiary	103.77	378.73
Ashapura Perfoclay Limited	Joint Venture	237.99	2,228.83
Minotech Resources LLP	Entity controlled/significantly influenced by directors	48.20	91.54
Societe Guineenne Des Mines De Fer	Subsidiary	1,422.22	-
Ashapura Overseas Private Limited	Entity controlled/significantly influenced by directors	-	0.43



( Indian ₹ in lacs )			
Nature of transaction	Relationship	Year ended 31st March 2022	Year ended 31st March 2021
Ashapura Holdings ( UAE) FZE	Subsidiary	-	581.61
Ashapura Midgulf NV	Subsidiary	1,541.31	1,684.69
Orient Advanced Materials Private Limited	Associate	0.42	-
Ashapura Minex Resources	Subsidiary	879.79	-
APL Valueclay Private Limited	Joint Venture	3.81	-
Orient Abrasives Limited	Associate	896.24	774.24
<b>Total...</b>		<b>7,339.82</b>	<b>8,284.35</b>
<b>2. Sale of property, plant &amp; equipment</b>			
Ashapura Dhofar Resources LLC	Associate	42.34	-
<b>3. Purchase of materials</b>			
Bombay Minerals Limited	Subsidiary	246.62	97.20
Ashapura International Limited	Subsidiary	634.17	3,234.59
Societe Guineenne Des Mines De Fer	Subsidiary	6,838.93	9,304.28
Minotech Resources LLP	Entity controlled/significantly influenced by directors	-	126.96
Ashapura Holdings ( UAE) FZE	Subsidiary	14,145.50	2.90
Ashapura Perfoclay Limited	Joint Venture	534.61	135.61
Ashok Alcochem Limited	Associate	762.38	-
Ashapura Claytech Limited	Subsidiary	4.91	-
Orient Abrasives Limited	Associate	4.81	137.21
<b>Total...</b>		<b>23,171.93</b>	<b>13,038.75</b>
<b>4. Interest received</b>			
Ashapura Minechem (UAE) FZE	Subsidiary	77.23	76.40
Bombay Minerals Limited	Subsidiary	13.33	-
Ashapura International Limited	Subsidiary	17.50	-
<b>Total...</b>		<b>108.06</b>	<b>76.40</b>
<b>5. Lease rent paid</b>			
Ashapura International Limited	Subsidiary	14.52	14.52
Bombay Minerals Limited	Subsidiary	0.60	0.60
<b>Total...</b>		<b>15.12</b>	<b>15.12</b>
<b>6. Reimbursement of administrative expenses received/(paid)</b>			
Ashapura Claytech Limited	Subsidiary	32.31	5.05
Ashapura Consultancy Services Private Limited	Subsidiary	1.83	0.09
Ashapura International Limited	Subsidiary	1,296.13	410.41
Bombay Minerals Limited	Subsidiary	21.91	(74.40)
Peninsula Property Developers Private Limited	Subsidiary	1.33	0.03
Sharda Consultancy Services Private Limited	Subsidiary	2.63	0.01
Ashapura Resources Private Limited	Subsidiary	-	0.15
Ashapura Aluminum Limited	Subsidiary	-	0.03
Ashapura Overseas Private Limited	Entity controlled/significantly influenced by directors	(0.07)	0.04
Orient Abrasives Limited	Associate	5.59	19.07
APL Valueclay Private Limited	Joint Venture	4.18	1.02
Ashok Alcochem Limited	Associate	(26.91)	-
Ashapura Perfoclay Limited	Joint Venture	100.79	476.26
<b>Total...</b>		<b>1,439.72</b>	<b>837.76</b>

# Ashapura Minechem Limited

			( Indian ₹ in lacs )		
Nature of transaction	Relationship	Year ended 31st March 2022	Year ended 31st March 2021		
<u>7. Corporate Social Responsibility</u>					
Kutch Navnirman Trust	Entity controlled/significantly influenced by directors	250.00	105.00		
Ashapura Foundation	Entity controlled/significantly influenced by directors	65.00	45.00		
<b>Total...</b>		<b>315.00</b>	<b>150.00</b>		
<u>8. Selling expenses</u>					
Ashapura Midgulf NV	Subsidiary	50.01	-		
Ambica Logistics Private Limited	Entity controlled/significantly influenced by directors	50.96	179.14		
<b>Total...</b>		<b>100.97</b>	<b>179.14</b>		
<u>9. Export sales commission</u>					
Ashapura Holding (UAE) FZE	Subsidiary	178.90	-		
Ashapura Midgulf NV	Subsidiary	0.73	-		
<b>Total...</b>		<b>179.63</b>	<b>-</b>		
<u>10. Rent received</u>					
Ashapura International Limited	Subsidiary	206.86	212.23		
Ashapura Overseas Private Limited	Entity controlled/significantly influenced by directors	1.20	1.20		
Ashapura Resources Private Limited	Subsidiary	-	1.50		
Orient Abrasives Limited	Associate	9.00	9.15		
Orient Advanced Materials Private Limited	Associate	4.79	0.00		
Bombay Minerals Limited	Subsidiary	2.99	6.08		
<b>Total...</b>		<b>224.84</b>	<b>230.15</b>		
<u>11. Loans granted</u>					
Ashapura International Limited	Subsidiary	2,100.00	-		
Bombay Minerals Limited	Subsidiary	1,600.00	-		
<b>Total...</b>		<b>3,700.00</b>	<b>-</b>		
<u>12. R &amp; D charges receipts</u>					
Ashapura International Limited	Subsidiary	400.00	-		
Ashapura Perfoclay Limited	Joint Venture	175.00	200.00		
<b>Total...</b>		<b>575.00</b>	<b>200.00</b>		
<u>13. Stores, Spares &amp; Packing Materials Purchases</u>					
Ashapura Perfoclay Limited	Joint Venture	51.06	0.72		
APL Valueclay Private Limited	Joint Venture	-	1.15		
Minotech Resources LLP	Entity controlled/significantly influenced by directors	270.86	259.05		
Ashapura International Limited	Subsidiary	-	3.44		
Ashapura Clytech Limited	Subsidiary	18.36	-		
Orient Abrasives Limited	Associate	7.34	-		
<b>Total...</b>		<b>347.62</b>	<b>264.36</b>		
<u>14. Operational Income</u>					
Ashapura Guinea Resources SARL	Subsidiary	143.15	102.39		





( Indian ₹ in lacs )			
Nature of transaction	Relationship	Year ended 31st March 2022	Year ended 31st March 2021
<b>15. Guarantee Commission Receipts</b>			
Ashapura Perfoclay Limited	Joint Venture	32.00	32.00
Ashapura International Limited	Subsidiary	12.50	18.00
Bombay Minerals Limited	Subsidiary	29.30	31.80
<b>Total...</b>		<b>73.80</b>	<b>81.80</b>
<b>16. Dividend Received</b>			
Ashapura Perfoclay Limited	Joint Venture	134.50	268.99
Bombay Minerals Limited	Subsidiary	5.45	5.45
<b>Total...</b>		<b>139.95</b>	<b>274.44</b>
<b>17. Royalty</b>			
Chetan N Shah - HUF	Entity controlled/significantly influenced by directors	<b>130.58</b>	93.65
<b>18. Sundry balances written back</b>			
Ashok Alco-chem Limited	Entity controlled/significantly influenced by directors	-	303.10
<b>19. Software maintenance expenses</b>			
Aeonx Digital Private Limited	Entity controlled/significantly influenced by directors	94.20	24.55
<b>20. Purchase of assets</b>			
Ashapura Claytech Limited	Subsidiary	123.76	-
<b>Outstanding Balances:</b>			
<b>1. Trade receivables</b>			
Ashapura International Limited	Subsidiary	718.20	1,979.49
Bombay Minerals Limited	Subsidiary	59.46	1,236.51
Ashapura Holdings ( UAE) FZE	Subsidiary	1.02	0.98
Ashapura Exports Private Limited	Entity controlled/significantly influenced by directors	385.58	385.58
Ashapura Midgulf NV	Subsidiary	941.94	1,026.68
Ashapura Overseas Private Limited	Entity controlled/significantly influenced by directors	264.14	262.79
Minotech Resources LLP	Entity controlled/significantly influenced by directors	148.76	100.56
Ashapura Minex Resources	Subsidiary	904.77	-
Orient Advanced Materials Private Limited	Associate	1.33	-
Societe Guineenne Des Mines De Fer	Subsidiary	1,467.26	-
Ashapura Claytech Limited	Subsidiary	0.01	-
Manico Resources Private Limited	Entity controlled/significantly influenced by directors	2.50	2.50
Ashapura Dhofar Resources LLC	Associate	47.11	3.41
APL Valueclay Private Limited	Joint Venture	0.35	0.42
Ashapura Resources Private Limited	Subsidiary	-	124.61
Orient Abrasives Limited	Associate	75.35	413.52
Ashapura Guinea Resources SARL	Subsidiary	332.02	185.03
<b>Total...</b>		<b>5,349.80</b>	<b>5,722.08</b>

# Ashapura Minechem Limited

			( Indian ₹ in lacs )	
Nature of transaction	Relationship	Year ended 31st March 2022	Year ended 31st March 2021	
<b>2. Security deposit</b>				
Ashapura International Limited	Subsidiary	1.00	1.00	
Ashapura Claytech Limited	Subsidiary	50.00	50.00	
Sharda Industrial Corporation	Entity controlled/significantly influenced by directors	45.00	45.00	
<b>Total...</b>		<b>96.00</b>	<b>96.00</b>	
<b>3. Trade payables</b>				
Ashapura Holdings ( UAE) FZE	Subsidiary	-	25.24	
Societe Guineenne Des Mines De Fer	Subsidiary	618.70	3,930.45	
Ambica Logistics Private Limited	Entity controlled/significantly influenced by directors	-	15.17	
Minotech Resources LLP	Entity controlled/significantly influenced by directors	188.17	100.07	
Ashapura Midgulf NV	Subsidiary	157.22	160.20	
Chetan N Shah - HUF	Entity controlled/significantly influenced by directors	58.75	-	
Ashok Alco-chem Limited	Entity controlled/significantly influenced by directors	798.68	721.57	
Ashapura Perfoclay Limited	Joint Venture	762.25	1,618.30	
<b>Total...</b>		<b>2,583.77</b>	<b>6,571.00</b>	
<b>4. Other liabilities</b>				
Ashapura Holdings ( UAE) FZE	Subsidiary	169.17	-	
<b>5. Trade advances</b>				
Ashapura Claytech Limited	Subsidiary	-	209.35	
Bombay Minerals Limited	Subsidiary	1,773.47	1,795.08	
Manico Resources Private Limited	Entity controlled/significantly influenced by directors	52.32	52.32	
Ambica Logistics Private Limited	Entity controlled/significantly influenced by directors	35.93	-	
Mino Trans Logistics	Entity controlled/significantly influenced by directors	117.04	128.94	
Altage Stone Crushing Industries	Entity controlled/significantly influenced by directors	448.16	446.00	
Minologistics Corporation	Entity controlled/significantly influenced by directors	46.74	46.74	
Ashapura International Limited	Subsidiary	-	999.61	
Aeon Procure Private Limited	Entity controlled/significantly influenced by directors	0.12	-	
Ashapura Holding (UAE) FZE	Subsidiary	677.93	-	
<b>Total...</b>		<b>3,151.71</b>	<b>3,678.04</b>	
<b>6. Loans granted</b>				
Ashapura Minechem (UAE) FZE	Subsidiary	1,369.91	1,245.48	
Ashapura International Limited	Subsidiary	2,115.75	-	
Bombay Minerals Limited	Subsidiary	1,612.00	-	
<b>Total...</b>		<b>5,097.66</b>	<b>1,245.48</b>	



			( Indian ₹ in lacs )	
Nature of transaction	Relationship	Year ended 31st March 2022	Year ended 31st March 2021	
<b>7. Advances from customers</b>				
Ashapura Perfoclay Limited	Joint Venture	1,397.96	-	
Ashapura Minechem (UAE) FZE	Subsidiary	-	192.98	
Ashapura Farest MPA Sdn Bhd	Subsidiary	0.70	0.70	
	<b>Total...</b>	<b>1,398.66</b>	<b>193.68</b>	
<b>Key management personnel and relatives</b>				
<b>1. Remuneration</b>				
Mr. Chetan Shah	Executive Chairman	84.00	60.00	
Mr. Hemul Shah	Executive Director & CEO	54.33	38.94	
Others		149.46	192.17	
	<b>Total...</b>	<b>287.79</b>	<b>291.11</b>	
<b>2. Sitting fees</b>				
Mr. Harish Motiwala	Independent director	4.00	5.00	
Mr. Ashok Kadakia	Independent director	2.00	4.00	
Mr. Abhilash Munsif	Independent director	4.00	5.00	
Mr. Pundrik Sanyal	Independent director	4.00	5.00	
Mrs. Himani Shah	Non-independent director	2.00	2.00	
Mrs. Neeta Shah	Independent director	1.50	-	
Mrs. Navita Gaiha	Independent director	-	0.50	
	<b>Total...</b>	<b>17.50</b>	<b>21.50</b>	
<b>3. Reimbursement of expenses paid</b>				
Ms. Surekha Sathe	Vice President - Information Technology	-	1.79	
Mr. Ashish Desai	Chief Financial Officer	8.95	8.95	
Mr. Akhileshkumar Sinha	Vice President - Human Resources	2.45	8.95	
Mr. Sachin Polke	Company Secretary & Vice President	8.95	8.95	
Mr. Sandeep Deshpande	Group Head - Human Resources and Administration	1.44	-	
Mr. Hemul Shah	Excutive Director & CEO	10.39	10.39	
	<b>Total...</b>	<b>32.18</b>	<b>39.03</b>	

### 38. Additional Regulatory Information

Additional Regulatory Information pursuant to clause 6L of General Instructions for preparation of Balance Sheet as given in Part I of Division II of Schedule III to the Companies Act, 2013, are given hereunder to the extent relevant and other than those given elsewhere in any other notes to the financial Statement.

#### a. Ratio

No.	Particulars	Numerator	Denominator	As at 31st March,		Variance	Reason for variance, if more than 25%
				2022	2021		
1	Current Ratio (in times)	Current assets	Current liabilities	1.18	1.47	(20.12)	
2	Debt-Equity Ratio (in times)	Total debt	Shareholders' equity	1.87	1.66	13.06	
3	Debt Service Coverage Ratio (in times)	Earning available for service debt	Interest costs, lease payments, repayment of long-term borrowings	0.42	2.76	(84.61)	Decrease in profit

## Ashapura Minechem Limited

4	Return on Equity Ratio (%)	Net profit after taxes	Average shareholder's equity	(0.35)	2.30	(115.41)	Decrease in profit
5	Inventory Turnover Ratio (No. of days)	Net sales	Average inventory	73.56	100.30	(26.66)	Increase in sales
6	Trade Receivables Turnover Ratio (No. of days)	Net operating revenue	Average trade receivables	112.18	140.37	(20.08)	
7	Trade Payables Turnover Ratio (No. of days)	Net credit purchases	Average trade payables	117.49	134.92	(12.92)	
8	Net Capital Turnover Ratio (in times)	Net operating revenue	Working capital	10.06	2.95	240.54	Decrease in working capital
9	Net Profit Ratio (%)	Net profit	Operating revenue	(0.03)	0.13	(119.83)	Decrease in profit
10	Return on Capital Employed (%)	Earning before interest and taxes	Capital employed	0.14	0.73	(81.17)	Decrease in profit
11	Return on Investments (%)	Income generated from invested funds	Average invested funds	0.03	0.07	(47.61)	Decrease in dividend receipts

- b. The title deeds of all immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under property, plant and equipment are held in the name of the Company as at the balance sheet date.
- c. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- d. The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- e. The Company has not been declared as a wilful defaulter by any lender who has powers to declare a company as a wilful defaulter at any time during the financial year or after the end of reporting period but before the date when the financial statements are approved.
- f. The Company does not have any transactions with struck-off companies.
- g. The Company has used the borrowings from financial institutions and others for the specific purpose for which it was obtained.
- h. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act 2013 read with Companies (Restrictions on number of Layers) Rules, 2017.
- i. The company has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities(intermediaries), with the understanding that the intermediary shall;
  - i. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries), or
  - ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- j. The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall;
  - i. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate beneficiaries), or
  - ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- k. The Company does not have any transactions which is not recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 ( such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- l. The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets.
- m. The Company does not have any charges or satisfaction which is yet to be registered with the Registrar of Companies (ROC) beyond the statutory period.



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39. The Company has converted 45,00,000 share warrants into equity shares of ₹ 2 each to promoter group on preferential basis at a price of ₹ 31.95 per equity share on 12th August, 2021. Accordingly, share capital of the Company has been increased to that extent.
40. 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.
41. All the amounts have been stated in Indian ₹ in lacs, unless otherwise stated.
42. Previous year's figures has regrouped and rearranged, wherever necessary.

Signatures to Notes No. 1 to 42

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As per our report of even date

**For P A R K & COMPANY**  
**Chartered Accountants**

Sd/-  
**PRASHANT VORA**  
**Partner**  
Mumbai  
May 30, 2022

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

Sd/-  
**CHETAN SHAH**  
Executive Chairman  
Sd/-  
**ASHISH DESAI**  
Chief Financial Officer  
Mumbai  
May 30, 2022

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



**NOTES**

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## CONSOLIDATED FINANCIAL STATEMENTS

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# Ashapura Minechem Limited

## INDEPENDENT AUDITOR'S REPORT

To  
The Members of  
**ASHAPURA MINECHEM LIMITED**

### Report on the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of **Ashapura Minechem Limited** ("the Holding Company") and its subsidiaries (the Holding 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 31<sup>st</sup> March 2022, 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 31<sup>st</sup> March 2022 and their consolidated profit, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

#### Emphasis of Matter

Attention is invited to the fact that one of the overseas joint venture, Ashapura Dhofar Resources LLC has accumulated loss of Rs. 1,952.03 lacs as on March 31, 2022. This condition indicates the existence of material uncertainty that may cast significant doubts over this joint venture's ability to continue as a going concern. However, since the management is hopeful of providing necessary financial support and resuming activities in near future, these financial statements have been prepared on a going concern basis. Our opinion is not modified in respect of this matter.

#### Key audit matters

Key audit matters are those matters that, in our professional judgment were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in our forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Key Audit Matter	How our audit addressed the Key Audit Matter
<p><b>Revenue Recognition</b> Revenue is one of the key profit drivers and is, therefore, susceptible to misstatement. Cut-off is the key assertion in so far as revenue recognition is concerned, since inappropriate cut-off can result in material misstatement of results for the year.</p>	<p>We carried out testing controls around dispatches and deliveries, inventory reconciliation and substantive testing for cut-offs and analytical review procedures.</p>
<p><b>Assessment of litigations and related disclosure of contingent liabilities</b> The Holding Company is subject to large number of various ongoing legal and tax related claims as stated under note no. 36 – Contingent Liabilities.</p>	<p>We understood, assessed and tested the operating effectiveness of key controls surrounding assessment of litigations and discussed with the management the recent developments and the status of the material litigations;</p>
<p>Significant judgment is required to assess such matters to determine the probability of occurrence of material outflow of economic resources and whether a provision should be recognized or a disclosure should be made. The management judgment is also supported with legal advice in certain cases as considered appropriate.</p>	<p>We evaluated management's assessment by understanding precedents set in similar cases and assessed the reliability of the management's past estimates and judgments;</p>
<p>As the ultimate outcomes of the matters are uncertain and material in nature, it is considered to be a Key Audit Matter.</p>	<p>We reviewed the disclosures made by the Holding 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 Holding 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 consolidated financial statements and auditor's report thereon. The Board's Report and other information are expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the aforesaid reports and information, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance.





### Management's Responsibility for the Consolidated Financial Statements

The Holding 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 Holding 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.

### Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is high level of assurance, but is not a guarantee that audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatements of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of the internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates & joint ventures to continue as going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group, associates and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosure, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates & joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

We did not audit the financial statements of twenty-two subsidiaries, whose financial statements reflect total assets of ₹ 2,64,396.43 lacs as at 31<sup>st</sup> March 2022 and Gross revenues of ₹ 1,37,777.08 lacs and net profit after tax (including other comprehensive loss) ₹ 12,115.63 lacs for the year then ended, and of six associates and three joint ventures, whose financial statements reflect the Holding Company's share of net loss of ₹ 196.60 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

# Ashapura Minechem Limited

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. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/"the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of the respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Holding Company, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said respective companies included in the consolidated financial statements except following:

Sr. No.	Name of the Company	CIN	Nature of Relationship	Clause number of the CARO report which is qualified or is adverse
1	Ashapura Minechem Limited	L14108MH1982PLC026396	Holding Company	(iii)(c), (v)
2	APL Value-clay Private Limited	U14100GJ2006PTC048632	Joint Venture	(vii)(a)
3	Ashapura Aluminum Limited	U27203GJ2007PLC051421	Subsidiary	(xvii)
4	Ashapura International Limited	U14108MH1989PLC054664	Subsidiary	(iii)(e), (v)
5	Bombay Minerals Limited	U14100GJ1953PLC000699	Subsidiary	(iii)(b), (v), (xvii)
6	Orient Abrasives Limited	L24299MH1971PLC366531	Associate	(vii)(a)
7	Orient Advanced Materials Private Limited	U26100GJ2006PTC047900	Associate	(ix)(d), (xvii)
8	Prashansa Ceramics Limited	U51909GJ1995PLC028159	Subsidiary	(xvii)

2. As required by section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of subsidiaries, associates and joint ventures as noted in the "Other Matters" paragraph above, we report, to extent possible, that:

- 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;
- 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;
- 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;
- In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under section 133 of the Act;
- On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2022 and taken on record by the Board of Directors of the Holding Company and the reports of auditors of its subsidiaries, associates and joint ventures incorporated in India, none of the directors of the Group companies is disqualified as on 31<sup>st</sup> March 2022, from being appointed as a director in terms section 164(2) of the Act.
- With respect to the adequacy of internal financial controls over financial reporting of the Holding 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.
- In our opinion and to the best of our information and according to the explanations given to us and according to the reports of the statutory auditors of the subsidiaries, associates and joint ventures, remuneration paid by the Holding Company and its subsidiaries, associates and joint ventures incorporated in India, to its directors during the year is in accordance with the provisions of section 197 read with schedule V of the Act.
- With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:
  - The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates and joint ventures;
  - The Group and its associates and joint ventures did not have any material foreseeable losses on long-term contracts including derivatives contracts;
  - There has been no delay in transferring the amounts, required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiaries, associates and joint ventures incorporated in India.
  - a. The respective managements of the Holding Company and its subsidiaries, has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or



any other sources or kind of funds) by the Holding Company or subsidiaries to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or subsidiaries ("Ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

b. The respective managements of the Holding company and its subsidiaries, other than as disclosed in the notes to the accounts, no funds have been received by the Holding Company or subsidiaries from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

c. Based on such audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above, contain any material misstatement.

- v. The dividend declared or paid during the year by the Holding Company and its subsidiaries, associates and joint ventures incorporated in India, to the extent applicable, is in compliance with section 123 of the Act.

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

**PRASHANT VORA**  
Partner  
Membership No. 034514  
UDIN: 22034514AJXZLD2173

Mumbai  
May 30, 2022

## **ANNEXURE – A TO THE INDEPENDENT AUDITOR'S REPORT** (Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

We have audited the internal financial controls over financial reporting of **Ashapura Minechem Limited** ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and associates and joint ventures which are incorporated in India as of 31<sup>st</sup> March, 2022 In conjunction with our audit of the consolidated financial statements of the Holding Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding 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 Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Group's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on internal financial controls system over financial reporting of the Group, its associates and joint ventures incorporated in India.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that -

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the

# Ashapura Minechem Limited

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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 31<sup>st</sup> March, 2022, based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

## **Other Matters**

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal controls over financial reporting in so far as it relates to subsidiaries, associates and joint ventures incorporated in India which have been audited by other auditors, is based solely on the corresponding reports of the auditors of such companies. Our opinion is not modified in respect of this matter.

### **For P A R K & COMPANY**

Chartered Accountants  
FRN: 116825W

### **PRASHANT VORA**

Partner  
Membership No. 034514  
UDIN: 22034514A5XZLD2173

Mumbai  
May 30, 2022



## CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2022

Particulars	Note No.	As at 31st March 2022	(Indian ₹ in lacs) As at 31st March 2021
<b>ASSETS:</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2	43,380.12	42,230.62
Right of use assets	3	334.34	100.32
Capital work in progress	2	25,429.62	20,410.47
Investment properties	4	228.00	233.91
Intangible assets	5	6,088.42	6,054.22
Goodwill		3,914.34	4,069.40
Financial assets			
Investments in joint ventures	6	13,635.81	15,169.94
Investments in associates	6	13,150.78	13,331.95
Other investments	6	2.07	518.53
Loans	7	2,828.91	2,901.77
Other financial assets	8	3,212.40	3,517.83
Deferred tax assets	9	1,405.71	1,092.79
Other non-current assets	10	82.78	534.81
		<b>1,13,693.30</b>	<b>1,10,166.56</b>
<b>Current Assets</b>			
Inventories	11	41,357.45	28,909.86
Financial assets			
Investments	6	-	-
Trade receivables	12	31,034.65	28,844.65
Cash and cash equivalents	13	2,634.83	3,543.89
Other bank balances	14	662.25	884.87
Loans	7	83.01	15.93
Other financial assets	8	6,754.69	3,723.03
Current tax assets (net)	15	10,508.68	11,811.38
Other current assets	10	35,701.73	35,430.03
		<b>1,28,737.29</b>	<b>1,13,163.64</b>
<b>Total Assets</b>		<b>2,42,430.59</b>	<b>2,23,330.20</b>
<b>EQUITY AND LIABILITIES:</b>			
<b>Equity</b>			
Equity share capital	16	1,829.72	1,739.72
Other equity	17	50,293.43	41,333.50
Money received against share warrants	42	-	359.44
Non-controlling interest		(19.69)	(21.19)
		<b>52,103.46</b>	<b>43,411.47</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial Liabilities			
Borrowings	18	52,894.17	55,221.72
Lease liabilities		132.38	28.52
Other financial liabilities	19	-	-
Provisions	20	1,348.51	1,243.67
Other non-current liabilities	21	22,773.99	25,668.16
		<b>77,149.05</b>	<b>82,162.07</b>
<b>Current liabilities</b>			
Financial Liabilities			
Borrowings	18	10,733.23	11,102.52
Lease liabilities		187.52	91.65
Trade payables	22	-	-
Total outstanding dues of Micro and Small Enterprises		627.66	1.64
Total outstanding dues of creditors other than Micro and Small Enterprises		34,742.16	36,621.06
Other financial liabilities	19	6,887.29	5,226.95
Other current liabilities	21	48,541.93	31,927.81
Current tax liabilities (net)	15	10,023.03	11,374.53
Provisions	20	1,435.26	1,410.50
		<b>1,13,178.08</b>	<b>97,756.66</b>
<b>Total Liabilities</b>		<b>2,42,430.59</b>	<b>2,23,330.20</b>

The accompanying notes are integral part of these financial statements.

As per our report of even date

For and on behalf of the Board of Directors

**For P A R K & COMPANY**  
Chartered Accountants

Sd/-  
**CHETAN SHAH**  
Executive Chairman

Sd/-  
**HEMUL SHAH**  
Executive Director & Chief Executive officer

Sd/-  
**PRASHANT VORA**  
Partner

Sd/-  
**ASHISH DESAI**  
Chief Financial Officer

Sd/-  
**SACHIN POLKE**  
Company Secretary & Vice President

Mumbai  
May 30, 2022

Mumbai  
May 30, 2022

# Ashapura Minechem Limited

## STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2022

		(Indian ₹ in lacs)	
Particulars	Note No.	2021-2022	2020-2021
<b>REVENUE:</b>			
Revenue from operations	23	1,27,784.31	1,14,811.24
Other income	24	9,559.76	6,079.15
<b>Total Income</b>		<b><u>1,37,344.07</u></b>	<b><u>1,20,890.39</u></b>
<b>EXPENSES:</b>			
Cost of materials consumed	25	32,493.26	25,951.79
Purchases of traded goods		13,320.38	10,302.63
Changes in inventories	26	(9,787.82)	(4,941.05)
Employee benefits expenses	27	9,838.53	8,464.63
Finance costs	28	5,544.90	5,272.84
Depreciation and amortisation expenses	29	5,812.83	4,496.11
Other expenses	30	71,981.55	63,524.61
<b>Total Expenses</b>		<b><u>1,29,203.63</u></b>	<b><u>1,13,071.56</u></b>
<b>Profit before exceptional item, share of net profit of investments accounted for using the equity method and tax</b>		<b><u>8,140.45</u></b>	<b><u>7,818.83</u></b>
Share of net profit of joint ventures & associates accounted for using the equity method		1,638.71	1,262.63
<b>Profit before exceptional items</b>		<b><u>9,779.16</u></b>	<b><u>9,081.46</u></b>
Exceptional items	35	-	1,933.22
<b>Profit before tax</b>		<b><u>9,779.16</u></b>	<b><u>11,014.68</u></b>
Tax expenses			
Current tax	15	1,361.87	313.62
Earlier years' tax	15	91.53	1,604.59
Deferred tax		(327.48)	348.09
<b>Profit for the year</b>		<b><u>8,653.24</u></b>	<b><u>8,748.38</u></b>
<b>Other Comprehensive income</b>			
Items that will not be reclassified to profit or loss			
a. Remeasurements of defined benefit plans		(82.44)	(67.50)
b. Gains on investments in equity instruments classified as FVOCI		(491.45)	(14.53)
c. Tax impacts on above		1.49	3.44
Items that may be reclassified to profit or loss			
d. Exchange differences on foreign currency translation		(9.73)	131.30
<b>Other comprehensive income for the year</b>		<b><u>(582.13)</u></b>	<b><u>52.71</u></b>
<b>Total Comprehensive Income for the year</b>		<b><u>8,071.11</u></b>	<b><u>8,801.09</u></b>
<b>Profit for the year attributable to:</b>			
Owners of the Parent		8,651.74	8,748.24
Non-controlling interests		1.50	0.14
		<b><u>8,653.24</u></b>	<b><u>8,748.38</u></b>
<b>Other Comprehensive Income for the year attributable to:</b>			
Owners of the Parent		(582.13)	52.67
Non-controlling interests		-	0.04
		<b><u>(582.13)</u></b>	<b><u>52.71</u></b>
<b>Total Comprehensive Income for the year attributable to:</b>			
Owners of the Parent		8,069.61	8,800.91
Non-controlling interests		1.50	0.18
		<b><u>8,071.11</u></b>	<b><u>8,801.09</u></b>
Basic earning per share	31	9.65	10.06
Diluted earning per share	31	9.65	9.72
Face value per share		2.00	2.00

The accompanying notes are integral part of these financial statements.

As per our report of even date

For and on behalf of the Board of Directors

**For P A R K & COMPANY**  
Chartered Accountants

Sd/-

**CHETAN SHAH**  
Executive Chairman

Sd/-

**HEMUL SHAH**  
Executive Director & Chief Executive officer

Sd/-

**PRASHANT VORA**  
Partner

Sd/-

**ASHISH DESAI**  
Chief Financial Officer

Sd/-

**SACHIN POLKE**  
Company Secretary & Vice President

Mumbai  
May 30, 2022

Mumbai  
May 30, 2022



## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2022

### A. SHARE CAPITAL

(Indian ₹ in lacs)

Particulars	31st March 2022	31st March 2021
At the beginning of the year	1,739.72	1,739.72
Changes in equity share capital during the year	90.00	-
At the end of the year	<b>1,829.72</b>	<b>1,739.72</b>

### B. OTHER EQUITY

(Indian ₹ in lacs)

Particulars	Other Comprehensive Income								
	Capital redemption reserve	Retained earnings	Securities premium	General reserve	Net gain/(loss) on fair value of equity instruments	Exchange differences on foreign currency translation of foreign operations	Net gain/(loss) on fair value of defined benefit plan	Other Equity Attributable to owners of Parents	Non-controlling Interest
<b>As at 1st April, 2020</b>	<b>3.90</b>	<b>13,716.67</b>	<b>17,734.59</b>	<b>1,500</b>	<b>505.98</b>	<b>(631.76)</b>	<b>(296.78)</b>	<b>32,532.59</b>	<b>(21.37)</b>
Profit for the year	-	8,748.24	-	-	-	-	-	8,748.24	0.14
Exchange differences on foreign currency translation	-	-	-	-	-	131.30	-	131.30	-
Other comprehensive income for the year	-	-	-	-	(14.53)	-	(64.10)	(78.63)	0.04
<b>As at 31st March, 2021</b>	<b>3.90</b>	<b>22,464.90</b>	<b>17,734.59</b>	<b>1,500.00</b>	<b>491.45</b>	<b>(500.46)</b>	<b>(360.88)</b>	<b>41,333.50</b>	<b>(21.19)</b>
Profit for the year	-	8,651.74	-	-	-	-	-	8,651.74	1.50
Exchange differences on foreign currency translation	-	-	-	-	-	(9.73)	-	(9.73)	-
Addition during the year	-	-	1,347.75	-	-	-	-	1,347.75	-
Other comprehensive income for the year	-	-	-	-	(491.45)	-	(80.95)	(572.40)	-
Dividend	-	(457.43)	-	-	-	-	-	(457.43)	-
<b>As at 31st March, 2022</b>	<b>3.90</b>	<b>30,659.21</b>	<b>19,082.34</b>	<b>1,500.00</b>	<b>-</b>	<b>(510.19)</b>	<b>(441.83)</b>	<b>50,293.43</b>	<b>(19.69)</b>

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

Mumbai  
May 30, 2022

Sd/-

**CHETAN SHAH**  
Executive Chairman

Sd/-

**ASHISH DESAI**  
Chief Financial Officer

Mumbai  
May 30, 2022

Sd/-

**HEMUL SHAH**  
Executive Director & Chief Executive officer

Sd/-

**SACHIN POLKE**  
Company Secretary & Vice President

# Ashapura Minechem Limited

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2022

(Indian ₹ in lacs)

Particulars	2021-2022	2020-2021	
<b>A CASH FLOW FROM OPERATING ACTIVITIES :</b>			
Net profit for the year	8,653.24	8,748.38	
Adjustments for -			
Depreciation and amortization	5,812.83	4,496.11	
Income tax expenses	1,125.92	2,266.30	
Loss / (profit) on sale of property, plant & equipment	(314.89)	(156.39)	
Share of profit from associate/joint venture	(1,638.71)	(1,262.63)	
Loss / (profit) on sale/disposal of investments	(1,404.31)	(13.09)	
Impairment loss/(profit) recognised on trade receivables (net)	(2,002.05)	(4,411.66)	
Exchange rate adjustments on foreign currency translation (net)	(9.73)	131.30	
Dividend	(2.79)	(0.60)	
Interest	3,362.53	3,556.49	
Operating profit before working capital changes	4,928.80	4,605.83	
Adjustments for -			
(Increase)/decrease in trade and other receivables	(2,690.02)	344.63	
(Increase)/decrease in other current and non-current assets	180.33	(20,129.40)	
(Increase)/decrease in inventories	(12,447.59)	(6,506.90)	
Increase/(decrease) in provisions	210.55	(1,576.41)	
Increase/(decrease) in other current and non-current liabilities	13,719.95	(8,221.33)	
Increase/(decrease) in trade and other payables	208.99	22,088.52	
Cash generated from operations	(817.79)	(14,000.89)	
Direct taxes paid	(1,502.20)	2,608.81	(1,351.49) (10,746.55)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>11,262.05</b>	<b>(1,998.17)</b>	



**B CASH FLOW FROM INVESTING ACTIVITIES :**

Payments for property, plant & equipment	(14,820.17)	(18,346.00)
Net cash flow on (purchase)/sale of investments	4,860.89	367.40
Proceeds from sale of property, plant & equipment	3,215.75	748.26
Dividend received	2.79	0.60
Interest received	446.74	452.42
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(6,294.00)</b>	<b>(16,777.32)</b>

**C CASH FLOW FROM FINANCING ACTIVITIES :**

Proceeds from borrowings	-	22,258.00
Repayments of borrowings	(2,696.84)	-
Proceeds from issue of share warrants	1,078.31	-
Dividend paid	(450.80)	-
Change in non-controlling interest	1.50	0.18
Interest paid	(3,809.27)	(4,008.91)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(5,877.10)</b>	<b>18,249.27</b>

<b>Net Increase in Cash and Cash Equivalents</b>	<b>(909.06)</b>	<b>(526.22)</b>
Cash and cash equivalents as at beginning of the year	3,543.89	4,070.11
Cash and cash equivalents as at end of the year	2,634.83	3,543.89

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

Mumbai  
May 30, 2022

Sd/-

**CHETAN SHAH**  
Executive Chairman

Sd/-

**ASHISH DESAI**  
Chief Financial Officer

Mumbai  
May 30, 2022

Sd/-

**HEMUL SHAH**  
Executive Director & Chief Executive officer

Sd/-

**SACHIN POLKE**  
Company Secretary & Vice President

# Ashapura Minechem Limited

## Notes forming part of the financial statements for the year ended 31<sup>st</sup> March 2022

### COMPANY INFORMATION

**Ashapura Minechem Limited** (the 'Holding 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 Holding Company are listed on Bombay Stock Exchange (BSE) as well as National Stock Exchange (NSE).

The consolidated financial statements were authorized for issue in accordance with the resolution of the Board of Directors on 30th May, 2022.

#### 1 BASIS OF PREPARATION, MEASUREMENT AND SIGNIFICANT ACCOUNTING POLICIES

##### 1.1 Basis of preparation and measurement

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 ("the Act") read together with Companies (Indian Accounting Standards) Rules, 2015, as applicable.

The consolidated financial statements have been prepared and presented under historical cost convention, on accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair value at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these consolidated 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 Holding Company's functional currency, and all the values are rounded to the nearest lacs except otherwise indicated.

##### 1.2 Basis for consolidation

- a. The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.
- b. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Holding Company. Where the end of the reporting period of the other group companies is different from that of the Holding Company, those companies prepare, for consolidation purpose, additional financial information as of the same date as the financial statements of the Holding Company to enable the Holding Company to consolidate the financial information of those companies, unless it is impracticable to do so.
- c. The consolidated financial statements present the consolidated accounts of the Holding Company, Ashapura Minechem Limited with its following subsidiaries, associates and joint ventures:

Particulars		Country of Incorporation	% voting power held as at 31 <sup>st</sup> March 2022 (either directly or through subsidiaries)	% voting power held as at 31 <sup>st</sup> March 2021 (either directly or through subsidiaries)
<b>Subsidiaries:</b>				
1	Ashapura Aluminum Limited	India	100.00	100.00
2	Ashapura Boff Bauxite SA	Guinea	100.00	100.00
3	Ashapura Claytech Limited	India	99.44	99.44
4	Ashapura Consultancy Service Private Limited	India	100.00	100.00
5	Ashapura Farest MPA Sdn Bhd*	Malasiya	100.00	-
6	Ashapura Farest Acticlays Sdn Bhd*	Malasiya	100.00	-
7	Ashapura Global Infratech - SARLU	Guinea	100.00	100.00
8	Ashapura Guinea Resources SARL	Guinea	100.00	100.00
9	Ashapura Holding Farest Pte Ltd	Singapore	100.00	100.00
10	Ashapura Holdings (UAE) FZE	UAE	100.00	100.00
11	Ashapura International Limited	India	100.00	100.00
12	Ashapura Midgulf NV*	Belguim	100.00	-
13	Ashapura Minechem (UAE) FZE	UAE	100.00	100.00
14	Ashapura Minex Resources SAU	Guinea	100.00	100.00
15	Ashapura Resources Private Limited	India	100.00	100.00
16	Bombay Minerals Limited	India	100.00	100.00
17	FAKO Resources SARL	Guinea	90.00	90.00



18	Peninsula Property Developers Private Limited	India	100.00	100.00
19	Prashansa Ceramics Limited	India	100.00	100.00
20	PT Ashapura Bentoclay Fareast	Indonesia	100.00	100.00
21	Sharda Consultancy Private Limited	India	100.00	100.00
22	Societe Guineenne des Mines de Fer	Guinea	100.00	100.00

\* associates/joint ventures in previous year

#### Joint Ventures:

1	APL Valueclay Private Limited	India	50.00	50.00
2	Ashapura Dhofar Resources LLC	Oman	70.00	70.00
3	Ashapura Midgulf NV	Belgium	-	50.00
4	Ashapura Perfoclay Limited	India	50.00	50.00
5	Sohar Ashapura Chemicals LLC	Oman	-	40.00

#### Associates:

1	Ashapura Arcadia Logistic Private Limited	India	50.00	50.00
2	Ashapura Fareast Acticlay Sdn Bhd	Malaysia	-	25.00
3	Ashapura Fareast MPA Sdn Bhd	Malaysia	-	25.00
4	Orient Abrasives Limited	India	31.76	31.76
5	Orient Advanced Materials Private Limited	India	31.76	-
6	Shantilal Multiport Private Limited	India	50.00	-

- d. Financial statements of all the entities have been drawn up to the year ended 31st March 2022 except for two overseas subsidiaries, Ashapura Fareast MPA Sdn Bhd – Malaysia and Ashapura Fareast Acticlay Sdn Bhd - Malaysia where the accounts are last drawn up to 31st December, 2021.

#### Subsidiaries

- A subsidiary is an entity over which the Holding Company has control. The Company controls an entity when the Holding 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 Holding Company.
- The Holding Company combines the financial statements of the Holding Company and its subsidiary companies on a line by line basis, adding together like items of assets, liabilities, equity, income and expenses. Inter-company transactions, balances and unrealized gains on transactions among the Group are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries are consistent with the policies adopted by the Holding Company.
- A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction. If the Holding Company loses control over a subsidiary, it derecognizes the assets, liabilities, carrying amount of any non-controlling interests and the cumulative translation differences recorded in equity.

#### Joint Venture Companies

- A joint venture is a joint arrangement whereby parties that have joint control of the arrangement have rights to the net assets of the arrangement. Interests in joint ventures are initially recognized at cost and thereafter accounted for using the equity method.
- Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses and other comprehensive income of the investee in the Statement of Profit and Loss and Other Comprehensive Income of the Group. Distributions received or receivable from joint ventures are recognized as a reduction in the carrying amount of the investment.
- Unrealized gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures.
- After application of the equity method, at each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there exists such evidences, the Group determines extent of impairment and then recognizes the loss in the statement of profit & loss.
- Upon loss of significant joint control over the joint venture, the Group measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the joint venture and the fair value of the retained investment and proceeds from the disposal is recognized in profit and loss.
- When the Group's share of losses exceeds the carrying value of the joint venture, the carrying value is reduced to nil and recognition of further losses is discontinued, except to the extent that the Group has incurred obligation in respect of the joint venture.

#### Associates

- 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.

# Ashapura Minechem Limited

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- b) The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.
- c) The Group's investments in its associate are accounted for using the equity method. Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognised changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investments and is not tested for impairment individually.
- d) The statement of profit & loss reflects the Group's share of the results of the operations of the associate. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group in the associate are eliminated to the extent of the interest in the associate.
- e) If Group share of losses of an associate exceeds its interest in the associate (which includes any long term interest that, in substance, form part of the Groups net investment in the associate ), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of the losses not recognised.
- f) After application of the equity method, the Group determines whether it is necessary to recognise in impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amounts of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss as 'share of profit of an associate' in the consolidated statement of profit & loss.
- g) Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence or joint control and the fair value retained investments and proceeds from its disposal is recognised in profit or loss.
- h) When the Group's share of losses exceeds the carrying value of the associate, the carrying value is reduced to nil and recognition of further losses is discontinued, except to the extent that the Group has incurred obligation in respect of the associate.

## **1.3 Significant accounting policies:**

### **a. System of accounting**

The Group follows mercantile system of accounting and recognises income and expenditure on an accrual basis except in case of significant uncertainties. These financial statements are prepared under the historical cost convention unless otherwise indicated.

### **b. Key accounting estimates**

The preparation of the financial statements, in conformity with the recognition and measurement principles of Ind AS, requires the management to make estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income, expenses and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

### **c. Current and Non Current Classification**

The Group presents assets and liabilities in the balance sheet based on current and non-current classification. Any asset or liability is classified as current if it satisfies any of the following conditions:

- It is expected to be settled in the Group's normal operating cycle;
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.
- It is held primarily for the purpose of being traded;
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- All other liabilities are classified as non-current.
- Deferred tax assets and liabilities are classified as non-current only.

### **d. Property, plant and equipment**

- (i) Property, plant and equipment are stated at historical cost of acquisition including attributable interest and finance costs, if any, till the date of acquisition/installation of the assets less accumulated depreciation and accumulated impairment losses, if any.
- (ii) Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the statement of profit and loss as incurred.



- (iii) The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the statement of profit and loss.
- (iv) Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.
- (v) The Group depreciates property, plant and equipment over the estimated useful life prescribed in Schedule II of the Companies Act, 2013 from the date the assets are ready for intended use after considering the residual value.
- (vi) Intangible assets mainly represent implementation cost for software and other application software acquired/developed for in-house use. These assets are stated at cost. Cost includes related acquisition expenses, related borrowing costs, if any, and other direct expenditure.
- (vii) Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.

**e. Investments properties**

- a) Property which is held for long-term rental or for capital appreciation or both is classified as investment property. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.
- b) Investment properties currently comprise of 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.

**f. Goodwill**

Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognised. Goodwill is initially measured at cost, being the excess of the consideration transferred over the net identifiable assets acquired and liabilities assumed, measured in accordance with Ind AS -103 Business Combination.

Goodwill is considered to have indefinite useful life and hence is not subject to amortisation but tested for impairment at least annually. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

**g. Investments and financial assets**

Financial assets are recognised when the Group becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value. In case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in the statement of profit or loss. In other cases, the transaction costs are attributed to the acquisition value of financial asset.

Financial assets are subsequently classified measured at –

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

Financial assets are not reclassified subsequent to their recognition except if and in the period the Group changes its business model for managing financial assets.

Financial asset is derecognised only when the Group has transferred the rights to receive cash flows from the financial asset. Where the entity has transferred the asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, financial asset is derecognised.

In accordance with Ind AS 109, the Group applies the expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets and credit risk exposures. The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition.

**h. Inventories**

- (i) Raw materials and stores and spares are valued at weighted average cost including all charges in bringing the materials to the present location.
- (ii) Finished and semi-finished goods are valued at the cost plus direct expenses and appropriate value of overheads or net realizable value, whichever is lower.
- (iii) Obsolete, slow moving and defective inventories are written off/valued at net realisable value during the year as per policy consistently followed by the Group.

# Ashapura Minechem Limited

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## **i. 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.

## **j. Trade receivables**

A receivable is classified as a trade receivable if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at fair value and subsequently measured net of any expected credit losses.

## **k. Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs.

## **l. Financial liabilities**

- a. Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.
- b. Financial liabilities are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Financial liabilities carried at fair value through profit and loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.
- c. Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or expires.

## **m. Trade payables**

A payable is classified as a trade payable if it is in respect of the amount due on account of goods purchased in the normal course of business. These amounts represent liabilities for goods provided to the Group prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

## **n. Revenue recognition**

- i. Revenue 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.
- 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.

## **o. Indirect taxes**

Purchased of goods and fixed assets are accounted for net of GST input credits. Custom duty paid on import of materials is dealt with in respective material accounts.

## **p. Mining expenses**

Expenses incurred on mining including removal of overburden of mines are charged to the profit & loss statement as mining cost on the basis of quantity of minerals mined during the year, overburden of removal and mining being carried out concurrently and relatively within a short period of time. Mining restoration expenses are annually reviewed and provided for.

## **q. Research and development expenses and receipts**

Revenue expenditure on research and development is charged against the profit for the year in which it is incurred. Capital expenditure on research and development is shown as an addition to the 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.



**r. Foreign currency transactions**

- (i) Items included in the financial statements are measured using the currency of primary economic environment in which the Group operates ("the functional currency"). The financial statements are presented in Indian Rupee (INR), which is the Holding Company's functional and presentation currency.
- (ii) Foreign currency transactions are initially recorded in the reporting currency at foreign exchange rate on the date of the transaction.
- (iii) Monetary items of current assets and current liabilities denominated in foreign currencies are reported using the closing rate at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.
- (iv) The gain or loss on decrease/increase in reporting currency due to fluctuations in foreign exchange rates are recognised in the statement of profit or loss.

**s. Employee benefit expenses**

- (i) Contributions to defined contribution schemes such as provident fund, employees' state insurance, labour welfare fund etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. These benefits are classified as defined contribution schemes as the Group has no further obligations beyond the monthly contributions.
- (ii) The Group provides for gratuity which is a defined benefit plan, the liabilities of which are determined based on valuations, as at the reporting date, made by an independent actuary using the projected unit credit method. Re-measurement comprising of actuarial gains and losses, in respect of gratuity are recognised in the other comprehensive income in the period in which they occur. The classification of the Company's obligation into current and non-current is as per the actuarial valuation report.
- (iii) The employees are entitled to accumulate leave subject to certain limits, for future encashment and availment, as per the policy of the Group. The liability towards such unutilised leave as at the end of each balance sheet date is determined based on independent actuarial valuation and recognised in the statement of profit and loss.

**t. Leases  
Group as Lessee**

The Group, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Group has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred.

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

**Group as lessor**

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

**u. Borrowing costs**

Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. Also, the effective interest rate amortisation is included in finance costs. Borrowing costs relating to acquisition, construction or production of a qualifying asset which takes substantial period of time to get ready for its intended use are added to the cost of such asset to the extent they relate to the period till such assets are ready to be put to use. All other borrowing costs are expensed in the statement of profit and loss in the period in which they occur.

**v. Impairment of non financial assets**

As at each reporting date, the Group assesses whether there is an indication that a non-financial asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, the Group determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through the statement of profit and loss.

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## w. Taxes on income

Income tax expense comprises current tax expense and the deferred tax during the year. Current and deferred taxes are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current income tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. In case of uncertainty of reversal of the deferred tax assets or when it is no longer probable that sufficient taxable profits will be available in the foreseeable future, deferred tax assets, as a matter of prudence, are not recognised.

The carrying amount of deferred tax is reviewed at each reporting date and measured at the tax rates that are expected to be applied to settled temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

## x. Provisions and contingent liabilities

The Group creates a provision when there is present obligation, legal or constructive, as a result of past events that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events. Contingent assets are neither recognised nor disclosed in the financial statements.

## y. Earnings per share

- a. 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.
- b. 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.

## z. Offsetting instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

## aa. Events after the reporting period

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue.

Non-adjusting events are events that are indicative of conditions that arose after end of the reporting period. Non-adjusting events after the reporting date are not accounted, but disclosed.

## bb. 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".





## Note 2

### Property, plant and equipment

(Indian ₹ in lacs)

Particulars	Land	Buildings	Plant & Equipment	Barges	Office Equipment	Furniture & Fixtures	Vehicles	Total
<b>Gross carrying value</b>								
<b>As at 1st April, 2020</b>	<b>2,156.32</b>	<b>34,604.47</b>	<b>38,152.74</b>	<b>75.98</b>	<b>1,433.62</b>	<b>6,655.26</b>	<b>29,547.13</b>	<b>1,12,625.52</b>
Additions	66.53	292.47	730.77	-	39.40	302.69	1,142.86	<b>2,574.72</b>
Disposals/transfer	(24.88)	(492.97)	(412.62)	-	(4.61)	(12.21)	(27.18)	<b>(974.47)</b>
Exchange difference on consolidation	(22.53)	(2,104.98)	(593.83)	-	-	(67.95)	(1,969.91)	<b>(4,759.20)</b>
<b>As at 31st March, 2021</b>	<b>2,175.44</b>	<b>32,298.99</b>	<b>37,877.06</b>	<b>75.98</b>	<b>1,468.41</b>	<b>6,877.79</b>	<b>28,692.90</b>	<b>1,09,466.57</b>
Additions/transfers*	31.06	5,507.26	4,219.86	-	95.09	293.90	190.24	<b>10,337.41</b>
Disposals/transfer	-	1,184.98	(6,096.33)	-	(9.49)	(3,547.22)	1,669.82	<b>(6,798.24)</b>
Exchange difference on consolidation	-	746.68	263.78	-	0.13	(6.57)	1,062.36	<b>2,066.38</b>
<b>As at 31st March, 2022</b>	<b>2,206.50</b>	<b>39,737.91</b>	<b>36,264.37</b>	<b>75.98</b>	<b>1,554.14</b>	<b>3,617.90</b>	<b>31,615.32</b>	<b>1,15,072.12</b>
<b>Accumulated depreciation</b>								
<b>As at 1st April, 2020</b>	-	<b>17,645.44</b>	<b>21,246.72</b>	<b>74.64</b>	<b>1,313.05</b>	<b>3,770.82</b>	<b>22,444.14</b>	<b>66,494.81</b>
Depreciation charged	-	441.42	2,851.61	-	40.56	130.93	665.70	<b>4,130.22</b>
Disposals/transfers*	-	(176.93)	(173.40)	-	(2.77)	(5.38)	(24.11)	<b>(382.59)</b>
Exchange difference on consolidation	-	(47.84)	(1,880.91)	-	-	(31.63)	(1,046.11)	<b>(3,006.49)</b>
<b>As at 31st March, 2021</b>	-	<b>17,862.09</b>	<b>22,044.02</b>	<b>74.64</b>	<b>1,350.84</b>	<b>3,864.74</b>	<b>22,039.62</b>	<b>67,235.95</b>
Depreciation charged	-	842.51	2,562.00	-	44.56	190.53	1,793.44	<b>5,433.04</b>
Transfer*	-	293.79	1,920.17	-	14.81	(1,742.62)	1,002.56	<b>1,488.71</b>
Disposals	-	(278.08)	(3,524.74)	-	(12.23)	(20.08)	(62.22)	<b>(3,897.35)</b>
Exchange difference on consolidation	-	554.91	34.44	-	0.01	16.44	825.85	<b>1,431.65</b>
<b>As at 31st March, 2022</b>	-	<b>19,275.22</b>	<b>23,035.89</b>	<b>74.64</b>	<b>1,397.99</b>	<b>2,309.01</b>	<b>25,599.25</b>	<b>71,692.00</b>
<b>Net carrying value</b>								
<b>As at 31st March, 2021</b>	<b>2,175.44</b>	<b>14,436.90</b>	<b>15,833.04</b>	<b>1.34</b>	<b>117.57</b>	<b>3,013.05</b>	<b>6,653.28</b>	<b>42,230.62</b>
<b>As at 31st March, 2022</b>	<b>2,206.50</b>	<b>20,462.69</b>	<b>13,228.48</b>	<b>1.34</b>	<b>156.15</b>	<b>1,308.89</b>	<b>6,016.07</b>	<b>43,380.12</b>

\* includes transfers from subsidiaries acquired during the year

### Capital work in progress ageing schedule:

Particulars	Capital work in progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>31st March, 2022</b>					
Projects in progress	3,338.38	10,675.05	11,328.16	-	<b>25,341.59</b>
Projects temporarily suspended	-	-	7.55	80.48	<b>88.03</b>
	<b>3,338.38</b>	<b>10,675.05</b>	<b>11,335.71</b>	<b>80.48</b>	<b>25,429.62</b>
<b>31st March, 2021</b>					
Projects in progress	12,818.22	7,504.23	-	-	<b>20,322.45</b>
Projects temporarily suspended	-	-	21.05	66.97	<b>88.02</b>
	<b>12,818.22</b>	<b>7,504.23</b>	<b>21.05</b>	<b>66.97</b>	<b>20,410.47</b>

There are no projects which are overdue for completion or has exceeded its cost as compared to the original plan.

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## Note 3

### Right of use assets

	( Indian ₹ in lacs )	
Particulars	Building	Total
<b>Gross carrying value</b>		
<b>As at 31st March, 2020</b>	198.74	198.74
Additions	-	-
Disposals	-	-
<b>As at 31st March, 2021</b>	<b>198.74</b>	<b>198.74</b>
Additions	369.68	369.68
Disposals	(56.75)	(56.75)
<b>As at 31st March, 2022</b>	<b>511.67</b>	<b>511.67</b>
<b>Accumulated depreciation</b>		
<b>As at 31st March, 2020</b>	<b>13.97</b>	<b>13.97</b>
Depreciation charged	84.45	84.45
<b>As at 31st March, 2021</b>	<b>98.42</b>	<b>98.42</b>
Depreciation charged	90.46	90.46
Additions/transfers*	19.37	19.37
Disposals	(30.92)	(30.92)
<b>As at 31st March, 2022</b>	<b>177.33</b>	<b>177.33</b>
<b>Net carrying value</b>		
<b>As at 31st March, 2021</b>	<b>100.32</b>	<b>100.32</b>
<b>As at 31st March, 2022</b>	<b>334.34</b>	<b>334.34</b>

\*includes transfers from subsidiaries acquired during the year.

### Leases - Company as a lessee

(a) Set out below, are the carrying amount of the company's right-of-use assets and lease liabilities and the movements during the period:

	(Indian ₹ in lacs)	
Particulars	Lease liabilities	Right to use of assets
<b>As at April 1, 2021</b>	120.17	100.32
Amortisation for the year	-	90.46
Addition during the year	363.62	343.85
Interest expense	17.87	-
Payments	181.76	-
<b>As at March 31, 2022</b>	<b>319.90</b>	<b>334.34</b>

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

	(Indian ₹ in lacs)	
Particulars	31st March, 2022	31st March, 2021
Amortisation expense of right-of-use assets	90.46	84.45
Interest expense on lease liability	17.87	8.23
Lease expense- short term and lease of low value assets	675.33	534.02
	<b>783.66</b>	<b>626.70</b>



#### Note 4

##### Investment Properties

(Indian ₹ in lacs)

Particulars	Building	Total
<b>Gross carrying value</b>		
<b>As at 1st April, 2020</b>	<b>308.68</b>	<b>308.68</b>
Additions /transfer	-	-
Disposals	-	-
<b>As at 31st March, 2021</b>	<b>308.68</b>	<b>308.68</b>
Additions /transfer	-	-
Disposals	-	-
<b>As at 31st March, 2022</b>	<b>308.68</b>	<b>308.68</b>
<b>Accumulated depreciation</b>		
<b>As at 1st April, 2020</b>	<b>68.86</b>	<b>68.86</b>
Depreciation charged	5.91	5.91
Disposals/transfers	-	-
<b>As at 31st March, 2021</b>	<b>74.77</b>	<b>74.77</b>
Depreciation charged	5.91	5.91
Disposals	-	-
<b>As at 31st March, 2022</b>	<b>80.68</b>	<b>80.68</b>
<b>Net Carrying Amount</b>		
As at 31st March, 2021	<b>233.91</b>	<b>233.91</b>
<b>As at 31st March, 2022</b>	<b>228.00</b>	<b>228.00</b>

##### i) Amount recognised in profit for investment properties

(Indian ₹ in lacs)

Particulars	31st March 2022	31st March 2021
<b>Rental income</b>	<b>48.00</b>	<b>36.00</b>
Direct operating expenses	-	-
Gain from investment properties before depreciation	<b>48.00</b>	<b>36.00</b>
Depreciation	5.91	5.91
Gain from investment properties	<b>42.09</b>	<b>30.09</b>

##### ii) Contractual obligations

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

##### iii) Fair Value

The fair value of the Investment Property as at March 31, 2022 has been arrived at on the basis of a valuation carried out by independent valuers registered with the authority which governs the valuers in India. All fair value estimates for investment properties are included in Level 2. Fair valuation of the investment properties as on 31st March, 2022 is ₹ 950.34 lacs.

# Ashapura Minechem Limited

## Note 5

### Intangible assets

(Indian ₹ in lacs)

Particulars	Mining Rights	Computer Software	Total
<b>Gross carrying value (at deemed cost)</b>			
<b>As at 1st April, 2020</b>	3,444.43	<b>276.01</b>	<b>3,720.44</b>
Additions	2,837.38	-	2,837.38
Disposals	-	-	-
<b>As at 31st March, 2021</b>	<b>6,281.81</b>	<b>276.01</b>	<b>6,557.82</b>
Additions/transfer*	80.88	22.00	102.88
Exchange difference on consolidation	221.79	-	221.79
<b>As at 31st March, 2022</b>	<b>6,584.48</b>	<b>298.01</b>	<b>6,882.49</b>
<b>Accumulated depreciation</b>			
<b>As at 1st April, 2020</b>	-	<b>228.07</b>	<b>228.07</b>
Amortisation	258.63	16.90	275.53
Disposals	-	-	-
<b>As at 31st March, 2021</b>	<b>258.63</b>	<b>244.97</b>	<b>503.60</b>
Amortisation	266.74	16.68	283.42
Disposals/transfer	-	-	-
Exchange difference on consolidation	7.05	-	7.05
<b>As at 31st March, 2022</b>	<b>532.42</b>	<b>261.65</b>	<b>794.07</b>
<b>Net carrying value</b>			
<b>As at 31st March, 2021</b>	<b>6,023.18</b>	<b>31.04</b>	<b>6,054.22</b>
<b>As at 31st March, 2022</b>	<b>6,052.06</b>	<b>36.36</b>	<b>6,088.42</b>

\* includes transfers from subsidiaries acquired during the year.



**Note 6**

**Investments**

Particulars	(Indian ₹ in lacs)	
	31st March 2022	31st March 2021
<b>Non-current Investments</b>		
<b>a. Investments in joint venture entities in india</b>		
Ashapura Perfoclay Limited <sup>1</sup>	13,635.81	12,329.06
8,966,590 Equity Shares of ₹ 10 each fully paid-up		
<b>b. Investments in joint venture entities outside india</b>		
Sohar Ashapura Chemiclas LLC - Oman	-	2,840.88
100,000 Equity shares of RO 1 each fully paid-up		
	-	2,840.88
<b>c. Investments in associate companies in india</b>		
Orient Abrasives Limited	13,074.24	13,052.45
37,999,953 Equity Shares of ₹ 1 each fully paid-up		
Shantilal Multiport Infrastructure Private Limited	76.54	-
8,49,975 Equity Shares of ₹ 10 each fully paid-up		
	13,150.78	13,052.45
<b>d. Investments in associate companies outside india</b>		
Ashapura Fareast MPA Sdn Bhd, Malasiya	-	279.50
17,00,000 Equity shares of RM 1 each fully paid-up		
	-	279.50
<b>e. Investments in equity shares in others carried at FVTOCI, fully paid up (Unquoted)</b>		
Shantilal Multiport Infrastructure Private Limited	-	516.46
186,285 Equity Shares of ₹ 10 each fully paid-up		
	-	516.46
<b>f. Investment in Government Securities</b>		
National Savings Certificates	2.07	2.07
(under lien with sales tax/mining authorities)		
	2.07	2.07
<b>Total non-current investments</b>	<b>26,788.66</b>	<b>29,020.42</b>

<sup>1</sup> investments in these equity shares are pledged with a creditor.

Aggregate amount of quoted investments	13,074.24	13,052.45
Market value of quoted investments	11,228.99	7,865.99
Aggregate amount of unquoted investments	13,714.42	15,967.97

# Ashapura Minechem Limited

## Note 7

### Loans

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2022	31st March 2021	31st March 2022	31st March 2021
<b>Unsecured, considered good</b>				
Loans to related parties	2,799.73	2,873.52	-	-
Employee loans	29.18	28.25	22.16	15.67
Other loans	-	-	60.85	0.26
<b>Total loans</b>	<b>2,828.91</b>	<b>2,901.77</b>	<b>83.01</b>	<b>15.93</b>

## Note 8

### Other financial assets

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2022	31st March 2021	31st March 2022	31st March 2021
Term deposits with maturity of more than 12 months *	1,205.36	1,082.57	-	-
Security deposits	1,994.69	2,422.84	-	-
Claim receivables	-	-	6,146.68	3,607.32
Interest receivable	12.35	12.42	608.01	115.71
<b>Total other financial assets</b>	<b>3,212.40</b>	<b>3,517.83</b>	<b>6,754.69</b>	<b>3,723.03</b>

\* under lien ₹ 1,012.44 (₹ 924.26) against guarantees to mining authorities, letter of credits and bank guarantees

## Note 9

### Deferred tax assets

(Indian ₹ in lacs)

Particulars	31st March 2022	31st March 2021
On account of timing differences in		
Depreciation on property, plant & equipment	(139.56)	(136.60)
Provision for doubtful debts	553.06	613.88
Disallowances u/s 40(a) and 43B of the Income Tax Act	992.21	615.51
<b>Total deferred tax assets</b>	<b>1,405.71</b>	<b>1,092.79</b>

**Note 10****Other assets**

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2022	31st March 2021	31st March 2022	31st March 2021
Trade advances to suppliers	-	-	23,876.35	22,959.34
Less: Provision for doubtful advances	-	-	2,789.43	2,789.43
	-	-	21,086.92	20,169.91
Capital advances	82.78	534.81	-	-
Prepaid expenses	-	-	1,400.45	657.75
Input credit receivables	-	-	6,412.59	5,242.91
Advance payment of royalty	-	-	24.46	30.67
Employee advances	-	-	31.20	27.80
Other advances	-	-	6,746.11	9,300.99
<b>Total other assets</b>	<b>82.78</b>	<b>534.81</b>	<b>35,701.73</b>	<b>35,430.03</b>

**Note 11****Inventories**

(Indian ₹ in lacs)

Particulars	31st March 2022	31st March 2021
Stores & spares	3,867.37	3,029.49
Stock-in-trade	5,487.26	5,454.33
Raw materials	3,919.70	3,077.98
Finished goods	9,795.39	9,193.81
Semi finished goods	17,174.22	7,109.69
Packing materials	1,113.51	1,044.56
<b>Total inventories</b>	<b>41,357.45</b>	<b>28,909.86</b>

**Note 12****Trade Receivables**

(Indian ₹ in lacs)

Particulars	31st March 2022	31st March 2021
Unsecured, considered good	30,167.05	28,018.38
Unsecured, significant increase in credit risk	1,324.03	1,260.89
Unsecured, considered doubtful	3,596.27	3,132.13
Less: Loss allowance for doubtful debts	(4,052.70)	(3,566.75)
<b>Total trade receivables</b>	<b>31,034.65</b>	<b>28,844.65</b>

# Ashapura Minechem Limited

## 12.1 Trade receivables ageing schedule:

( Indian ₹ in lacs)

Particular	Not due	Outstanding for the following period from due date of payments					Total
		< 6 Months	6 months- 1 year	1 - 2 years	2 - 3 years	> 3 years	
<b>31st March, 2022</b>							
Undisputed, considered good	12,702.30	14,072.21	2,396.14	34.95	388.77	572.68	30,167.05
Undisputed having significant increase in credit risk	-	-	-	671.92	652.11	-	1,324.03
Undisputed trade receivables-credit impaired	-	-	-	-	-	2,495.06	2,495.06
Disputed having significant increase in credit risk	-	-	-	-	4.17	-	4.17
Disputed trade receivables-credit impaired	-	-	-	-	-	1,097.04	1,097.04
	<b>12,702.30</b>	<b>14,072.21</b>	<b>2,396.14</b>	<b>706.87</b>	<b>1,045.05</b>	<b>4,164.78</b>	<b>35,087.35</b>

**Less: Allowance for credit losses** (4,052.70)

**Total trade receivables** **31,034.65**

### 31st March, 2021

Undisputed, considered good	4,364.08	19,865.17	2,033.08	463.94	341.13	950.98	28,018.38
Undisputed having significant increase in credit risk	-	-	-	777.10	483.79	-	1,260.89
Undisputed trade receivables-credit impaired	-	-	-	-	-	2,900.17	2,900.17
Disputed trade receivables-credit impaired	-	-	-	-	-	231.96	231.96
	<b>4,364.08</b>	<b>19,865.17</b>	<b>2,033.08</b>	<b>463.94</b>	<b>824.92</b>	<b>4,083.11</b>	<b>32,411.40</b>

**Less: Allowance for credit losses** (3,566.75)

**Total trade receivables** **28,844.65**

### Note 13

#### Cash and cash equivalents

(Indian ₹ in lacs)

Particulars	31st March 2022	31st March 2021
Balances with banks	2,195.79	3,054.26
Other term deposits*	292.10	1.65
Cash on hand	146.94	487.98
<b>Total cash and cash equivalents</b>	<b>2,634.83</b>	<b>3,543.89</b>

\* under lien against letter of credits and bank guarantees





**Note 14**  
**Other bank balances**

	(Indian ₹ in lacs)	
Particulars	31st March 2022	31st March 2021
Deposits with maturity more than 3 months*	279.60	216.03
Margin money deposits*	370.98	668.84
Dividend accounts	11.67	-
<b>Total other bank balances</b>	<b>662.25</b>	<b>884.87</b>

\* under lien of ₹ 620.16 (₹ 640.19) against guarantees to mining authorities and letter of credits

**Note 15**  
**Income tax (net)**

	(Indian ₹ in lacs)	
Particulars	31st March 2022	31st March 2021
The following table provides the details of income tax assets and liabilities :		
Current income tax assets	10,508.68	11,811.38
Current income tax liabilities	10,023.03	11,374.53
<b>Net balance assets / (liabilities)</b>	<b>485.65</b>	<b>436.85</b>
<b>The gross movement in the current tax asset / ( liability) :</b>		
Net current income tax asset at the beginning	436.85	1,003.57
Income tax paid (net of refunds)	1,502.20	1,351.49
Current income tax expense	(1,453.40)	(1,918.21)
Income tax on other comprehensive income	-	-
<b>Net current income tax asset/(liabilities) at the end</b>	<b>485.65</b>	<b>436.85</b>

**Note 16**  
**Equity share capital**

	(Indian ₹ in lacs)	
Particulars	31st March 2022	31st March 2021
<b>Authorised</b>		
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
	<b>9,000.00</b>	<b>9,000.00</b>
<b>Issued, Subscribed and Paid up</b>		
91,486,098 (86,986,098) equity shares of ₹ 2 each	1,829.72	1,739.72
<b>Total equity share capital</b>	<b>1,829.72</b>	<b>1,739.72</b>

a. Equity shares issued as fully paid-up bonus shares or otherwise than by cash during the preceding five years: Nil

# Ashapura Minechem Limited

## b. Reconciliation of equity shares outstanding at the beginning and at the end of the year :

(Indian ₹ in lacs)

Particulars	As on 31st March, 2022		As on 31st March, 2021	
	No. of shares	₹	No. of shares	₹
Balance at the beginning of the year	8,69,86,098	1,739.72	8,69,86,098	1,739.72
Issue of equity shares during the year	45,00,000	90.00	-	-
<b>Balance at end of the year</b>	<b>9,14,86,098</b>	<b>1,829.72</b>	<b>8,69,86,098</b>	<b>1,739.72</b>

## c. Shares held by promoters and promoter group :

Name of Shareholder	As at 31st March ,2022		As at 31st March 2021		Change (%)
	Nos.	% of holding	Nos.	% of holding	
Ashapura Industrial Finance Limited	1,41,61,612	15.48	95,14,331	10.94	4.54
Mr. Chetan Navnitlal Shah	1,35,43,814	14.80	1,35,43,814	15.57	(0.77)
Mrs. Dina Chetan Shah	92,02,360	10.06	92,02,360	10.58	(0.52)
Mr. Manan Shah	22,39,220	2.45	22,39,220	2.57	(0.13)
Mrs. Chaitali Salot	12,55,620	1.37	12,55,620	1.44	(0.07)
Ms. Himani Shah	1,42,980	0.16	1,42,980	0.16	(0.01)
Late Shri Navnitlal R Shah Estate	1,29,460	0.14	1,29,460	0.15	(0.01)
Ashapura Overseas Private Limited	1,00,000	0.11	-	-	0.11
Gurbarga Trading Co. Private Limited	2,520	0.01	2,520	0.01	-
Hemprabha Trading Co Private Limited	2,520	0.01	2,520	0.01	-

Name of Shareholder	As at 31st March ,2021		As at 31st March 2020		Change (%)
	Nos.	% of holding	Nos.	% of holding	
Ashapura Industrial Finance Limited	95,14,331	10.94	80,88,000	9.30	1.64
Mr. Chetan Navnitlal 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	-
Mr. Manan Shah	22,39,220	2.57	22,39,220	2.57	-
Mrs. Chaitali Salot	12,55,620	1.44	12,55,620	1.44	-
Ms. Himani Shah	1,42,980	0.16	1,42,980	0.16	-
Late Shri Navnitlal R Shah Estate	1,29,460	0.15	1,29,460	0.15	-
Gurbarga Trading Co. Private Limited	2,520	0.01	2,520	0.01	-
Hemprabha Trading Co Private Limited	2,520	0.01	2,520	0.01	-

## d. Shares held by each shareholder holding more than five percent shares :

Name of Shareholder	As at 31st March 2022		As at 31st March 2021	
	Nos.	% of holding	Nos.	% of holding
Ashapura Industrial Finance Limited	1,41,61,612	15.48	95,14,331	10.94
Mr. Chetan Navnitlal Shah	1,35,43,814	14.80	1,35,43,814	15.57
Mrs. Dina Chetan Shah	92,02,360	10.06	92,02,360	10.58
Albula Investment Fund Limited	72,57,017	7.93	78,57,345	9.03

## e. Rights, preferences and restrictions attached to shares :

The company has one class of equity shares having a face value of ₹ 2 each ranking pari pasu in all respect including voting rights and entitlement to dividend. Each holder of equity shares is entitled to one vote per share. Dividend proposed by the board of directors and approved by the shareholders in the annual general meeting is paid to the shareholders.



## Note 17

### Other equity

(Indian ₹ in lacs)

Particulars	31st March 2022	31st March 2021
<b><u>General reserve</u></b>		
Balance at the beginning of the year	1,500.00	1,500.00
Additions during the year	-	-
Balance at the end of the year	<u>1,500.00</u>	<u>1,500.00</u>
<b><u>Capital redemption reserve</u></b>		
Balance at the beginning of the year	3.90	3.90
Addition during the year	-	-
Balance at the end of the year	<u>3.90</u>	<u>3.90</u>
<b><u>Securities premium account</u></b>		
Balance at the beginning of the year	17,734.59	17,734.59
Addition during the year	1,347.75	-
Balance at the end of the year	<u>19,082.34</u>	<u>17,734.59</u>
<b><u>Retained earnings</u></b>		
Balance at the beginning of the year	22,464.90	13,716.67
Profit for the year	8,651.74	8,748.23
Appropriations		-
Dividend	(457.43)	-
Balance at the end of the year	<u>30,659.21</u>	<u>22,464.90</u>
<b><u>Other components of equity</u></b>		
Remeasurement of defined benefit plans (net of tax)	(441.83)	(360.88)
Exchange differences on foreign currency translation	(510.19)	(500.46)
Gains on investments in equity instruments	-	491.45
	<u>(952.02)</u>	<u>(369.89)</u>
<b>Total other equity</b>	<b><u>50,293.43</u></b>	<b><u>41,333.50</u></b>

**General reserve:** The Company has transferred a portion of the net profit of the Company to general reserve.

**Capital redemption reserve:** The Company has created capital redemption reserve from distributable profit upon redemption of preference shares in the past years.

**Securities premium account:** Amount received in excess of face value of the equity shares is recognized in securities premium account. The reserve is utilised in accordance with the provisions of the Companies Act.

**Retained earnings:** Retained earnings are the profits/loss of the Company till date, less transfers to general reserve, dividends or other distributions paid to shareholders.

**Net gain/(loss) on fair value of defined benefit plans:** The Company has recognised remeasurement gains/(loss) on defined benefit plans in OCI. These changes are accumulated within the OCI reserve within other equity. The Company transfers amount from this reserve to retained earning when the relevant obligations are derecognized.

**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.

# Ashapura Minechem Limited

## Note 18

### Borrowings

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2022	31st March 2021	31st March 2022	31st March 2021
<b>Secured</b>				
Term loans from others*	47,642.04	52,402.48	-	-
Hire Purchase Finance	37.12	26.23	25.43	-
Working capital finance from banks overdraft loan from banks	-	-	6,776.22	9,219.79
Current maturities of long-term debt	-	-	2,531.58	1,882.73
	47,679.15	52,428.72	9,333.23	11,102.52
<b>Unsecured</b>				
Inter corporate loans	5,215.02	2,793.80	1,400.00	-
	5,215.02	2,793.80	1,400.00	-
<b>Total borrowings</b>	<b>52,894.17</b>	<b>55,221.72</b>	<b>10,733.24</b>	<b>11,102.52</b>

\* loans obtained by overseas subsidiary against pledge of shares and other investment in group companies.

## Note 19

### Other financial liabilities

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2022	31st March 2021	31st March 2022	31st March 2021
Interest accrued and due on borrowings	-	-	4,244.38	2,491.03
Derivatives and other claims payable	-	-	2,500.00	2,500.00
Unclaimed dividends	-	-	11.67	5.04
Payable towards services received	-	-	131.24	230.88
<b>Total other financial liabilities</b>	<b>-</b>	<b>-</b>	<b>6,887.29</b>	<b>5,226.95</b>

## Note 20

### Provisions

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2022	31st March 2021	31st March 2022	31st March 2021
Provision for leave encashment	209.96	222.32	55.84	53.39
Provision for minning restoration	1,046.72	965.27	-	23.27
Provision for gratuity	91.83	56.08	183.65	139.84
Provision for bonus	-	-	157.92	162.97
Provision for royalty	-	-	1,037.85	1,031.03
<b>Total provisions</b>	<b>1,348.51</b>	<b>1,243.67</b>	<b>1,435.26</b>	<b>1,410.50</b>



## Note 21

### Other liabilities

(Indian ₹ in lacs)

Particulars	Non-current		Current	
	31st March 2022	31st March 2021	31st March 2022	31st March 2021
Advances from customers	-	-	25,419.16	17,553.95
Statutory liabilities	-	-	4,336.16	1,024.99
Shipping claims payable*	22,723.99	25,668.16	13,250.00	8,620.00
Payable for capital assets	-	-	56.12	80.44
Other liabilities	50.00	-	5,480.49	4,648.43
<b>Total other liabilities</b>	<b>22,773.99</b>	<b>25,668.16</b>	<b>48,541.93</b>	<b>31,927.81</b>

\*investments in two subsidiaries and a joint venture are pledge to one of the creditors.

## Note 22

### Trade payables

(Indian ₹ in lacs)

Particulars	31st March 2022	Current 31st March 2021
	Trade payables	
Total outstanding dues of Micro and Small Enterprises (refer note no. 38)	627.66	1.64
Total outstanding dues of creditors other than Micro and Small Enterprises	34,742.16	36,621.06
<b>Total trade payables</b>	<b>35,369.82</b>	<b>36,622.70</b>

### 22.1 Trade payables ageing schedule:

( Indian ₹ in lacs)

Particular	Not Due	Outstanding for the following period from due date of payments				Total
		Less than 1 year	1 - 2 years	2 - 3 years	> 3 years	
<b>31st March, 2022</b>						
Outstanding dues to MSME	-	627.66	-	-	-	627.66
Others	7,608.55	21,523.24	2,749.55	1,905.27	1,765.55	34,742.61
<b>Total....</b>	<b>7,608.55</b>	<b>22,150.90</b>	<b>2,749.55</b>	<b>1,905.27</b>	<b>1,765.55</b>	<b>35,369.82</b>
<b>31st March, 2021</b>						
Outstanding dues to MSME	1.64	-	-	-	-	1.64
Others	10,959.34	22,341.30	1,072.10	555.66	1,692.66	36,621.06
<b>Total....</b>	<b>10,960.98</b>	<b>22,341.30</b>	<b>1,072.10</b>	<b>555.66</b>	<b>1,692.66</b>	<b>36,622.70</b>

# Ashapura Minechem Limited

## Note 23

### Revenue from operations

	(Indian ₹ in lacs)	
Particulars	2021-2022	2020-2021
<b>Sale of products</b>		
Export sales	95,589.75	82,619.45
Domestic sales	29,567.54	31,242.88
	1,25,157.29	1,13,862.33
<b>Other operating revenue</b>		
Research & development fees receipts	178.70	200.69
Other operating income	2,448.32	748.22
<b>Total revenue from operations</b>	<b>1,27,784.31</b>	<b>1,14,811.24</b>

## Note 24

### Other income

	(Indian ₹ in lacs)	
Particulars	2021-2022	2020-2021
Interest receipts	446.74	452.42
Dividend receipts	2.79	0.60
Profit on sale of investment (net)	1,404.31	13.09
Lease rent receipts	212.88	193.59
Profit on sale of property, plant & equipment (net)	314.89	156.39
Sundry balances written back (net)	2,002.05	4,411.66
Gain on foreign currency fluctuation	4,576.61	630.36
Miscellaneous income	599.49	221.04
<b>Total other income</b>	<b>9,559.76</b>	<b>6,079.15</b>

## Note 25

### Cost of materials consumed

	(Indian ₹ in lacs)	
Particulars	2021-2022	2020-2021
<b>Raw materials consumed</b>		
Opening stock	3,077.98	3,410.96
Add: Purchases	23,736.77	19,444.60
	26,814.75	22,855.56
Less: Closing stock	3,919.70	3,077.98
	22,895.05	19,777.58
<b>Packing materials consumed</b>		
Opening stock	1,044.56	746.42
Add: Purchases	2,757.15	2,585.86
	3,801.71	3,332.28
Less: Closing stock	1,113.51	1,044.56
	2,688.20	2,287.72
Rent and royalty	564.08	1,042.04
Mining expenses	6,345.93	2,844.45
<b>Total cost of materials consumed</b>	<b>32,493.26</b>	<b>25,951.79</b>

**Note 26****Changes in inventories**

	(Indian ₹ in lacs)	
Particulars	2021-2022	2020-2021
Closing Stock		
Finished goods	9,795.39	9,193.81
Stock-in-trade	5,487.26	5,454.33
Semi finished goods	17,174.22	7,109.69
	<u>32,456.87</u>	<u>21,757.83</u>
Opening Stock		
Finished goods*	9,768.60	5,203.44
Stock-in-trade*	5,790.76	5,329.24
Semi finished goods	7,109.69	6,284.10
	<u>22,669.05</u>	<u>16,816.78</u>
<b>Changes in inventories</b>	<b><u>(9,787.82)</u></b>	<b><u>(4,941.05)</u></b>

\*includes stock of subsidiaries acquired during the year

**Note 27****Employee benefit expenses**

	(Indian ₹ in lacs)	
Particulars	2021-2022	2020-2021
Salaries, wages, allowances and bonus	8,443.86	7,195.89
Directors' remuneration	275.02	247.85
Contribution to provident fund & other welfare funds	611.66	504.04
Staff welfare expenses	507.99	516.85
<b>Total employee benefit expenses</b>	<b><u>9,838.53</u></b>	<b><u>8,464.63</u></b>

**Note 28****Finance costs**

	(Indian ₹ in lacs)	
Particulars	2021-2022	2020-2021
Interest		
Banks	1,142.48	2,397.47
Income tax	68.91	7.78
Others	4,351.23	2,662.98
	<u>5,562.62</u>	<u>5,068.23</u>
Exchange rate difference on loans	(128.52)	192.23
Other borrowing costs	110.80	12.38
<b>Total finance costs</b>	<b><u>5,544.90</u></b>	<b><u>5,272.84</u></b>

# Ashapura Minechem Limited

## Note 29

### Depreciation and amortisation expenses

Particulars	(Indian ₹ in lacs)	
	2021-2022	2020-2021
Property, plant and equipment	5,433.04	4,130.22
Right of use assets	90.46	84.45
Investment properties	5.91	5.91
Intangible assets	283.42	275.53
<b>Total depreciation and amortisation</b>	<b>5,812.83</b>	<b>4,496.11</b>

## Note 30

### Other expenses

Particulars	(Indian ₹ in lacs)	
	2021-2022	2020-2021
<u>Manufacturing expenses</u>		
Power and fuel	6,976.20	7,271.03
Machinery repairs and maintenance	841.93	1,075.33
Stores and spares	3,098.45	1,645.24
Carriage inward	73.66	34.92
Other expenses	8,053.18	3,945.41
	<u>19,043.42</u>	<u>13,971.93</u>
<u>Selling and distribution expenses</u>		
Sales commission	131.23	23.08
Export freight and insurance	28,670.54	19,754.06
Export custom duty	0.40	16.24
Export and other shipment expenses	16,004.86	21,419.22
	<u>44,807.03</u>	<u>41,212.60</u>
<u>Administrative and other expenses</u>		
Advertisement and business promotion	93.87	40.31
Rent	675.33	534.02
Rates & taxes	2,597.70	737.96
Repairs to buildings and others	318.22	356.75
Insurance premiums	247.82	232.25
Travelling expenses	425.07	361.21
Bank discount, commission and other charges	241.48	723.47
Legal and professional fees	87.47	2,056.20
Payment to auditors	108.99	95.75
Directors sitting fees	36.00	31.50
Business promotion expenses	107.58	-
Corporate social responsibility expenses	403.68	236.43
Donations	48.15	133.87
Miscellaneous expenses	2,739.74	2,800.36
	<u>8,131.10</u>	<u>8,340.08</u>
<b>Total other expenses</b>	<b>71,981.55</b>	<b>63,524.61</b>

### Expenditure towards Corporate Social Responsibility (CSR) activities

1. Amount required to be spent u/s 135(5) of the Companies Act 2013	386.35	221.17
2. Amount spent in cash during the year		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	403.68	236.43





3. (Excess)/Shortfall at the end of the year	(17.33)	(15.26)
4. Nature of CSR activities	Education, healthcare, women empowerment, promotion of arts.	

#### Payments to auditors

Audit fees (including quarterly limited review)	93.31	75.43
Tax audit fees	10.50	10.50
Other services	5.18	9.38
Reimbursement of expenses	-	0.44
	<u>108.99</u>	<u>95.75</u>

#### Note 31

##### Earning per share

Particulars	2021-2022	2020-2021
Profit for the year (₹)	8,651.74	8,748.24
Weighted average number of shares (Nos)	8,96,61,440	8,69,86,098
Diluted number of shares (Nos)	8,96,61,440	9,00,29,058
Earnings per share (Basic) ₹	9.65	10.06
Earnings per share (Diluted) ₹	9.65	9.72
Face value per share ₹	2.00	2.00

#### Note 32

##### Fair value measurement

#### i. Financial instruments by category

(Indian ₹ in lacs)

Particulars	31st March 2022				31st March 2021			
	FVPL	FVOCI	Amortised cost	Fair Value	FVPL	FVOCI	Amortised cost	Fair Value
<b>Financial assets</b>								
Investments	-	-	26,788.66	26,788.66	-	516.46	28,503.96	29,020.42
Trade receivables	-	-	31,034.65	31,034.65	-	-	28,844.65	28,844.65
Loans non - current	-	-	2,828.91	2,828.91	-	-	2,901.77	2,901.77
Loans - current	-	-	83.01	83.01	-	-	15.93	15.93
Other financial assets - non- current	-	-	3,212.40	3,212.40	-	-	3,517.83	3,517.83
Other financial assets - current	-	-	6,754.69	6,754.69	-	-	3,723.03	3,723.03
Cash and cash equivalents	-	-	2,634.83	2,634.83	-	-	3,543.89	3,543.89
Other bank balances	-	-	662.25	662.25	-	-	884.87	884.87
<b>Total financial assets</b>	<b>-</b>	<b>-</b>	<b>73,999.40</b>	<b>73,999.40</b>	<b>-</b>	<b>516.46</b>	<b>71,935.93</b>	<b>72,452.39</b>

# Ashapura Minechem Limited

<b>Financial liabilities</b>								
<b>Borrowings</b>								
Long term borrowings	-	-	52,894.17	52,894.17	-	-	55,221.72	55,221.72
Short term borrowings	-	-	10,733.23	10,733.23	-	-	11,102.52	11,102.52
Lease liabilities -non-current	-	-	132.38	132.38	-	-	28.52	28.52
Lease liabilities -current	-	-	187.52	187.52	-	-	91.65	91.65
Trade payables	-	-	35,369.82	35,369.82	-	-	36,622.70	36,622.70
Other financial liabilities - non - current	-	-	-	-	-	-	-	-
Other financial liabilities - current	-	-	6,887.29	6,887.29	-	-	5,226.95	5,226.95
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>1,06,204.41</b>	<b>1,06,204.41</b>	<b>-</b>	<b>-</b>	<b>1,08,294.06</b>	<b>1,08,294.06</b>

## 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 realisability of the inputs used in determining fair value, the group 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 2022

(Indian ₹ in lacs)

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial investment at FVOCI</b>				
Investment in equity shares (unquoted)	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### Financial assets measured at fair value - recurring fair value measurements at 31st March 2021

(Indian ₹ in lacs)

Particulars	Level 1	Level 2	Level 3	Total
<b>Financial investment at FVOCI</b>				
Investment in equity shares (unquoted)	-	-	516.46	516.46
<b>Total</b>	<b>-</b>	<b>-</b>	<b>516.46</b>	<b>516.46</b>

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 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
<b>As on 31st March 2022</b>			
<b>Financial Assets</b>			
Investments	-	26,788.66	26,788.66
Loans	83.01	2,828.91	2,911.92
Trade receivables	31,034.65	-	31,034.65
Cash and cash equivalents	2,634.83	-	2,634.83
Other bank balances	662.25	-	662.25
Other financial assets	6,754.69	3,212.40	9,967.09
<b>Total financial assets</b>	<b>41,169.43</b>	<b>32,829.97</b>	<b>73,999.40</b>
<b>Financial Liabilities</b>			
Long term borrowings	-	52,894.17	52,894.17
Short term borrowings	10,733.23	-	10,733.23
Lease liabilities	187.52	132.38	319.90
Trade payables	35,369.82	-	35,369.82
Other financial liabilities	6,887.29	-	6,887.29
<b>Total financial liabilities</b>	<b>53,177.86</b>	<b>53,026.55</b>	<b>1,06,204.41</b>
<b>As on 31st March 2021</b>			
<b>Financial Assets</b>			
Investments	-	29,020.41	29,020.41
Loans	15.93	2,901.77	2,917.70
Trade receivables	28,844.65	-	28,844.65
Cash and cash equivalents	3,543.89	-	3,543.89
Other bank balances	884.87	-	884.87
Other financial assets	3,723.03	3,517.83	7,240.86
<b>Total financial assets</b>	<b>37,012.37</b>	<b>35,440.01</b>	<b>72,452.38</b>

# Ashapura Minechem Limited

## Financial Liabilities

Long term borrowings	1,882.73	55,221.72	57,104.45
Short term borrowings	11,102.52	-	11,102.52
Lease liabilities	91.65	28.52	120.17
Trade payables	36,622.70	-	36,622.70
Other financial liabilities	3,344.22	-	3,344.22
<b>Total financial liabilities</b>	<b>53,043.82</b>	<b>55,250.24</b>	<b>1,08,294.06</b>

## C. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in foreign currency exchange rates, interest rates, credit, liquidity and other market changes.

The Group has several balances in foreign currency and consequently, the Group is exposed to foreign exchange risk. The Group evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies, to the extent possible.

### a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings, wherever possible.

### b) Interest rate sensitivity:

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	(Indian ₹ in lacs)	
	Increase/decrease in basis points	Effect of profit before tax
<b>31st March, 2022</b>	+100	636.27
	-100	(636.27)
<b>31st March, 2021</b>	+100	663.24
	-100	(663.24)

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

### c) Exposure in foreign currency - unhedged

Currency	(respective foreign currencies in lacs)	
	31st March 2022	31st March 2021
<b>Receivables</b>		
USD	354.36	336.93
EURO	24.55	11.99
AED	7.61	0.06
GBP	0.00	0.06
<b>Payables</b>		
USD	191.91	72.45
EURO	4.93	3.34
AED	1.41	13.16
GBP	0.33	0.01
OMR	3.73	-
<b>Loan given to joint ventures/associates</b>		
RO	50.81	18.70

### d) Foreign currency sensitivity

The Company is mainly exposed to changes in USD and EURO. The below table demonstrates the sensitivity to a 5% increase or decrease in the USD and EURO against INR, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Company as at reporting date. 5% represents management's assessment of reasonably possible change in foreign exchange rate.



(Indian ₹ in lacs)			
Particulars	Currency	Change in rate	Effect on profit before tax
<b>March 31, 2022</b>	USD	+5%	615.70
	USD	-5%	(615.70)
<b>March 31, 2021</b>	USD	+5%	966.67
	USD	-5%	(966.67)
<b>March 31, 2022</b>	EURO	+5%	82.58
	EURO	-5%	(82.58)
<b>March 31, 2021</b>	EURO	+5%	37.11
	EURO	-5%	(37.11)

#### 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 2022	31st March 2021	
Total debt	63,627.40	66,324.24	
Total equity	52,123.15	43,432.66	
Total debt to equity ratio	1.22	1.53	

##### Dividends

( Indian ₹ in lacs)		
Dividends recognised in the financial statements	31st March 2022	31st March 2021
Final dividend for the year ended 31st March, 2021 of ₹ 0.50 per equity share	457.43	-
<b>Dividends not recognised in the financial statements</b>		
Directors have recommended the payment of final dividend of ₹ 0.50 (0.50) per share. The proposed dividend is subject to the approval of the shareholders in the ensuing general meeting	457.43	457.43

#### Note 35

##### Exceptional items

(Indian ₹ in lacs )		
Particulars	31st March 2022	31st March 2021
1 Additional liabilities in respect of termination of a settlement agreement by a creditor		1,933.32
<b>Total....</b>	<b>-</b>	<b>1,933.32</b>

# Ashapura Minechem Limited

## Note 36

### Contingent Liabilities

(Indian ₹ in lacs)

No.	Particulars	31st March 2022	31st March 2021
1	Guarantees given to various government authorities and others	23,506.22	16,191.58
2	In respect of contracts remaining to be executed	120.78	224.69
3	In respect of disputed excise duty	2,993.81	2,993.81
4	In respect of disputed income tax matters	6,295.38	6,164.38
5	In respect of disputed VAT and Service Tax matters	278.37	379.37
6	Shipping claims against the Company not acknowledged as debts	6,038.01	5,368.00
7	Other claims against the Company not acknowledged as debts	4,553.85	4,559.23
8	In respect of other matters	18.68	21.68
	<b>Total...</b>	<b>43,805.10</b>	<b>35,902.74</b>

## 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 2022	31st March 2021
<b>Amount recognised in balance sheet</b>			
	Present value of funded defined benefit obligation	1,645.15	1,484.05
	Fair value of plan assets	1,369.67	1,288.13
	<b>Net unfunded obligation/(surplus assets)</b>	<b>275.48</b>	<b>195.92</b>
<b>Expense recognised in the statement of profit and loss</b>			
	Current service cost	94.51	87.90
	Prior period - change in limit	-	129.89
	Interest on net defined benefit asset	13.88	3.63
	<b>Total expense charged to profit and loss Account</b>	<b>108.39</b>	<b>221.42</b>
<b>Amount recorded as other comprehensive income</b>			
	Opening amount recognised in OCI outside profit & loss Account	420.29	478.89
	Remeasurements during the period due to:	-	-
	Changes in financial assumptions	(78.15)	(54.03)
	Actual return on plan assets less interest on plan assets	(2.96)	(4.57)
	<b>Closing amount recognised in OCI outside profit &amp; loss account</b>	<b>339.18</b>	<b>420.29</b>
<b>Reconciliation of net liability/(asset)</b>			
	<b>Opening net defined benefit liability/(asset)</b>	195.92	(212.10)
	Expense charged to profit and loss account	108.39	221.42
	Amount recognised outside profit and loss account	81.11	(58.60)
	Net liability transfer out - (net)	21.37	374.81
	Employer contributions	(131.31)	(129.61)
	<b>Closing net defined benefit liability/(asset)</b>	<b>275.48</b>	<b>195.92</b>
<b>Movement in benefit obligation</b>			
	<b>Opening of defined benefit obligation</b>	<b>1,484.05</b>	<b>1,351.02</b>
	Current service cost	94.52	87.90
	Prior period - change in limit	-	156.84
	Interest on defined benefit obligation	101.80	95.13
	Actuarial loss/(gain) arising from change in financial assumptions	12.43	3.55
	Benefits paid from the fund	(132.31)	(260.86)
	Actuarial loss/(gain) on obligation	84.66	50.47
	<b>Closing of defined benefit obligation</b>	<b>1,645.15</b>	<b>1,484.05</b>



#### Movement in plan assets

<b>Opening fair value of plan assets</b>	1,288.13	1,069.93
Prior period - change in limit	(0.43)	270.05
Return on plan assets excluding interest income	(4.90)	(12.09)
Interest income	87.90	91.49
Contributions by employer	131.28	129.61
Benefits paid	(132.31)	(260.86)
<b>Closing of defined benefit obligation</b>	<b>1,369.67</b>	<b>1,288.13</b>

#### Principal actuarial assumptions

Discount Rate	7.23	6.80
Salary escalation rate p.a.	7.23	6.80
Future salary increase	5.00	5.00
Rate of employee turnover	4.00	4.00

#### Sensitivity analysis for significant assumption is as shown below:

No.	Particulars	Sensitivity level	31st March 2022	31st March 2021
1	Discount Rate	1% Increase	(98.22)	(4.38)
		1% Decrease	109.96	97.52
2	Salary	1% Increase	111.31	98.32
		1% Decrease	(101.09)	(88.87)
3	Employee Turnover	1% Increase	14.86	10.53
		1% Decrease	(16.35)	(11.71)

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

No.	Particulars	31st March 2022	31st March 2021
1	Within the next 12 months (next annual reporting period)	308.59	216.40
2	Between 2 and 5 years	551.62	507.32
3	Beyond 5 years	1,852.30	1,781.34

#### Note 38

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2021-22, to the extent the Company has received intimation from the Suppliers regarding their status under the Act.

(Indian ₹ in lacs)

No.	Particulars	31st March 2022	31st March 2021
	Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per MSMED Act)		
1	Principal amount due to micro and small enterprise	627.66	1.64
2	Interest due on above	-	-

# Ashapura Minechem Limited

## Note 39

As per Ind AS 24, Disclosure of transactions with related parties (as identified by the management) as defined in Ind AS 24 are given below:

Sr No.	Particulars	Country of incorporation
<u>(i) Joint ventures and associates</u>		<u>Refer note no. 1.2(c)</u>
<u>(ii) Entities controlled/significantly influenced by directors</u>		
1	Aeonx Digital Solutions Private Limited <sup>1</sup>	India
2	Aeon Procure Private Limited <sup>1</sup>	India
3	Altage Stone Crushing Industries <sup>1</sup>	India
4	Ambica Logistics Private Limited	India
5	Ashapura Exports Private Limited	India
6	Ashapura Foundation	India
7	Ashapura Overeas Private Limited	India
8	Ashok Alco-chem Limited <sup>1</sup>	India
9	Chetan N Shah - HUF	India
10	Kutch Navniraman Trust	India
11	Manico Resources Private Limited	India
12	Minologic Corporation	India
13	Minoraj Logistics	India
14	Minotech Resources LLP	India
15	Minotrans Logistic Corporation	India
16	Sharda Industrial Corporation	India
<u>(iii) Key managerial personnel</u>		
17	Mr. Chetan Shah	Executive Chairman
18	Mr. Hemul Shah	Executive Director & CEO
19	Mrs. Geeta Nerurkar	Whole Time Director & CEO
20	Mr. Harish Motiwala	Independent Director
21	Ms. Himani Shah	Non Independent Director
22	Mr. Manan Shah	Non Independent Director
23	Mr. Ashok Kadakia	Independent Director
24	Mr. Abhilash Munsif	Independent Director
25	Mr. Pundrik Sanyal	Independent Director
26	Mrs. Neeta Shah <sup>2</sup>	Independent Director
27	Mr. Sudhir Godabole	Director
28	Mr. Ibrahim Bald	Director
29	Mr. Sachin Polke	Company Secretary & Vice President
30	Mr. Ashish Desai	Chief Financial Officer
31	Mr. Sandeep Deshpande <sup>3</sup>	Group Head - Human Resources and Administration
32	Ms. Surekha Sathe <sup>4</sup>	Vice President - Information Technology
33	Mr. Akhilesh Kumar Sinha <sup>5</sup>	Vice President - Human Resources
34	Mrs. Dina Shah	Relative of a key managerial personnel
35	Mrs Chaitali Salot	Relative of a key managerial personnel

<sup>1</sup>w.e.f. 23rd December, 2020

<sup>2</sup>w.e.f. 11th November, 2020

<sup>3</sup>w.e.f. 25th June, 2021

<sup>4</sup>upto 30th June, 2020

<sup>5</sup>upto 9th July, 2021





Nature of transaction	Relationship	(Indian ₹ in lacs )	
		Year ended 31st March 2022	Year ended 31st March 2021
<b>1. Sales of materials</b>			
Ashapura Perfoclay Limited	Joint Venture	1,860.41	2,466.17
APL Valueclay Private Limited	Joint Venture	670.56	1,575.02
Sohar Ashapura Chemicals LLC	Joint Venture	-	63.96
Orient Advanced Materials Private Limited	Associate	0.97	-
Orient Abrasives Limited	Associate	3,569.92	7,175.52
Ashapura Overseas Private Limited	Entity controlled/significantly influenced by directors	83.40	121.03
Aeon Procure Private Limited	Entity controlled/significantly influenced by directors	0.58	-
Minotech Resources LLP	Entity controlled/significantly influenced by directors	48.20	318.61
Ashapura Midgulf NV	Joint Venture	872.98	5,411.21
<b>Total...</b>		<b>7,107.02</b>	<b>17,131.52</b>
<b>2. Sale of assets</b>			
Minotech Resources LLP	Entity controlled/significantly influenced by directors	-	347.07
Orient Advanced Materials Private Limited	Associate	3,288.48	-
Ashapura Dhofar Resources LLC	Joint Venture	42.34	-
<b>Total...</b>		<b>3,330.82</b>	<b>347.07</b>
<b>3. Purchase of materials</b>			
APL Valueclay Private Limited	Joint Venture	1,848.32	1,631.28
Ashapura Perfoclay Limited	Joint Venture	713.22	434.48
Orient Abrasives Limited	Associate	1,222.06	376.49
Ashok Alco-chem Limited	Entity controlled/significantly influenced by directors	762.38	-
Minotech Resources LLP	Entity controlled/significantly influenced by directors	220.78	228.16
Orient Advanced Materials Private Limited	Associate	1,024.76	-
Ashapura Dhofar Resources LLC	Joint Venture	262.81	-
Mino Trans Logistics Corporation	Entity controlled/significantly influenced by directors	239.24	407.49
Minoraj Logistics LLP	Entity controlled/significantly influenced by directors	3.40	0.77
<b>Total...</b>		<b>6,296.97</b>	<b>3,078.67</b>
<b>4. Interest received</b>			
Ashapura Dhofar Resources LLC	Joint Venture	117.65	113.16
Sohar Ashapura Chemicals LLC	Joint Venture	-	18.54
<b>Total...</b>		<b>117.65</b>	<b>131.70</b>
<b>5. Reimbursement of administrative expenses received/(paid)</b>			
Ashapura Overseas Private Limited	Entity controlled/significantly influenced by directors	(0.07)	0.04
Orient Abrasives Limited	Associate	5.59	19.07
APL Valueclay Private Limited	Joint Venture	4.18	1.02
Ashok Alco-chem Limited	Entity controlled/significantly influenced by directors	(26.91)	-
Ashapura Perfoclay Limited	Joint Venture	100.79	476.26
<b>Total...</b>		<b>83.58</b>	<b>496.39</b>

# Ashapura Minechem Limited

## 6. Rent received

Ashapura Overseas Private Limited	Entity controlled/significantly influenced by directors	2.40	1.20
Orient Advanced Materials Private Limited	Associate	4.79	-
Orient Abrasives Limited	Associate	12.00	12.15
<b>Total...</b>		<b>19.19</b>	<b>13.35</b>

## 7. R & D charges receipts

Ashapura Perfoclay Limited	Joint Venture	175.00	200.00
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## 8. Dividend received

Ashapura Perfoclay Limited	Joint Venture	57.00	268.99
Orient Abrasives Limited	Associate	134.50	57.00
<b>Total...</b>		<b>191.50</b>	<b>325.99</b>

## 9. Donations/Corporate Social Responsibility

Ashapura Foundation	Entity controlled/significantly influenced by directors	264.19	67.80
Kutch Navmiraman Trust	Entity controlled/significantly influenced by directors	126.00	160.00
<b>Total...</b>		<b>390.19</b>	<b>227.80</b>

## 10. Purchase of assets

Minotech Resources LLP	Entity controlled/significantly influenced by directors	342.69	-
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## 11. Royalty

Chetan N Shah - HUF	Entity controlled/significantly influenced by directors	244.87	234.61
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## 12. Guarantee Commission Receipts

Ashapura Perfoclay Limited	Joint Venture	32.00	32.00
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## 13. Stores, Spares & Packing Materials Purchases

APL Valueclay Limited	Joint Venture	-	1.15
Ashapura Perfoclay Limited	Joint Venture	51.06	0.72
Minotech Resources LLP	Entity controlled/significantly influenced by directors	270.86	259.05
Orient Abrasives Limited	Associate	7.34	-
<b>Total...</b>		<b>329.26</b>	<b>260.92</b>

## 14. Rent paid

Ashapura Exports Private Limited	Entity controlled/significantly influenced by directors	0.25	0.25
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## 15. Sundry balances written back

Ashok Alco-chem Limited	Entity controlled/significantly influenced by directors	-	304.89
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## 16. Interest paid

Ashok Alco-chem Limited	Entity controlled/significantly influenced by directors	168.00	52.36
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## 17. Software maintenance expenses

Aeonx Digital Solution Private Limited	Entity controlled/significantly influenced by directors	161.88	54.77
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### 18. Other selling expenses

Ambica Logistics Private Limited	Entity controlled/significantly influenced by directors	50.96	179.14
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### 19. Loan accepted

Ashok Alco-chem Limited	Entity controlled/significantly influenced by directors	100.00	600.00
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### Outstanding Balances:

#### 1. Trade receivables

Ashapura Exports Private Limited	Entity controlled/significantly influenced by directors	385.76	385.58
Ashapura Midgulf NV	Joint Venture	-	2,019.70
Ashapura Overseas Private Limited	Entity controlled/significantly influenced by directors	820.58	262.79
Manico Resources Private Limited	Entity controlled/significantly influenced by directors	2.50	2.50
Ashapura Dhofar Resources LLC	Joint Venture	47.11	3.41
APL Valueclay Private Limited	Joint Venture	1.46	0.42
Minotech Resources LLP	Entity controlled/significantly influenced by directors	221.32	100.55
Mino Logistics Corporation	Entity controlled/significantly influenced by directors	23.00	-
Minotrans Logistics Corporation	Entity controlled/significantly influenced by directors	14.42	-
Orient Advanced Materials Private Limited	Associate	221.55	-
Orient Abrasives Limited	Associate	356.11	414.01
Sohar Ashapura Chemicals LLC	Joint Venture	-	27.12
<b>Total...</b>		<b>2,093.81</b>	<b>3,216.08</b>

#### 2. Security Deposit

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

#### 3. Trade Payables

Ashapura Midgulf NV	Joint Venture	-	160.20
Orient Abrasives Limited	Associate	2,070.67	902.75
Orient Advanced Materials Private Limited	Associate	34.67	-
Minotech Resources LLP	Entity controlled/significantly influenced by directors	244.91	145.96
Chetan N Shah - HUF	Entity controlled/significantly influenced by directors	97.75	120.44
Minoraj Logistics LLP	Entity controlled/significantly influenced by directors	0.10	-
Ashapura Dhofar Resources LLC	Joint Venture	282.98	-
Ashapura Perfoclay Limited	Joint Venture	1,120.96	2,513.60
Ashok Alco-chem Limited	Entity controlled/significantly influenced by directors	960.71	721.57
APL Valueclay Private Limited	Joint Venture	2,499.98	579.22
<b>Total...</b>		<b>7,312.73</b>	<b>5,143.74</b>

# Ashapura Minechem Limited

## 4. Advances from customers

Ashapura Farest MPA Sdn Bhd	Associate	-	0.70
Ashapura Perfoclay Limited	Joint Venture	1,397.96	-
Orient Abrasives Limited	Associate	467.14	-
Orient Advanced Materials Private Limited	Associate	30.16	-
Ashapura Arcadia Logistic Private Limited	Associate	-	100.00
<b>Total...</b>		<b>1,895.26</b>	<b>100.70</b>

## 5. Trade Advances

Minotrans Logistics Corporation	Entity controlled/significantly influenced by directors	117.04	128.94
Manico Resources Private Limited	Entity controlled/significantly influenced by directors	52.32	52.32
Altage Stone Crushing Industries	Entity controlled/significantly influenced by directors	448.16	446.00
Aeon Procure Private Limited	Entity controlled/significantly influenced by directors	0.12	-
Ambica Logistics Private Limited	Entity controlled/significantly influenced by directors	35.93	-
Minologistics Corporation	Entity controlled/significantly influenced by directors	46.74	46.74
<b>Total...</b>		<b>700.31</b>	<b>674.00</b>

## 6. Loans given

Ashapura Dhofar Resources LLC	Joint Venture	2,799.73	2,873.52
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## 7. Loans payable

Ashapura Midgulf	Associate	-	2,193.00
Ashok Alco-chem Limited	Entity controlled/significantly influenced by directors	1,300.00	600.00
Ashapura Arcadia Logistics Private Limited	Entity controlled/significantly influenced by directors	100.00	-
<b>Total...</b>		<b>1,400.00</b>	<b>2,793.00</b>

## 8. Interest receivables

Ashapura Dhofar Resources LLC	Joint Venture	454.91	323.00
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## Key managerial personnel and relatives :

### 1. Remuneration

Mr. Chetan Shah	Executive Chairman	84.00	60.00
Mr. Hemul Shah	Whole Time Director & CEO	54.33	38.94
Ms. Geeta Nerulakar	Whole Time Director & CEO	73.04	68.19
Mr. Sudhir Godabole	Director	46.74	63.41
Mr. Ibrahim Bald	Director	16.91	17.31
Others		149.46	192.17
<b>Total...</b>		<b>424.48</b>	<b>440.02</b>

### 2. Sitting fees

Mr. Chetan Shah	Executive Chairman	2.50	1.00
Mr. Harish Motiwala	Independent director	6.00	7.00
Mr. Ashok Kadakia	Independent director	5.00	5.00
Mr. Abhilash Munsif	Independent director	7.00	6.00
Mr. Hemul Shah	Independent director	5.00	2.00
Ms. Geeta Nerurkar	Independent director	1.00	1.00
Mr. Pundrik Sanyal	Independent director	6.00	7.00
Ms. Himani Shah	Non-Independent director	2.00	2.00
Ms. Neeta Sunil Shah	Independent director	1.50	0.50
<b>Total...</b>		<b>36.00</b>	<b>31.50</b>



### 3. Reimbursement of expenses paid

Ms. Surekha Sathe	Vice President - Information Technology	-	1.79
Mr. Ashish Desai	Chief Financial Officer	8.95	8.95
Mr. Akhileshkumar Sinha	Vice President - HR	2.45	8.95
Mr. Sachin Polke	Company Secretary & Vice President	8.95	8.95
Mr. Hemul Shah	Whole Time Director & CEO	10.39	10.39
Mr. Sandeep Deshpande	Group Head - Human Resources and Administration	1.44	-
Mr. Sudhir Godabole	Director	3.19	17.60
<b>Total...</b>		<b>35.37</b>	<b>56.63</b>

### 4. Rent paid

Mr. Chetan Shah	Executive Chairman	0.30	1.20
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### Outstanding Balances:

#### 1. Security deposits

Mr. Chetan Shah	Executive Chairman	5.00	5.00
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### Note 40

#### Disclosure in terms of Schedule III of the Companies Act, 2013

Particulars	(Indian ₹ in lacs)							
	Net Assets		Share in Profit or (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of consolidated net assets	₹	As a % of consolidated profit or loss	₹	As a % of consolidated other comprehensive income	₹	As a % of consolidated total comprehensive income	₹
	As at 31st March, 2022	As at 31st March, 2022	As at 31st March, 2022	As at 31st March, 2022	As at 31st March, 2022	As at 31st March, 2022	As at 31st March, 2022	As at 31st March, 2022
<b>Parent Company</b>								
Ashapura Minechem Limited	7.02	3,657.20	(18.09)	(1,565.42)	97.42	(567.10)	(26.43)	(2,132.52)
<b>Subsidiaries:</b>								
<b>Indian</b>								
Ashapura Aluminum Limited	0.06	29.43	(0.04)	(3.24)	-	-	(0.04)	(3.24)
Ashapura Claytech Limited	0.19	99.25	0.22	19.36	0.04	(0.23)	0.24	19.13
Ashapura Consultancy Service Private Limited	(0.29)	(152.67)	0.01	0.96	-	-	0.01	0.96
Ashapura International Limited	40.69	21,206.68	40.42	3,497.39	0.03	(0.18)	43.34	3,497.21
Bombay Minerals Limited	19.75	10,294.57	(11.59)	(1,002.65)	0.69	(4.04)	(12.48)	(1,006.69)
Peninsula Property Developers Private Limited	0.01	3.27	0.02	1.70	-	-	0.02	1.70
Prashansa Ceramics Limited	(0.10)	(52.63)	1.15	99.44	-	-	1.23	99.44
Sharda Consultancy Private Limited	(0.16)	(82.45)	0.04	3.25	-	-	0.04	3.25
Ashapura Resources Private Limited	0.00	0.77	1.42	123.07	-	-	1.53	123.07
<b>Foreign</b>								
Ashapura Holdings (UAE) FZE	24.31	12,670.98	101.49	8,780.39	-	-	108.81	8,780.39
Ashapura Holdings Fareast Pte Ltd	0.35	184.15	(0.02)	(1.72)	-	-	(0.02)	(1.72)
Ashapura Guniea Resources	(8.85)	(4,612.17)	30.15	2,608.36	-	-	32.32	2,608.36
Ashapura Minex Resources SAU	(1.53)	(799.17)	2.07	179.27	-	-	2.22	179.27
Societe Guineenne des Mines defer	(1.23)	(639.71)	(24.97)	(2,160.67)	-	-	(26.78)	(2,160.67)
FAKO Resources SARL	(0.49)	(253.65)	0.16	13.97	-	-	0.17	13.97
Ashapura Boffa Bauxite SA	(1.17)	(611.60)	(4.98)	(430.84)	-	-	(5.34)	(430.84)

# Ashapura Minechem Limited

Ashapura Global Infratech SARLU	0.28	145.38	0.93	80.40	-	-	1.00	80.40
Ashapura Minechem (UAE) FZE	(0.19)	(96.86)	(5.90)	(510.73)	-	-	(6.33)	(510.73)
PT Ashapura Bentoclay Fareast	(0.35)	(180.43)	(1.27)	(109.95)	-	-	(1.36)	(109.95)
Ashapura Midgulf NV*	5.37	2,797.00	3.16	273.39	-	-	3.39	273.39
Ashapura Farest MPA Sdn Bhd**	3.49	1,819.00	(0.02)	(1.33)	-	-	(0.02)	(1.33)
Ashapura Farest Acticlay Sdn Bhd **	-	-	-	-	-	-	-	-
<b>Joint Ventures:</b>								
<b>Indian</b>								
Ashapura Perfoclay Limited	25.85	13,476.31	15.41	1,333.56	1.04	(6.08)	16.45	1,327.48
APL Valueclay Private Limited	0.31	159.50	1.31	113.77	(0.00)	0.01	1.41	113.78
<b>Foreign</b>								
Ashapura Dhofar Resources LLC	-	-	(4.27)	(369.15)	-	-	(4.57)	(369.15)
<b>Associates:</b>								
<b>Indian</b>								
Ashapura Arcadia Logistic Private Limited	-	-	-	-	-	-	-	-
Shantilal Multiport Private Limited	0.15	76.54	(0.17)	(14.82)	-	-	(0.18)	(14.82)
Orient Abrasives Limited	25.09	13,079.52	0.91	78.65	(0.87)	5.04	1.04	83.69
Orient Advanced Materials Private Limited	(0.01)	(5.28)	(0.06)	(5.06)	(0.03)	0.17	(0.06)	(4.89)
<b>Non-controlling Interest</b>								
Ashapura Claytech Limited	(0.00)	(0.56)	(0.00)	(0.10)	0.00	0.00	(0.00)	(0.10)
FAKO Resources SARL	(0.04)	(19.13)	(0.02)	(1.40)	-	-	(0.02)	(1.40)
Foreign currency traslation reserve/Others	-	-	-	-	-	-	-	-
Total eliminations	(38.51)	(20,070.04)	(27.49)	(2,378.12)	1.67	(9.73)	(29.59)	(2,387.84)
<b>Total...</b>	<b>100.00</b>	<b>52,123.15</b>	<b>100.00</b>	<b>8,651.74</b>	<b>100.00</b>	<b>(582.13)</b>	<b>100.00</b>	<b>8,069.61</b>

\* w.e.f. 3<sup>rd</sup> May, 2021

\*\* w.e.f. 18<sup>th</sup> October, 2021

## 41. Additional Regulatory Information

Additional Regulatory Information pursuant to clause 6L of General Instructions for preparation of Balance Sheet as given in Part I of Division II of Schedule III to the Companies Act, 2013, are given hereunder to the extent relevant and other than those given elsewhere in any other notes to the financial Statement.

- The title in respect of all other immovable properties (other than properties where the Group is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Group as at the balance sheet date.
- The Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- The Group have not been declared as a willful defaulter by any lender who has powers to declare a the group as a willful defaulter at any time during the financial year or after the end of reporting period but before the date when the financial statements are approved.
- The Group do not have any transactions with struck-off companies.
- The Group do not have any transactions which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 ( such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- The Group have complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act 2013 read with Companies (Restrictions on number of Layers) Rules, 2017.
- The Group have not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities(intermediaries), with the understanding that the intermediary shall;
  - Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries), or
  - Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.



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- i The Group have not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall;
- i. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate beneficiaries), or
- ii. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- j The Group have used the borrowings from financial institutions and others for the specific purpose for which it was obtained.
- k Quarterly returns or statements of current assets filed by the Group with banks or financial institutions are generally in agreement with the books of accounts, to the extent applicable.
- l The Group do not have any charges or satisfaction which is yet to be registered with the Registrar of Companies (ROC) beyond the statutory period, to the extent applicable.
42. The Holding Company has converted 45,00,000 share warrants into equity shares of ₹ 2 each to promoter group on preferential basis at a price of ₹ 31.95 per equity share on 12<sup>th</sup> August, 2021. Accordingly, share capital of the Company has been increased to that extent.
43. Balances for trade payables, trade receivables, for loans and advances are subject to Holding 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.
44. Figures pertaining to the subsidiary companies have been reclassified whenever necessary to bring them in line with the Parent Company's financial statements.
45. All the amounts have been stated in Indian ₹ in lacs, unless otherwise stated.
46. Previous year's figures has regrouped and rearranged, wherever necessary.

Signatures to Notes No. 1 to 46

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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 Financial Officer

Sd/-  
**SACHIN POLKE**  
Company Secretary & Vice President

Mumbai  
May 30, 2022

Mumbai  
May 30, 2022

# 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	20,906.68
2	Ashapura Claytech Ltd.	27.11.1998	Uniform	INR	357.99	(258.73)
3	Bombay Minerals Ltd.	25.09.2001	Uniform	INR	21.81	10,272.80
4	Prashansha Ceramics Ltd.	12.08.2002	Uniform	INR	145.00	(197.63)
5	Peninsula Property Developers Pvt. Ltd.	16.12.1998	Uniform	INR	1.00	2.27
6	Sharda Consultancy Pvt. Ltd.	16.12.1998	Uniform	INR	1.00	(83.45)
7	Ashapura Consultancy Services Pvt. Ltd.	16.12.1998	Uniform	INR	1.00	(153.67)
8	Ashapura Aluminium Ltd.	14.08.2007	Uniform	INR	5.00	24.43
9	Ashapura Resources Pvt. Ltd.	30.11.2017	Uniform	INR	1.00	(0.20)
10	Ashapura Minechem (UAE) FZE	18.07.2004	Uniform	USD	2,106.25	(2,203.11)
11	Ashapura Holdings (UAE) FZE	02.05.2007	Uniform	USD	30.98	12,639.99
12	Ashapura Guinea Resources SARL	06.12.2019	Uniform	USD	5.57	(4,617.74)
13	PT Ashapura Bantoclay Fareast	22.05.2017	Uniform	USD	135.76	(316.19)
14	Ashapura Holding Fareast Pte Ltd	22.07.2020	Uniform	USD	189.50	(5.35)
15	Ashapura Midgulf NV	04.05.2021	Uniform	EURO	2,526.00	(1,343.31)
16	Ashapura Fareast SDN BHD	18.10.2021	31.12.2021	RM	1,646.16	172.84

USD 1 = Rs. 75.80 (As on 31/03/2022) (rounded off to the nearest Rupee) Items belong to balance sheet

USD 1 = Rs. 74.45 (As on 31/03/2022) (rounded off to the nearest Rupee) Items belong to Profit & Loss

RM 1 =Rs. 18.05 (As on 31/03/2022) (rounded off to the nearest Rupee) Items belong to balance sheet

RM 1 =Rs. 17.86 (As on 31/03/2022) (rounded off to the nearest Rupee) Items belong to Profit & Loss

EURO 1 = Rs. 84.20 (As on 31/03/2022) (rounded off to the nearest Rupee)Items belong to balance sheet

EURO 1 = Rs. 84.85 (As on 31/03/2022) (rounded off to the nearest Rupee)Items belong to Profit & Loss

#### Details of Investment by the Company's Subsidiaries:

S.N.	Name of the Subsidiary Company	Particulars of Investment	Nature of Investment
1	Bombay Minerals Ltd.	Prashansha Ceramics Ltd.	Eq. Shares
2	Bombay Minerals Ltd.	Orient Abrasives Limited	Eq. Shares
3	Ashapura Minechem (UAE) FZE	Ashapura Holdings (UAE) FZE	Shares
4	Ashapura Holdings (UAE) FZE	Ashapura Guinea Resources SARL	Shares
5	Ashapura Holdings (UAE) FZE	PT Ashapura Bantoclay Fareast	Shares
6	Ashapura Holdings (UAE) FZE	Ashapura Holding Fareast Pte Ltd.	Shares
7	Ashapura Holdings (UAE) FZE	Ashapura Dhofar Resources LLC	Shares
8	Ashapura Holdings (UAE) FZE	Ashapura Fareast SDN BHD	Shares
9	Ashapura Minechem (UAE) FZE	Ashapura Midgulf NV	Shares





read with rule 5 of Companies (Accounts) Rules, 2014)  
**OF THE SUBSIDIARY COMPANIES FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2022**

(₹ in Lacs)

Total Assets	Total Liabilities	Investments	Turnover (includes Other Income)	Profit before taxation	Provision for tax	Profit after taxation	Proposed Dividend	% of Share-holding
41,225.59	20,019.22	0.86	55,879.56	4,827.92	1,330.52	3,497.40	-	100.00
568.26	469.00	-	852.94	16.19	(3.18)	19.37	-	99.44
28,820.16	18,525.55	10,801.46	9,046.01	(1,343.95)	(341.30)	(1,002.65)	5.45	100.00
123.79	176.42	-	120.40	99.44	-	99.44	-	100.00
9.47	6.20	-	5.55	3.16	1.46	1.70	-	100.00
24.27	106.72	-	17.81	5.60	2.35	3.25	-	100.00
54.53	207.20	-	32.65	1.46	0.50	0.96	-	100.00
29.43	-	-	-	(3.24)	-	(3.24)	-	100.00
2.28	1.48	-	124.61	124.21	1.10	123.11	-	100.00
2,361.15	2,458.01	2,043.79	-	(510.51)	-	(510.51)	-	100.00
80,449.29	67,778.31	2,314.12	29,795.49	8,780.39	-	8,780.39	-	100.00
67,599.58	72,211.75	34.40	8,915.13	2,608.36	-	2,608.36	-	100.00
540.88	721.31	-	1,696.43	(109.95)	-	(109.95)	-	100.00
186.04	1.89	-	47.42	(1.72)	-	(1.72)	-	100.00
11,836.90	10,654.21	-	13,545.30	273.64	0.12	273.52	-	100.00
2,947.51	1,128.51	-	363.76	(1.24)	0.09	(1.33)	-	100.00

Face Value	No. of Shares	Amount (Rs. In Lakhs)
Rs. 10/-	7,50,000	75.00
Rs. 1/-	3,79,99,953	10,726.46
AED 150000	1	30.98
GNF 100000	700	5.57
USD 1	2,50,000	135.76
USD 1	2,50,000	189.50
OMR 1	1,05,000	206.93
RM 1.43	68,00,000	1776.36
Euro 1	29,69,250	2,012.81

# Ashapura Minechem Limited

## Part "B": Associates and Joint Ventures Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sl. No.	Name of Associates/ Joint Ventures	Latest audited Balance Sheet Date	Date on which the associate or joint venture was associated or acquired	Shares of Associates/Joint Ventures held by the Company on the year end		Description of how there is significant influence	Reason why the Associate/ Joint Venture is not consolidated	Networth attributable to shareholder- ing as per latest audited Balance Sheet	Profit/(Loss) for the year	
				No. of Shares	Amount of Investment in Associate/Joint Venture				Extent of Holding %	Considered in Consolidation
1	Ashapura Perfoclay Ltd.	31.03.2022	06.05.1998	89,66,590	896.66	50.00	By Board & Equity Holding	13,723.25	1,309.41	-
2	Orient Abrasives Ltd. #	31.03.2022	15.06.2017	3,79,99,953	10,726.46	31.76	By Equity Holding / Voting Power	7,866.61	222.96	-
3	Ashapura Arcadia Pvt. Ltd.	31.03.2022	28.09.2007	55,000	5.5	50.00	Equity Holding	-216.94	0.00	-
4	Emo Ashapura Energy and Mining Ltd-Nigeria	-	-	67,20,000	-	48.00	By Equity Holding / Voting Power	-	-	-
5	APL Valueclay Pvt. Ltd.##	31.03.2022	30.12.2016	10,000	1.00	100.00	By Board & Equity Holding	159.50	1.14	-
6	Ashapura Dhofar Resources LLC*	31.03.2022	30.11.2017	1,05,000	197.89	70.00	By Board & Equity Holding	-1,221.33	-369.15	-
7	Shantil Multiport Infrastructure Pvt. Ltd.\$	31.03.2022	23.08.2021	8,49,975	91.38	50.00	By Board & Equity Holding	1,375.44	-14.82	-

### NOTES:-

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

# THE SHARES HELD THROUGH COMPANY'S SUBSIDIARY COMPANY VIZ. BOMBAY MINERALS LIMITED

## THE SHARES HELD THROUGH COMPANY'S JOINT VENTURE COMPANY VIZ. ASHAPURA PERFOCCLAY LIMITED. FURTHER ALLOTMENT OF 6,63,690 SHARES ON 23.08.2021

### For and on behalf of the Board of Directors

Sd/-  
Chetan Shah  
Executive Chairman

Sd/-  
Hemul Shah  
Executive Director &  
Chief Executive Officer

Sd/-  
Sachin Polke  
Company Secretary &  
Vice President

Sd/-  
Ashish Desai  
Chief Financial officer

Place : Mumbai

Date : 10<sup>th</sup> August, 2022



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**NOTES**

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