

Ashapura Minechem Ltd. Press Release dated June 22, 2021 for FY 2020-21

Ashapura Minechem Ltd. ('AML') announced its audited financial results for the quarter and financial year March 31, 2021.

THE SUMMARY FOR THE CONSOLIDATED RESULTS FOR FY 2020-21 IS AS FOLLOWS:

(Rs. Crores)	FY 2020-21	FY 2019-20*
Revenue	1,209.80	350.27
Profit Before Tax & Exceptional Items of Profit**	90.81	-91.82

* The consolidated results for FY 2020-21 are not comparable to FY 2019-20 on account of the fact that the ownership of shareholding in specific subsidiaries and joint ventures of AML was only restored to the Company on February 28, 2020; therefore, the financials of those specific entities was not included in the consolidated results prior to February 28, 2020 for FY 2019-20.

** Without considering Exceptional Items of Profit of Rs. 473.98 crores for FY 2019-20 and Rs. 19.33 for FY 2020-21.

As compared to the previous financial year, on a consolidated basis, the Company's revenues in FY 2020-21 increased by 245%, whereas the Profit Before Tax (excluding extraordinary items) for FY 2020-21 is Rs. 90.81 crores versus a loss of Rs.91.82 crores in the previous financial year. The Company's performance can be attributed to the following:

Regd. Office :

Jeevan Udyog Building, 3rd Floor, 278, D. N. Road, Fort, Mumbai - 400 001. (India)
Tel.: +91-22 6665 1700 * Email: info@ashapura.com * www.ashapura.com

CIN No. L14108MH1982PLC026396



1. Guinea, a new dawn: Ashapura's commenced its operations from Guinea since April 2020, notwithstanding the challenged posed by the pandemic in the country, the Company achieved its business plans for export of ores (i.e. Bauxite and Iron Ore) from Guinea. Ashapura has also continued to develop the requisite mining, processing, road and port for its multiple mining hubs in order to achieve optimal volumes in the future.
2. Settlement of Direct Tax Litigation: Over the last few years, the Central Government has taken several progressive measures to enhance ease of doing business in India, principally towards reducing in direct & indirect tax litigation; the "Direct Tax Vivad Se Vishwas Act, 2020" introduced via the Union Budget 2020, was a step that went a long way in the right direction. Ashapura Minechem Ltd. along with its subsidiaries and associates took the opportunity to settle its pending direct tax litigations, consequently on a consolidated basis the Company has settled disputed disallowances worth Rs. 680.22 crores by paying Rs.14.61 crores (to which extent the profit after tax of the Company has been impacted).
The said settlement is the culmination of the Company's endeavors to settle all outstanding claims.
3. Building Materials Group: Building Ashapura is already a pioneer and the largest producer of Geosynthetic Clay Liners in India, which are used in lining canals, ponds, metro tunnels and industrial waste disposal sites. This year the Company has brought in its considerable technical expertise and its marketing network to induct a wide range of products for waterproofing, repair & restoration, admixtures, azgrouts and floor hardeners, under the aegis of its Building Materials Group. Currently the sale and distribution of



the products is limited to Gujarat, Rajasthan and Madhya Pradesh. This is Ashapura's first foray into a B2C business.

4. Global sourcing: Ashapura's global network accords it the ability to identify opportunities in sourcing minerals and supplying minerals all across the world. Although Ashapura has been largely an exporter of minerals from India to more than 90 countries across the world, it has begun to identify and bridge the growing Indian import demand for minerals and ores. Ashapura has already begun importing gypsum, white cement, soda ash and calcium carbonate into India in FY 2020-21 and endeavors to expand its portfolio to several more minerals and ores in the near future.
5. Current FY 2021-22: The Company's other mainstays such as Bentonite and Bleaching Clay have exhibited exemplary resilience in volatile domestic and global conditions and are slated to consolidate their dominant market position in the current financial year. The Company also expects to leverage the operational experience it has garnered in Guinea along with the ongoing infrastructure enhancements to achieve a promising growth going forward.
6. Declaration of Dividend: The net worth of the company on a standalone basis as of March 31, 2021, has turned positive to Rs. 51.69 crores as compared to a negative net worth of Rs. 3.35 crores as of March 31, 2020. We remain deeply grateful for the support & the confidence placed in us by our stakeholders over the years, the Company is delighted to declare a dividend of 25% for FY 2020-21; we hope that this heralds a new era of robust and sustainable growth for the Company.

