



Ref No.: Minechem/Stock Exch/Letter/7648

3rd October, 2016

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

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

Scrip Code: 527001

Scrip Code: ASHAPURMIN

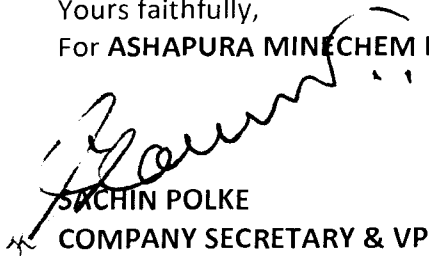
Dear Sir/Madam,

Sub: Annual Report of the Company for the FY 2015-16

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith copy of the Annual Report of the Company for the financial year 2015-16 along with the copy of the Corrigendum to the said Annual Report, as published, duly approved and adopted by the Members as per the provisions of the Companies Act, 2013.

Kindly take the same on record.

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


SACHIN POLKE
COMPANY SECRETARY & VP

Encl.: As Above

CORRIGENDUM

The Shareholders/Stakeholders of Ashapura Minechem Limited are requested to note the corrections as appearing hereunder with respect to and in connection with the Annual Report of the Company for the Financial Year 2015-2016:

1. On page no. 8 of Annual Report:

In **FINANCIAL RESULTS AND PERFORMANCE**, under **Consolidated (Rs. in Lakhs)** for **2015-2016**, please read:

Exceptional Items	1,542.52
Profit/(Loss) before Tax	19,790.99
Net Profit/(Loss)	15,302.08
Share of Profit/(Loss) in Associate Company	930.17
Net Profit/ (Loss) of the Group	16,233.41

2. On page no. 20 of Annual Report:

Please read the **Secretarial Auditor's observation** as under:

"I report that the Company has not appointed Chief Financial Officer as required under Section 203(1)(iii) of the Companies Act, 2013."

3. On page no. 37 of Annual Report:

V. INDEBTEDNESS:

(Amount in Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Changes in Indebtedness during the financial year				
• Reduction	423,722,298	-	-	423,722,298
Net Change	324,474,125	NIL	NIL	324,474,125
Indebtedness at the end of the Financial Year				
i. Principal Amount	776,500,000	-	-	776,500,000
Total (i+ii+iii)	929,433,818			929,433,818

Note: Other amounts as printed in the table under the head V. **INDEBTEDNESS** remain unchanged.

4. On page no. 98 of Annual Report:

In **CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016**, please read '(Amount in Rupees)' against the printed '(Rupees in lacs)'.



ASHAPURA
Group of Industries

ANNUAL REPORT
2015-16

● **REGISTERED OFFICE**

Jeevan Udyog Bldg., 3rd Floor,
278, D.N.Road, Fort,
Mumbai - 400 001.
Tel No. : +91-22-66221700
Fax No. : +91-22-22079395
Website : www.ashapura.com

● **REGISTRAR & SHARE TRANSFER AGENT**

M/s Link Intime India Pvt. Ltd.
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West), Mumbai - 400 078.
Tel. : +91-22-25963838, Fax: +91-22-25946969
E-mail : rnt.helpdesk@linkintime.co.in

● **PLANT LOCATIONS**

1. Plot No. 256/3, Village Baraya,
Bhuj-Mundra Highway, Tal. Mundra,
Kutch, Gujarat.
2. Jamnagar - Dwarka Highway, Khambhaliya,
Dist. Jamnagar, Gujarat.
3. Village Paddhar, Taluka - Bhuj,
Dist - Kutch, Gujarat.
4. Mamuara, Taluka - Bhuj,
Dist - Kutch, Gujarat.
5. Village Hamla, Taluka - Mandvi,
Dist - Kutch, Gujarat.

● **SHAREHOLDERS INFORMATION**

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

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

ASHAPURA MINECHEM LIMITED

BOARD OF DIRECTORS

- **Shri Chetan Shah**
(DIN :- 00018960) Chairman (Non-Executive)
- **Shri Rajnikant Pajwani**
(DIN :- 00086007) Whole Time Director & Chief Executive Officer
- **Shri Harish Motiwalla**
(DIN :- 00029835) Non-Executive, Independent Director
Chairman - Audit Committee
- **Shri Ashok Kadakia**
(DIN :- 00317237) Non-Executive, Independent Director
- **Shri Abhilash Munsif**
(DIN :- 02773542) Non-Executive, Independent Director
- **Smt. Navita Gaiha**
(DIN :- 07248115) Non-Executive, Independent Director
- **Shri Pundarik Sanyal**
(DIN :- 01773295) Non-Executive, Independent Director
(Additional Director w.e.f. 9th February, 2016)
- **Shri Arun Chadha**
(DIN :- 06747459) Special Director Appointed by Board for Industrial & Financial Reconstruction (BIFR)
- * **Late Shri Navnitlal Shah** Ex. Executive Chairman
Expired on 30th June, 2015
- **Shri Sachin Polke** Company Secretary & Vice President
- **M/s. Sanghavi & Company**
Chartered Accountants Auditors
- **Bank of India & other Banks in the Consortium** Bankers

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NOTICE

NOTICE is hereby given that the 35th **Annual General Meeting** of the Members of **ASHAPURA MINECHEM LIMITED** will be held on Thursday, 29th September, 2016 at 3.00 p.m. at Walchand Hirachand Hall, 4th Floor, Indian Merchants' Chamber, Mumbai - 400 020, to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone/Consolidated Financial Statements of the Company for the year ended 31st March, 2016, together with the Directors' and Auditors' Reports thereon.
2. To appoint a Director in place of Shri Rajnikant Pajwani (DIN: 00086007), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s. Sanghavi & Co., Chartered Accountants (FRN: 109099W) as Statutory Auditors of the Company for the Financial Year 2016-2017 and to fix their remuneration.
4. To appoint M/s. B. Purushottam & Co., Chartered Accountants, Chennai (FRN: 002808S) as Branch Auditors for the Company's Branches at Chennai and Kodur for the Financial Year 2016-2017 and to fix their remuneration.
5. To appoint M/s. S.K. Rajani & Co., Cost Accountants (FRN: 101113) as Cost Auditors of the Company for conducting audit of the cost accounting records relating to Kaolin/China Clay, Bentonite, Allied Minerals, Bauxite and Bleaching Clay (CETA HEADING 2507, 2508, 2508, 2606 and 3802) for the Financial Year 2016-2017 at the remuneration of ₹ 2,00,000/- (Rupees Two Lakhs only) per annum plus reimbursement of actual travel & out of pocket expenses.

SPECIAL BUSINESS:

6. **Appointment of Shri Pundarik Sanyal (DIN: 01773295) as a Non-Executive, Independent Director of the Company:**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time. Shri Pundarik Sanyal (DIN: 01773295), who was appointed by the Board of Directors of the Company as an Additional Director (Independent Director) w.e.f. 9th February, 2016 and whose appointment is subject to the approval of Shareholders at the ensuing Annual General Meeting and in respect of whom the Company has received a notice under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby appointed as a Non-Executive, Independent Director of the Company, not liable to retire by rotation and who shall hold office for five (5) consecutive years w.e.f. 9th February, 2016."

By Order of the Board of Directors

Sd/-
SACHIN POLKE
COMPANY SECRETARY &
VICE PRESIDENT

Place: Mumbai

Date: 10th August, 2016

NOTES:

1. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of Special Business is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY (IES) TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
3. The instrument appointing proxy, in order to be effective, must be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
4. Corporate Members intending to send their Authorised Representative(s) to attend the Annual General Meeting are requested to send a duly certified copy of the Board Resolution authorising him/them to attend and vote at the meeting.
5. Members are requested to bring their copies of Annual Report and Attendance Slip for attending the Meeting.
6. Brief details of the Director(s), who are seeking appointment/re-appointment, are annexed hereto as per requirements of Regulation 36(3) of the Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')
7. Members are requested to address all correspondences, including dividend matters, if any, to the Registrar and Share Transfer Agent, M/s. Link Intime India Pvt. Ltd., C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai – 400 078.
8. The members are requested to intimate, well in advance, to the Company and to the Depositories, as the case may be, of the changes in their addresses with the postal pin code numbers and also the e-mail ids & particulars of their Bank Account Numbers to minimise the chances of fraudulent encashment of the future dividend warrants/cheques/drafts, if any.
9. Members, holding shares in physical form, may avail of the facility of nomination in terms of Section 72 of the Act and Rules made thereunder, by filing prescribed Form No. SH. 13 (in duplicate) with the Company's Registrar & Share Transfer Agent. In case of shares held in dematerialized form, the nomination has to be lodged with the respective Depository Participants (DP).
10. The Company's Transfer Books will remain closed from Wednesday, 21st September, 2016 to Thursday, 29th September, 2016 (both days inclusive).
11. The unclaimed dividend for the financial year 2007-2008 has been transferred to the Investor Education and Protection Fund (IEPF) as per the provisions of Section 205 (c) of the Companies Act, 1956 read with the Companies Act, 2013.
12. Queries on accounts and operations of the Company, if any, may please be sent to the Company ten days in advance of the Meeting so that the answers may be made available at the Meeting.
13. 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.



14. The Notice of the Meeting along with the Annual Report 2015-2016 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.

E-Voting Facility:

- I. In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Listing Regulations, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 35th Annual General Meeting (AGM), by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on **Monday, 26th September, 2016 at 9.00 a.m.** and ends on **Wednesday, 28th September, 2016 at 5.00 p.m.** During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **Thursday, 22nd September, 2016**, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:
 - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/ Depository Participant(s)] :
 - (i) Open email and open PDF file viz; **"AML remote e-voting.pdf"** with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: **<https://www.evoting.nsdl.com/>**
 - (iii) Click on Shareholder - **Login**
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select "EVEN" (E-Voting Event Number) of "Ashapura Minechem Ltd."
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.

- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to bhattvirendra1945@yahoo.co.in, with a copy marked to evoting@nsdl.co.in

- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participant(s) or requesting physical copy] :

- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:

EVEN (Remote e-voting Event Number)	USER ID	PASSWORD/PIN
—	—	—

- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) of (A) above, to cast vote.

- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.

- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of **Thursday, 22nd September, 2016**.

- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 22nd September, 2016, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or cosec@ashapura.com.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

- XII. 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 through ballot paper.

- XIII. 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.

- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of "Ballot Paper" or "Poling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.



- XV. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the 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 and declare the result of the voting forthwith.
- XVI. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.ashapura.com and on the website of NSDL www.evoting.nsdl.com immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Bombay Stock Exchange Limited & the National Stock Exchange of India Limited.

By Order of the Board of Directors

**Sd/-
SACHIN POLKE
COMPANY SECRETARY &
VICE PRESIDENT**

Mumbai, 10th August, 2016

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

CIN : L14108MH1982PLC026396.

E. & O.E. are regretted

Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013:

Item No. 6:

Appointment of Shri Pundarik Sanyal (DIN: 01773295) as a Non-Executive Independent Director of the Company:

Considering the need to broad base the Board of Directors of the Company, it was thought fit to induct & co-opt a professional candidate on the Board of Directors of the Company. The Board of Directors, on the recommendation of Nomination and Remuneration Committee, co-opted Shri Pundarik Sanyal as an Additional Director (Independent Director) w.e.f. 9th February, 2016. The appointment of Shri Pundarik Sanyal is subject to the approval of Shareholders at the ensuing Annual General Meeting. The Company has received notice in writing, as required under the provisions of Section 160 of the Companies Act, 2013, from a member along with the requisite deposit proposing his Candidature to the office of Independent Director.

Shri Pundarik Sanyal, B.Sc. Tech. (Textile Technology), has varied experience in the field of banking sector spanning over 30 years. The relevant details of Shri Pundarik Sanyal as required in terms of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been given in the 'Annexure A' attached hereto.

In the opinion of the Board of Directors, Shri Pundarik Sanyal, the Non-Executive Independent Director proposed to be appointed, fulfils the conditions specified in Section 149 (6) & Section 149 (7) of the Companies Act, 2013 and the Rules made thereunder.

The copy of the draft letter of his appointment as an Independent Director and consent letter received from him will be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

The Board recommends the resolution at Item No. 6 in relation to the appointment of Shri Pundarik Sanyal as a Non-Executive Independent Director for a period of five (5) consecutive years w.e.f. 9th February, 2016, for the approval of the members of the Company.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the said resolution except Shri Pundarik Sanyal to whom the resolution relates.

By Order of the Board of Directors

Sd/-
SACHIN POLKE
COMPANY SECRETARY &
VICE PRESIDENT

Mumbai, 10th August, 2016

Registered Office:

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

CIN : L14108MH1982PLC026396.



“ANNEXURE - A”

DETAILS OF DIRECTOR(S) SEEKING RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING
(Pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015)

Name of Director	Shri Rajnikant Pajwani	Shri Pundarik Sanyal
Date of Birth	22 nd January, 1949	28 th January, 1950
Qualification	Diploma in Mechanical Engineering	B.Sc. Tech. (Textile Technology)
Brief Profile & Expertise in specific functional areas	<p>Shri Rajnikant Pajwani is endowed with expertise in aspects of mining, mineral processing, projects, logistics, resource development and business development by virtue of his over 3 decades of rich and varied experience in the mining and mineral processing industry.</p> <p>Having spent a better part of his professional career with the Ashapura Group, Shri Rajnikant Pajwani has played a pivotal in widening the resource base of the Group within India and overseas both through green filed applications and through brown filed acquisitions.</p>	<p>Shri Pundarik Sanyal has varied experience in the field of banking sector spanning over 30 years.</p> <p>He joined Bank of India in the year 1973 as a Direct Recruit Officer. In a span of 34 years, he worked in London Branch as an officer in Credit and Management Information Department, posted as country head in Africa for over three and a half years and worked as a Top Executive Grade VII - General Manager from May 2001. He showed 6 years of consistent high performance as MD on deputation to a lending NBFC & holding company for a Primary dealer in G-Sec, Equity Broking & Commodity Broking. He also served as a Govt. of India nominated Director in Central Warehousing Corporation of India under the Ministry of Food & Agriculture.</p>
Directorship in other Public Companies	Bombay Minerals Ltd. Prashansa Ceramics Ltd. Ashapura Perfoclay Ltd.	Orient Abrasives Ltd. Asit C. Mehta Financial Services Ltd. Asit C Mehta Investment Intermediates Ltd. Corpbank Securities Ltd.
Chairmanship / Membership of the Committees of the Board*	Membership: Ashapura Perfoclay Ltd.-AC	Chairman: Corpbank Securities Ltd.-AC Orient Abrasives Ltd.-AC Membership: Ashapura Minechem Ltd.-AC Orient Abrasives Ltd.-SRC
No. of shares held in the Company as on 31st March, 2016	36800 Equity Shares of Rs. 2/- each.	---

* Represents only Membership/Chairmanship of the Audit Committee (AC) and the Stakeholders Relationship Committee (SRC) of Indian Public Limited Companies

ASHAPURA MINECHEM LIMITED

DIRECTORS' REPORT

To
The Members,

Your Directors present the Thirty Fifth Annual Report of the Company together with the Annual Statements of Accounts (Standalone & Consolidated) for the year ended 31st March, 2016.

FINANCIAL RESULTS AND PERFORMANCE:

	Ashapura Minechem Ltd. (₹ in Lakhs)		Consolidated (₹ in Lakhs)	
	2015-2016	2014-2015	2015-2016	2014-2015
Net Sales / Income from Operations	59,248.75	74,923.51	1,77,534.81	1,75,284.66
Less: Total Expenditure	<u>52,923.57</u>	<u>63,541.31</u>	<u>1,55,796.05</u>	<u>1,50,322.64</u>
Profit/(Loss) from Operations before Dep., Other Income and Exceptional Items	6,325.18	11,382.20	21,738.76	24,962.02
Less: Depreciation	<u>2,041.45</u>	<u>1,588.02</u>	<u>4,386.24</u>	<u>3,485.46</u>
Profit/(Loss) from Operations before Other Income and Exceptional Items	4,283.73	9,794.18	17,352.52	21,476.56
Add: Other Income	<u>643.19</u>	<u>945.18</u>	<u>895.95</u>	<u>714.50</u>
Profit/(Loss) before Exceptional and Extra-ordinary Items and Tax	4,926.92	10,739.36	18,248.47	22,191.06
Exceptional Items	<u>1,542.52</u>	<u>(23,133.08)</u>	<u>(957.48)</u>	<u>(23,133.08)</u>
Extra-ordinary Items	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Profit/(Loss) before Tax	6,469.44	(12,393.72)	17,290.99	(942.01)
Tax Expenses				
Current Tax	<u>—</u>	<u>—</u>	4,836.00	2,938.70
Earlier Year's Tax	<u>—</u>	<u>—</u>	59.26	(1.07)
Deferred	<u>—</u>	<u>—</u>	(406.36)	(29.48)
Net Profit / (Loss)	6,469.44	(12,393.72)	12,802.09	(3,909.12)
Minority Interest	<u>—</u>	<u>—</u>	1.159	(0.20)
Share of Profit/(Loss) in Associate Company	<u>—</u>	<u>—</u>	972.547	262.30
Net Profit / (Loss) of the Group	<u>—</u>	<u>—</u>	<u>13,775.78</u>	<u>(3,647.01)</u>

The year under review was little challenging for the Company considering the market scenario. The last quarter of the financial Year 2015-2016 witnessed a drop in the sale of Industrial Functional Minerals on account of global restocking cycles. This has impacted the Revenue from Operations which stood at ₹ 59,248.75 lakhs for FY 2015-2016 on standalone basis, i.e., approx. 21% down as compared to the previous financial year. At Consolidated level, there was marginal increase in the Revenue from Operations during the year under review which stood at ₹ 177,534.81 lakhs.

Industrial Functional Minerals & Specialty Refined Minerals have done reasonably well in FY 2015-2016 given the current macro-economic scenario in India and overseas. Revival of demand in the automobile and infrastructure industries in India augurs well for the business.

Your Company reported ₹ 4,926.92 lakhs as the Profit before Exceptional & Extra-ordinary Items and Tax for the FY 2015-2016 as against ₹ 10,739.36 lakhs for the previous financial year. At consolidated level, the Profit before Exceptional & Extra-ordinary Items and Tax stood at Rs. 18,248.47 lakhs as against ₹ 22,191.06 lakhs for the previous financial year.

During the year under review, the business activities were realigned between your Company and its wholly owned subsidiaries



with an objective to achieve synergies of scale. As a part of the said process, your Company acquired the White Performance Minerals business from Ashapura International Ltd.; whereas a part of the Hydrocarbon Exploration Solutions segment along with the nascent Geosynthetic Clay Liner business were let out to Ashapura International Ltd. Furthermore, the Proppants division which is in its incubation phase was let out to another wholly owned subsidiary viz. Bombay Minerals Ltd. as a natural extension to its Calcined Bauxite business. Your Company believes that the said realignment of business operations would help to facilitate operational convenience and efficiency at a Group level.

DIVIDEND:

Considering the state of affairs of the Company, your Directors have not recommended any Dividend for the financial year 2015-2016.

DEPOSITS:

During the year under review, your Company did not accept any 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.

SUBSIDIARIES AND JOINT VENTURES:

The business performance and overview of the principal subsidiaries and Joint Venture Companies is given hereinbelow:

Ashapura International Limited (AIL) which mainly caters to the Industrial Functional Minerals segment saw a substantial increase in export sales (particularly its container sales segment) as compared to the previous financial year. The revenue for the Company increased by 105%.

Bombay Minerals Limited (BML) major revenue emanated from export of ores and sale of value added Calcined products in India during the year under review. There was marginal (approx. 3%) decline in the said Company's revenue from operations as compared to the previous year due to the subdued global economic environment & restocking cycles. During the year under review, Bombay Minerals Ltd. acquired further stake in Orient Abrasives Limited (OAL) thereby gaining a substantial interest in the Advanced Refractory Materials segment which is a natural extension to its business. Bombay Minerals Ltd. is now the single largest shareholder (39.10% stake) and the Promoter of OAL.

Ashapura Perfoclay Limited (APL) (formerly known as Ashapura Volclay Ltd.) produced 91,675 MT of bleaching earth during the year under review, highest ever, improving the capacity utilisation to 95% of installed capacity. The net revenue for the Company grew by 13.9% over the previous financial year which was mainly on account of growth in sales volumes and increased sales realisation of exports sales. The initiative taken to replace furnace oil and high speed diesel with coal has reflected positively and led to the significant reduction in energy prices. The production capacities will be enhanced during the financial year 2016-2017 which will enable APL to further increase its global reach and presence. The focus on Export markets majorly in South East Asia, Africa and Europe will contribute to drive the sales volumes. APL is also exploring the option of introducing mid-priced product specifically for the Palm Oil industry, which will enable it to further increase its product portfolio and target new customers and markets.

The Malaysian Joint Venture of the Company that manufactures Bleaching Clay changed its name from Hudson MPA SDN BHD to Ashapura Fareast SDN BHD on account of a change in the JV partners; the change has also allowed your Company to deepen its supervision and involvement in the Joint Venture. The Company's Joint Ventures in Oman and in Antwerp performed admirably despite the headwinds in their respective markets of operation.

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, the statement containing salient features of the financial statements of the Company's Subsidiaries, Associates and Joint Ventures (in Form AOC-1) is attached to the financial statements (Please Refer Page No. 122).

CONSOLIDATED FINANCIAL STATEMENTS:

In accordance with the Accounting Standard (AS)-21 on Consolidated Financial Statements read with AS-23 on Accounting for Investments in Associates and AS-27 on Financial Reporting of Interests in Joint Ventures, the Audited Consolidated

Financial Statements are provided in the Annual Report.

COMPANY'S REFERENCE TO BOARD FOR INDUSTRIAL AND FINANCIAL RECONSTRUCTION (BIFR):

Based on the Audited Financial Accounts for the year ended 31st March, 2011, the Board for Industrial & Financial Reconstruction (BIFR) vide its order dated 20th March, 2012 declared your Company as 'Sick Company' (BIFR Case no. 34/2011) under Section 3(1)(o) of the Sick Industrial Companies (Special Provisions) Act, 1985.

Consequently, the BIFR Bench appointed Bank of India as Operating Agency (OA) with directions to submit Draft Rehabilitation Scheme (DRS). Based on the various meetings with the Operating Agency and subsequent revisions, your Company has recently presented a revised DRS and the same is under discussion amongst various concerned lenders for finalization.

Pending the finalization of DRS, the Company remains committed to arrive at an arrangement with lenders/creditors and accordingly, the Company in consultation/concurrence with BIFR, has initiated discussions/negotiations with all financial institutions/banks. The Company has also concluded and completed settlements with a majority of the lenders. Similarly, discussions are being conducted with other major creditors which are pending settlement.

STATUS OF THE PENDING LITIGATIONS:

1. SHIPPING MATTERS:

The Contract of Affreightment entered into by the Company with Shipping Companies - viz. [1] I.H.X. (UK) Ltd. [2] Eitzen Bulk A/s and [3] Armada Singapore Pte Ltd.

In case of the above shipping companies, the Company is facing applications for enforcement of ex-parte Foreign Awards passed in respect of three Contracts of Affreightment in the Bombay High Court filed for approx. US \$ 126.07 million.

Since the award of claims of each of the three shipping companies were heavily exaggerated the Company had much prior in time filed an application for enforcement of award, initiated legal proceedings against the alleged arbitration award in the Civil Court at Jam-Khambhaliya, Gujarat on the ground of opposed to the Public Policy of India. The Application filed by the Company challenging the foreign awards stands upheld in the Court of Law.

Matters are also pending in Bombay High Court, Gujarat High Court and Supreme Court apart from District Court at Khambhaliya.

Both Eitzen and Armada matters were tagged together by the Hon'ble Supreme Court for hearing and final disposal and a Common Judgement and Final Order has been passed on 13th May, 2016.

A Review Petition has been filed against the Common Impugned Judgement and Final Order dated 13th May, 2016 passed by the Hon'ble Supreme Court.

2. FOREX DERIVATIVES:

In case of Forex Derivatives Contracts, the Company has taken legal opinion that these contracts are void and are not legally enforceable. It has been further advised by the counsels that the Company can take legal actions for challenging the validity of the said contracts.

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

Proceedings filed by HDFC Bank Limited and J P Morgan are pending in the DRT/DRAT. Save and except HDFC Bank Limited and J P Morgan, the Company has approached the other Lenders/Bankers and has successfully settled the claims amicably with them.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN 31st MARCH, 2016 AND 10th AUGUST, 2016 (DATE OF THE REPORT):

During the year under review, there are no material changes and commitments affecting the financial position of the Company



between the end of the financial year and the date of the report save and except as mentioned above.

SIGNIFICANT AND MATERIAL ORDERS BY THE REGULATORS:

During the year under review, no significant material orders were passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations save and except as mentioned above.

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

A report on 'Corporate Governance' along with the Certificate from M/s. Sanghavi & Co., Chartered Accountants regarding its compliance and 'Management Discussion and Analysis' Report as stipulated by Regulation 34 of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) are set out separately which form part of this Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT:

In pursuance of Section 134(5) of the Companies Act, 2013, the Directors hereby confirm that:

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Appointment of Independent Directors:

The Board of Directors of the Company at its meeting held on 9th February, 2016, on the recommendation of the Nomination & Remuneration Committee, co-opted Shri Pundarik Sanyal as an Additional Director (Non-Executive, Independent Director) of the Company subject to the approval of shareholders at the ensuing Annual General Meeting, in accordance with the provisions of Sections 149, 152, 161 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder.

The Company has, pursuant to the provisions of Section 160 of the Companies Act, 2013 received a notice in writing proposing the candidature of Shri Pundarik Sanyal for the office of Independent Director for a period of five (5) consecutive years w.e.f. 9th February, 2016, not liable to retire by rotation.

The Company has received a declaration from him confirming that he meets the criteria of independence as prescribed under Section 149 (6) of the Companies Act, 2013.

The relevant details of Shri Pundarik Sanyal as required pursuant the provisions of the Act and the 'Listing Regulations' are furnished in the Notice of the ensuing Annual General Meeting.

During the year under review, Smt. Navita Gaiha was appointed as a Non-Executive Independent Woman Director on the Board of Directors of your Company at the 34th Annual General Meeting held on 30th September, 2015 to hold office for five (5) consecutive years w.e.f. 5th August, 2015.

Retire by Rotation:

In accordance with the provisions of Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Articles of Association of your Company, Shri Rajnikant Pajwani, Whole Time Director & Chief Executive Officer retires by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment. The relevant details of Shri Rajnikant Pajwani as required pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations are furnished in the Notice of the ensuing Annual General Meeting.

During the year under review, the following changes were occurred in the Directorate/Structure of the Board of Directors of the Company; the same was also reported in the previous Annual Report of the Company for the year ended 31st March, 2015:

- Vacation of Office of late Shri Navnitlal Shah, Promoter and Ex-Chairman in terms of the provisions of Section 167(1)(b) of the Companies Act, 2013 and his sad demise on 30th June, 2015.
- Appointment of Shri Chetan Shah as an 'Emeritus Chairman' (i.e. Non-Executive Chairman) of the Company and the Ashapura Group.

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 in accordance with the provisions of the Companies Act, 2013 and the Listing Regulations.

Appointment of Key Managerial Personnel:

In accordance with the provisions of Sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Shri Rajnikant Pajwani, Whole Time Director & Chief Executive Officer and Shri Sachin Polke, Company Secretary & Vice President are the Key Managerial Personnel of the Company.

In addition, the following Executives of your Company have been recognized as whole-time Key Managerial Personnel to perform and be responsible for such duties/functions as may be assigned to them under their prescribed designation and/or generally and specifically assigned to them by the Board of Directors and/or its Committee from time to time:

- | | | |
|-----------------------|---|---|
| 1. Smt. Surekha Sathe | – | Vice President – IT |
| 2. Shri Ashish Desai | – | Sr. General Manager – Accounts |
| 3. Shri Ajay Phalod | – | Sr. General Manager – Corporate Finance |
| 4. Smt. Harsha Joshi | – | General Manager – Taxation & Internal Control |

(Note: Shri Vipul Saxena, Vice President – HR, recognised as a Whole Time Key Managerial Personnel, resigned from the services of the Company w.e.f. 13th June, 2016).

PERFORMANCE EVALUATION:

The Board of Directors of your Company in consultation with its Nomination & Remuneration Committee has devised 'the Performance Evaluation Policy' for performance evaluation of each Individual Director including its Independent Directors, its Committees and the entire Board as a whole, in accordance with the provisions of the Companies Act, 2013 and the Listing Regulations.

The parameters laid down for evaluating performance of Individual Directors cover aspects like profile, contribution in Board and Committee meetings, execution and performance of specific duties, obligations, regulatory compliances and governance, etc. As regard the Board including its Committees, the parameters cover aspects like constitution and composition, matters



addressed and processes followed at the meetings, etc.

The Independent Directors had met separately without the presence of Non-Independent Directors and the members of Management and discussed, inter-alia, the performance of Whole Time Director, the Non-Executive Chairman of the Company and the Board as a whole, after taking into consideration the views of Executive and Non-Executive Directors.

The Nomination and Remuneration Committee has also carried out evaluation of every Director's performance.

The Board has carried out an annual evaluation of its own performance, respective committees, the Directors (including Independent Directors and the Chairman of the Board). The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated. On the basis of performance evaluation done by the Board, it shall be determined whether to extend or continue their term of appointment, whenever the respective term expires.

The Directors expressed their satisfaction with the evaluation process.

NOMINATION & REMUNERATION POLICY:

In accordance with the provisions of Section 178 of the Companies Act, 2013 read with the Rules framed thereunder, the Board of Directors, on the recommendations of the Nomination & Remuneration Committee, approved and adopted the Nomination & Remuneration Policy of your Company. The Nomination & Remuneration Policy of the Company lays down the framework in relation to remuneration of Directors, KMP, Senior Management Personnel and other employees of the Company as also it lays down the criteria for determining qualification, positive attributes, etc. in relation thereto.

The Nomination & Remuneration Committee, after identifying and ascertaining the integrity, quotient, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management Level, recommends his/her appointment to the Board of Directors. As regards the payment of remuneration, the objective of this Policy is to ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks. The remuneration and commission paid to the Whole Time Director is in accordance with the percentage/slabs/conditions as per the provisions of the Companies Act, 2013. The KMPs, Senior Management Personnel and other employees of the Company are paid monthly remuneration as per the Company's HR policies and/or as may be approved by the Committee. If the remuneration of KMPs or any other officer is to be specifically approved by the Committee and/or the Board of Directors then such approval will be accordingly procured.

The Policy on Nomination & Remuneration is available on the website of the Company viz. www.ashapura.com. 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.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:

The information required under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Directors/ employees of your Company is set out in **"Annexure A"** to this Report.

MEETINGS OF THE BOARD:

During the year under review, four (4) meetings of the Board of Directors were held. The details of the meetings are provided in the Report on Corporate Governance (Please refer Page no. 41).

AUDIT COMMITTEE:

The Company has an Audit Committee of the Board of Directors in place. The terms of reference of the Audit Committee are in line with Section 177 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 18 of the Listing Regulations. Detailed information pertaining to the Audit Committee including its composition has been provided in the Corporate Governance Report, which forms part of this Annual Report.

AUDITORS AND AUDITORS' REPORT:

Statutory Auditors:

M/s. Sanghavi & Co., Chartered Accountants were appointed as the Statutory Auditors of the Company to hold office till the conclusion of the 36th Annual General Meeting to be held in the year 2017. In terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of Auditors shall be placed at every Annual General Meeting for ratification. The Company has received confirmation from them to the effect that if they are reappointed it would be in accordance with the provisions of Section 141 of the Companies Act, 2013. As required under Regulation 33 of the Listing Regulations, the Auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

Accordingly, the appointment of M/s. Sanghavi & Co., Chartered Accountants, as Statutory Auditors of the Company is placed for ratification by the Shareholders at the ensuing Annual General Meeting.

Auditors' Observations:

The Auditors' Report for the financial year 2015-2016 does not contain any qualification, reservation or adverse remark. The Auditors' Report is enclosed with the financial statements in this Annual Report. Further, the Notes to Accounts referred to in the Auditors' Report are self-explanatory.

Branch Auditors:

M/s. B. Purushottam & Co., Chartered Accountants, Chennai, the Branch Auditors appointed pursuant to Section 143(8) of the Companies Act, 2013 hold their office till the conclusion of the ensuing Annual General Meeting.

In view of the provisions of Section 143(8) read with the provisions of Section 139 of the Companies Act, 2013 and the Rules framed thereunder, it is proposed to appoint M/s. B. Purushottam & Co., Chartered Accountants, Chennai as Branch Auditors to conduct the audit of the Company's branches at Chennai and Kodur for the financial year 2016-2017.

Cost Auditors:

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Board of Directors has, on recommendation of the Audit Committee, appointed M/s. S. K. Rajani & Co., Cost Accountants as the Cost Auditor of the Company to conduct audit of the Company's Cost Accounting Records in respect of the products of the Company viz. Kaolin/China Clay, Bentonite & Allied Minerals, Bauxite and Bleaching Clay (CETA HEADING 2507, 2508, 2508, 2606 and 3802) for the financial year 2016-2017 at the remuneration of ₹ 2,00,000/- (Rupees Two Lakhs only) per annum plus reimbursement of actual travel & 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 2016-2017 along with a certificate confirming their independence. As per the provisions of the Companies Act, 2013, a resolution seeking approval of the Members for the remuneration payable to the Cost Auditors forms part of the Notice convening Annual General Meeting.

The Cost Audit Report for the financial year 2014-2015 was filed with the Ministry of Corporate Affairs on 21st October, 2015.

Secretarial Auditor:

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 engaged the services of Shri Virendra G. Bhatt, Company Secretary in Practice, Mumbai to conduct the Secretarial Audit of the Company for the financial year ended 31st March, 2016.

The Secretarial Audit Report (in Form MR-3) is annexed as "Annexure B" to this Report.



SECRETARIAL AUDITOR'S OBSERVATIONS:

Your Directors would like to bring to the notice of the Members that as your Company has been declared as a 'Sick Company' by the Board for Industrial & Financial Reconstruction (BIFR) and after resignation of the erstwhile Chief Financial Officer, the Company has been finding it difficult to induct able and willing candidates to hold fiduciary positions including that of the Chief Financial Officer i.e. Key Managerial Personnel as required under the provisions of the Companies Act, 2013.

Considering the current scenario, the management has recognized Shri Ajay Phalod, Sr. General Manager–Corporate Finance and Shri Ashish Desai, Sr. General Manager – Accounts as a whole time Key Managerial Personnel to perform such duties/functions as may be generally performed by the Chief Financial Officer.

INTERNAL CONTROL SYSTEM & THIER 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 appointed M/s. Atul HVM & Associates, Chartered Accountants as its Internal Auditors for the financial year 2015-2016 to carry out the periodic audit of the functions and activities of the Company as per the Scope of Work approved by the Audit Committee. The Audit Committee 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. A step in this regard is implementation of 'SAP', an advanced IT business solution platform within the organization to achieve standardizing operations and to have better MIS which in turn shall help the operations and business. This would also ensure ease in working environment and style and shall enable the Company to be in line with the best Global practices.

CORPORATE SOCIAL RESPONSIBILITY:

The Company has adopted the Corporate Social Responsibility (CSR) Policy in accordance with the provisions of Section 135, Rules framed thereunder and Schedule VII of the Companies Act, 2013. The CSR Policy lays down the guideline principles for social welfare programs/projects initiated by the Ashapura Group through its Trusts/Foundation for the benefit of different segments of the society, specifically the deprived, underprivileged and differently abled persons. The Policy is available on the website of the Company viz. www.ashapura.com. The Composition of the CSR Committee is given in the Report on Corporate Governance (Please refer Pg. No. 47).

Ashapura Group has always focused on its Corporate Social Responsibility obligation and is undertaking various initiatives to touch and improve lives of less fortunate and underprivileged sections of the Society by conducting various social welfare programs like Education, Women Empowerment, Health, Culture & Rural Development, etc. Your Company, however, was not in a position to specifically make provision for CSR activities for the Financial Year 2015-2016 as required under Section 135 of the Companies Act, 2013 considering its negative Net Worth, its continued reference to the Board for Industrial and Financial Reconstruction and the financial exigencies.

VIGIL MECHANISM- WHISTLE BLOWER POLICY:

The Company has established a 'vigil mechanism' for its directors and employees to report genuine concerns or grievances and accordingly formulated the Whistle Blower Policy in compliance with the provisions of Section 177 of the Companies Act, 2013 and the Listing Regulations. The Policy has been formulated with an objective to build and strengthen a culture of transparency and trust within the Company and to provide a framework to its directors and employees for responsible and secure reporting of improper activities (whistle blowing); and also to provide for adequate safeguards against victimization of directors/employees, who avail of the mechanism; and for direct access to the Chairman of the Audit Committee. The said Policy is available on the website of the Company viz. www.ashapura.com. During the year under review, no compliant has been received under the Whistle Blower Policy (Vigil Mechanism). Further information on the Vigil Mechanism and the Whistle Blower Policy of your Company can be referred to in the Report on Corporate Governance.

RISK MANAGEMENT POLICY:

The Board of Directors of your Company has laid down a Risk Management Policy for the Company that identifies elements of risks inherent to the business and have entrusted the Audit Committee with the responsibility of reviewing the said policy.

RELATED PARTY TRANSACTIONS:

All contracts/arrangements/transactions entered by the Company during the financial year under review with the Related Parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract/arrangement/transaction with the Related Parties which could be considered as material in accordance with the Company's Policy on Related Party Transactions. In view thereof, the disclosure in Form AOC-2 is not required to be provided.

The Company places all Related Party Transactions before the Audit Committee and also before the Board of Directors for approval on quarterly basis. The omnibus approval was obtained from the Audit Committee in respect of transactions which are repetitive in nature in accordance with the Company's Policy on Related Party Transactions. The Audit Committee also reviewed the details of such Related Party Transactions entered into by the Company pursuant to each of the omnibus approval given on a quarterly basis.

The Policy on Related Party Transactions as approved by the Board of Directors of the Company is available on the website of the Company viz. www.ashapura.com.

Your Directors draw attention of the members to Note no. 40 to the financial statements which sets out related party disclosures.

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. 39).

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

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

EXTRACT OF ANNUAL RETURN:

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

LISTING AGREEMENT:

The Securities and Exchange Board of India (SEBI), on 2nd September, 2015, issued the Listing Regulations with the aim to consolidate and streamline the provisions of the Listing Agreement for different segments of capital markets to ensure better enforceability. The said Listing Regulations came into effect from 1st December, 2015. Accordingly, all listed entities were required to enter into the Uniform Listing Agreement within six months from the effective date. The Company entered into the Uniform Listing Agreement with the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited during February 2016.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE:

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules framed thereunder, your Company has put in place a Policy for prevention of sexual harassment at workplace. This policy has been formulated to create and maintain a 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. Your Company has constituted Internal Complaints Committee (ICC)



for redressal of sexual harassment complaint. The said Policy is available on the website of the Company viz. www.ashapura.com

ACKNOWLEDGEMENT:

Your Directors wish to express their appreciation for the assistance and co-operation received from the financial institutions, banks, employees, investors, customers, Government & Government agencies, 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
CHAIRMAN (NON-EXECUTIVE)

Sd/-

RAJNIKANT PAJWANI
WHOLE TIME DIRECTOR & CEO

Sd/-

HARISH MOTIWALLA
INDEPENDENT DIRECTOR
(CHAIRMAN - AUDIT COMMITTEE)

Place: Mumbai

Date: 10th August, 2016

E. & O.E. are regretted

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

1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:- **14.60 times***
2. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:-

Company Secretary:- **11%**
3. The percentage increase in the median remuneration of employees in the financial year:- **10.86%**
4. The number of permanent employees on the rolls of the Company:- **978** (Previous Year 792)
5. 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:-

Average percentage increase in the salaries of Employees other than the Managerial Personnel in the FY 2015-2016 was 16.23% whereas the increase in remuneration of the Managerial Personnel for the said FY was 12.54%.

Note : The Managerial Personnel also include the other Whole Time Key Managerial Personnel recognised by the Board of Directors of the Company.

6. Affirmation that the remuneration is as per the remuneration policy of the Company:-

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

* Ratio calculated on the basis of remuneration of Whole-time Director & CEO

Note : The Effective Capital of the Company as on 31st March, 2015, calculated as per the provisions of Schedule V of the Companies Act, 2013, was negative. Thus, the Whole Time Director & CEO received remuneration during the Financial Year 2015-2016 as prescribed under Schedule V of the Companies Act, 2013, and in accordance with the approval obtained from the Members of the Company, by way of a Postal Ballot Notice dated 14th October, 2014 and the result of which was declared on 1st December, 2014.



“ANNEXURE – B”

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2016

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

To,
The Members,
Ashapura Minechem Limited

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

Based on my verification of the Ashapura Minechem Limited books, papers, minute books, 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, I hereby report that in my opinion, the Company during the audit period covering the financial year ended on March 31, 2016 has prima facie complied with the statutory provisions listed hereunder:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Ashapura Minechem Limited (“the Company”) for the financial year ended on March 31, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 & the rules & regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment & External Commercial Borrowings;
- (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, 1992;
 - (c) 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 31st March, 2016:-
 - (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 (Not applicable during the audit period);
- (d) The Securities & Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable during the audit period);
- (e) The Securities & Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) For the other applicable laws, our audit was limited to:
 - i. Industrial Disputes Act, 1947
 - ii. The Payment of Wages Act, 1936
 - iii. The Minimum Wages Act, 1948
 - iv. The Employees Provident Fund & Miscellaneous Provisions Act, 1952
 - v. The Payment Of Bonus Act, 1965
 - vi. The Payment of Gratuity Act, 1972
 - vii. The Contract Labour (Regulations & Abolition) Act, 1970
- I further report that, based on the Management Representation Letter, the Company has *inter-alia* complied with the following laws:
 - i. Mines Act, 1952
 - ii. Metalliferous Mines Regulations, 1961
 - iii. Water (Prevention & Control) of Pollution Act, 1974
 - iv. Air (Prevention & Control) of Pollution Act, 1981
 - v. Customs Act, 1962
 - vi. Hazardous Wastes (M&H) Rules
 - vii. Environment Protection Rules, 1986
 - viii. Mineral Conservation & Development Rules, 1988
- (vii) I have also examined compliance with the applicable clauses of the following:
 - (a) The Listing agreements entered into by the Company with the stock exchanges with the Bombay Stock Exchange Limited & the National Stock Exchange Limited.
 - (b) Secretarial Standards 1 & 2 Issued by the Institute of Company Secretaries of India.

I report that the casual vacancy caused due to resignation of Chief Financial Officer is yet to be filled by the Company as required under section 203 (1) (iii) of the Companies Act, 2013.

During the period under review the Company has prima facie complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that I rely on 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, Accounting Standard 18 & note on foreign currency transactions during our audit period and I have not verified the correctness and appropriateness of the books of accounts of the Company.

I further report that the board of directors of the company is duly constituted with proper balance of Executive Directors, Non-Executive Directors & Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

I further report that as per the information provided prima facie adequate notice is given to all directors to schedule the Board



Meetings, agenda & detailed notes on agenda were sent at least seven days in advance & a system exists for seeking & obtaining further information & clarifications on agenda items before the meeting & for meaningful participation at the meeting.

I further report that as per the information provided majority decision is carried through while the dissenting members' views are captured & recorded as part of the minutes.

I further report that there are prima facie adequate systems & processes in the company commensurate with the size & operations of the company to monitor & ensure compliance with applicable laws, rules, regulations & 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 has 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. Our responsibility is to express an opinion on these Secretarial Records based on our 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. 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.
5. 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.

Sd/-
Virendra Bhatt
ACS No – 1157
COP No – 124

Place: Mumbai
Date: 10th August, 2016

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

A. CONSERVATION OF ENERGY:

a) Energy Conservation measures taken:

- 1) Installation of VFD
- 2) Modification of lighting circuits by providing timer
- 3) Integration of Grinding Section with PLC Automated Control system
- 4) Transparent sheet provided in the plant roof to optimise use of natural light
- 5) Converted CFL into LED light
- 6) Installed HT capacitor in HT motor for improvement of power factor
- 7) Installed separate screw compressors of smaller capacity for sections with lower requirement like Packing, Grinding section (to prevent wastage by using a common large capacity Compressor)

b) Impact of above measures:

The effect of above measure is imminent as, inspite of unit power cost going up from grid; our power cost is within control.

B. TECHNOLOGY ABSORPTION:

	2015-2016	2014-2015
1. Efforts made towards technology absorption	<p>(1) Specialty Mineral Products</p> <ol style="list-style-type: none"> a. Development of Ceramic Proppants-High & Intermediate Strength, for Hydraulic Fracturing Applications. b. Developed Activated Bauxite for purification of Lubricant Oil and Transformer Oil. c. Development of Ashlite-60 products. d. Development of Ashlite-70 product at R&D level. e. Beneficiation studies of Silica-rich Bauxite i.e. Silica-removal, suitable for refractory application. f. Development of Yellow colored-Calcined Bauxite for Anti-skid road applications. g. Activated bauxite development for purification of Lubricant Oil. <p>(2) Industrial Functional Minerals</p> <ol style="list-style-type: none"> a. Development of Bentonite suitable for Pond Sealing. b. Development of Cement Stability grade Bentonite. c. Development of Pharma and soap-grade Attapulgit. 	<p>(1) Bauxite</p> <ol style="list-style-type: none"> a. Beneficiation of Bauxite for suitable applications. b. Development of calcined bauxite for refractory and abrasive applications. c. Development of ceramic proppants for hydraulic fracturing. <p>(2) Refractories</p> <ol style="list-style-type: none"> a. Development of Mullite-42 for refractory applications. b. Development of Mullite-47 for refractory applications. <p>(3) Bentonite</p> <ol style="list-style-type: none"> a. Development of surface modified clay for carbon less copy paper. <p>(4) Kaolin & Ball Clay</p> <ol style="list-style-type: none"> a. Development of paint grade kaolin from Bhuj Kaolin. b. Process improvement studies Hydrocyclone from Bhuj Kaolin. c. Development of plastic clay for sanitary application. d. Development of ball clay blend for ceramic tile application.



	<ul style="list-style-type: none"> d. Studies of optimization of Bentonite use, for Hematite and Magnetite grade Iron Ore. e. Development of High-WTS and High-Thermal durability bentonite products. f. Developed Ceramic grade Bentonite material. g. Development of Pharma, Cosmetic & Wine Grade Bentonite at R&D level. h. Development of Activated Bauxite/Attapulgit for Wax refining application. <p>(3) Water & Waste Water Treatment (WWWT)</p> <ul style="list-style-type: none"> a. Development of MetaCIL - product for heavy metal ions removal from Effluent/Waste-water. b. Material development for removal of Heavy metals/Toxic ions from effluent collected from various industries i.e. Hindalco, Unilever, Textile, etc. c. APL-waste acid treatment studies completed at R&D. <p>(4) White Performance Minerals & Products.</p> <ul style="list-style-type: none"> a. Kaolin resourcing from different mines located near to Bhuj and optimization study of all process parameters. b. Process and optimized all process parameters for manufacturing of Ground Calcium Carbonate at Plant level. c. Development of Precipitated Calcium Carbonate at R&D stage. <p>(5) Allied Minerals Products</p> <ul style="list-style-type: none"> a. Development of Building Material Products such as Wall putty, Instant Sealing compounds, Tile adhesive, etc. for Building material applications. b. Utilization of waste Gypsum in making Bricks. 	<p>(5) Silica sand</p> <ul style="list-style-type: none"> a. Development of silica sand for glass grade from clay washing waste silica. b. Development of silica sand for foundry grade from clay washing waste silica.
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<p>2. Benefits derived like product improvement, cost reduction, product development, import substitution, etc.</p>	<p>a. Ceramic proppant useful for fracturing of shell to extract Oil & Gas from Oil wells. In-house technology development for High & Intermediate strength proppant with low specific gravity value will give better performance at application end. The use of raw materials with low cost, reduce the production cost of developed Proppant.</p> <p>b. High-alumina products i.e. Ashlite – 60 & 70, development using Clay, Calcined Bauxite, and appropriate Binder will enhance the product portfolio. In-house know how of the products technologies save cost for new product development with low apparent porosity and high bulk density property.</p> <p>c. In-house technology development for Bentonite based various enhanced properties i.e. High-WTS, High thermal durability as well as its development for various applications such as Pond Sealing, Pharma& Cosmetic grade, IOP-grade, Ceramic grade, Cement Stability grade, etc. give value addition in terms of finding new application areas. Enhancement in the properties for niche product development, create profitability by beneficiating high grade minerals.</p> <p>d. High content of silica in bauxite limits its usage for refractory applications. Beneficiation of bauxite i.e. Silica removal by using screening and washing methods improve the quality of Raw Bauxite for development of high grade products.</p> <p>e. In-house testing/mine resource exploration of Ground Calcium Carbonate & Kaolin mineral and its process enhancement create quality in the current range of products. R&D development on Precipitated Calcium Carbonate will be introducing New products range of applications.</p> <p>f. Mineral base solution to Water and Waste-water treatment collected from various industries lead to the development of range of new products. Also in-house working for waste material or effluent treatment will reduce the problem of waste disposal.</p>	<p>a. High silica in bauxite limits its usage for certain applications. So, the removal silica is required so that it can be used for alumina, refractory and abrasive industry. In-house technology demonstrated that the bauxite with high amount of silica could be purified by optimizing and modifying the wet screening process. R&D stage development work done in making ceramic Proppant using bauxite.</p> <p>b. Optimization of calcination process viz. temperature and time and close composition control was carried out to achieve the desired quality calcined bauxite. In-house technology know-how of Mullite products for low apparent porosity, high bulk density for refractory applications.</p> <p>c. In-house technology for surface modified bentonite for carbon less copy paper.</p> <p>d. In-house development of paint grade kaolin, process efficiency improvement of hydro-cyclone, plastic clay for sanitary application and ball clay for ceramic tile application.</p> <p>e. In-house development of silica sand for glass grade and foundry grade applications.</p>
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	For the continual growth of the Company and the Nation, the Company continued to invest in developing R & D capacity in terms of manpower technical skill development, equipment and infrastructure to compete effectively across world market. Our future expansion facility of development of Technology Incubation and Demonstration Center will help to transfer the technology to Plant level and save process development cost in terms of energy consumption, raw material and time for product/process development.	
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	No technology has been imported in the last 3 years.	No technology has been imported in the last 3 years.

4. Expenditure on Research & Development

	2015-2016 (₹)	2014-2015 (₹)
a) Capital	10,968,960	23,469,923
b) Recurring	30,222,623	25,187,733
c) Total	41,191,583	48,657,656
d) Total R&D Expenditure as a Percentage of total turnover	0.69%	0.64%

C. FOREIGN EXCHANGE EARNING OUTGO:

	2015-2016 (₹)	2014-2015 (₹)
a. Foreign Exchange earned in terms of actual inflows during the year (F.O.B.)	3,620,961,121	5,370,094,130
b. Foreign Exchange outgo during the year in terms of actual outflows	1,356,781,221	922,971,997

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2016

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L14108MH1982PLC026396
ii)	Registration Date	19/02/1982
iii)	Name of the Company	Ashapura Minechem Limited
iv)	Category / Sub-Category of the Company	Company Limited by Shares/Indian-Non Government Company
v)	Address of the Registered Office and contact details	Jeevan Udyog Building, 3 rd Floor, 278, D. N. Road, Fort, Mumbai-400001 Tel. No.:022-66651700 Email Id: cosec@ashapura.com
vi)	Whether Listed Company Yes / No	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Link Intime India Pvt. Ltd. C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai – 400 078

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

Sl. No.	Name and Description of main products/services	NIC Code of the Product/Services	% to total turnover of the Company
1	Bauxite	13203	53.11%
2	Bentonite	14108	38.53%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	Name & Address of the Company	CIN/GNL	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	Ashapura International Ltd. Jeevan Udyog Building, 3 rd Floor, 278, D. N. Road, Fort, Mumbai – 400001	U14108MH1989PLC054664	Wholly-owned Subsidiary	100%	2(87)
2	Bombay Minerals Ltd. (BML) Jamnagar-Dwarka Highway, Opp. Ashok Petrol Pump, Khambhalia, Gujarat - 361001	U14100GJ1953PLC000699	Wholly-owned Subsidiary	100%	2(87)



Sl. No.	Name & Address of the Company	CIN/GNL	Holding / Subsidiary / Associate	% of shares held	Applicable Section
3	Ashapura Aluminium Ltd. Plot No. 206, Madhapar, Bhuj-Kutch, Gujarat – 370020	U27203GJ2007PLC051421	Wholly-owned Subsidiary	100%	2(87)
4	Ashapura Consultancy Services Pvt. Ltd. Jeevan Udyog Building, 3 rd Floor, 278, D. N. Road, Fort, Mumbai – 400001	U74140MH1993PTC075194	Wholly-owned Subsidiary	100%	2(87)
5	Sharda Consultancy Pvt. Ltd. Jeevan Udyog Building, 3 rd Floor, 278, D. N. Road, Fort, Mumbai – 400001	U74140MH1993PTC075195	Wholly-owned Subsidiary	100%	2(87)
6	Peninsula Property Developers Pvt. Ltd. Jeevan Udyog Building, 2 nd Floor, 278, D. N. Road, Fort, Mumbai – 400001	U45202MH1997PTC109395	Wholly-owned Subsidiary	100%	2(87)
7	Ashapura Claytech Ltd. Jeevan Udyog Building, 3 rd Floor, 278, D. N. Road, Fort, Mumbai – 400001	U26939MH1995PLC090484	Subsidiary	99.44%	2(87)
8	Prashansha Ceramics Ltd. Jamnagar-Dwarka Highway, Opp. Ashok Petrol Pump, Khambhalia, Gujarat - 361001	U51909GJ1995PLC028159	Subsidiary	48.28% (51.72% BML)	2(87)
FOREIGN SUBSIDIARIES:					
9	Ashapura Minechem (UAE) FZE – (AMUF) Leased Office Building- 2, Office No.2G-11, P.O. Box – 42236, Hamriyah Free Zone, Sharjah, UAE	Foreign Company	Wholly-owned Subsidiary	100%	2(87)
10	Ashapura Holdings (UAE) FZE - (AHUF) Leased Office Building- 2, Office No.2G-18, P.O. Box – 49270, Hamriyah Free Zone, Sharjah, UAE	Foreign Company	Step Down Subsidiary	100% held by AMUF	2(87)

ASHAPURA MINECHEM LIMITED

11	PT Ashapura Resources Indonesia Plaza BII, Tower II, Lantai 25, Jl. M.H. Thamrin No. 31, Jakarta Pusat 10350	Foreign Company	Step Down Subsidiary	100% held by AMUF	2(87)
12	Ashapura Maritime FZE E- Lease Office Building, Office No.56G-24, P.O. Box 42386, Hamriyah Free Zone, Sharjah, UAE	Foreign Company	Step Down Subsidiary	100% held by AHUF	2(87)
JOINT VENTURE COMPANIES/ASSOCIATE COMPANIES:					
13	Ashapura Perfoclay Ltd. (Formerly known as Ashapura Volclay Ltd.) Jeevan Udyog Building, 3 rd Floor, 278, D. N. Road, Fort, Mumbai – 400001	U14108MH1997PLC107300	Joint Venture	50%	2(6)
14	Ashapura Arcadia Logistics Pvt. Ltd. 5 th Floor, City Point, Opp. Town Hall, Jamnagar, Gujarat- 361001	U63032GJ2006PTC049157	Associate	50%	2(6)
15	Ashapura Midgulf NV 2030 Antwerp, 12 Mulhouselaan Noord, Haven 158	Foreign Company	Joint Venture	50% (48.98% held by AMUF & 1.02% by AML)	2(6)
16	Ashapura Fareast-SDN-BHD [Formerly known as Hudson MPA SDN BHD (Malaysia)] 24A (Room No. 1) Jalan 21/19, Sea Park, 46300 Petaling Jaya, Selangor Darul Ehsan, Malaysia	Foreign Company	Joint Venture	25% held by AMUF	2(6)
17	Sohar Ashapura Chemicals LLC P.O. Box 1160, Ruwi, Postal Code 112, Muscat, Sultanate of Oman	Foreign Company	Joint Venture	40% held by AHUF	2(6)
18	Orient Abrasives Limited GIDC Industrial Area, Porbandar, Gujarat - 360577	L24299GJ1971PLC093248	Associate	39.10% held by BML	2(6)



IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	34,235,124	-	34,235,124	39.36%	34,235,124	-	34,235,124	39.36%	0.00%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	8,093,040	-	8,093,040	9.30%	8,093,040	-	8,093,040	9.30%	0.00%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (1)	42,328,164	-	42,328,164	48.66%	42,328,164	-	42,328,164	48.66%	0.00%
(2) Foreign									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (2)	-	-	-	0.00%	-	-	-	0.00%	0.00%
TOTAL (A)	42,328,164	-	42,328,164	48.66%	42,328,164	-	42,328,164	48.66%	0.00%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	118,000	12,000	130,000	0.15%	118,000	12,000	130,000	0.15%	0.00%
b) Banks / FI	73,718	-	73,718	0.08%	43,696	-	43,696	0.05%	-0.03%
c) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	0.00%
g) FIs	15,714,690	-	15,714,690	18.07%	8,181,408	-	8,181,408	9.41%	-8.66%
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Others (specify)	8,465	-	8,465	0.01%	-	-	-	0.00%	-0.01%
a. Foreign Mutual Fund									
b. Foreign Portfolio Investor (Corporate)	2,533,149	-	2,533,149	2.91%	10,968,435	-	10,968,435	12.61%	9.70%
Sub-total (B)(1)	18,448,022	12,000	18,460,022	21.22%	19,311,539	12,000	19,323,539	22.21%	0.99%

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	5,013,993	77,170	5,091,163	5.85%	4,466,778	77,170	4,543,948	5.22%	-0.63%
ii) Overseas	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	11,096,758	390,243	11,487,001	13.21%	10,318,995	378,243	10,697,238	12.30%	-0.91%
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	6,130,808	57,000	6,187,808	7.11%	5,877,711	57,000	5,934,711	6.82%	-0.29%
c) Others (specify)									
a. Non Resident Indians (Repatriable)	581,263	2,000	583,263	0.67%	588,112	2,000	590,112	0.68%	0.01%
b. Non Resident (Non Repatriable)	927,108	-	927,108	1.07%	885,955	-	885,955	1.02%	-0.05%
c. Overseas Corporate Bodies	-	-	-	0.00%	-	-	-	0.00%	0.00%
d. Foreign Nationals	-	-	-	0.00%	-	-	-	0.00%	0.00%
e. Clearing Members	258,160	-	258,160	0.30%	1,777,904	-	1,777,904	2.04%	1.75%
f. Market Makers	50,367	-	50,367	0.06%	98,917	-	98,917	0.11%	0.06%
g. Trusts	1,434,340	-	1,434,340	1.65%	-	-	-	0.00%	-1.65%
h. Foreign Bodies - DR	-	-	-	0.00%	-	-	-	0.00%	0.00%
i. Other Directors	65,468	-	65,468	0.08%	52,050	-	52,050	0.06%	-0.02%
j. Hindu Undivided Family	113,234	-	113,234	0.13%	753,560	-	753,560	0.87%	0.74%
Sub-total (B)(2)	25,671,499	526,413	26,197,912	30.12%	24,819,982	514,413	25,334,395	29.12%	-0.99%
Total Public (B)	44,119,521	538,413	44,657,934	51.34%	44,131,521	526,413	44,657,934	51.34%	0.00%
C. Shares held by Custodian for GDRs & ADRs	-	-	-	0.00%	-	-	-	0.00%	0.00%
Grand Total (A+B+C)	86,447,685	538,413	86,986,098	100.00%	86,459,685	526,413	86,986,098	100.00%	0.00%



(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in Share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total Shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total Shares	
1	Chetan Navnitlal Shah	13,543,814	15.57%	13.20%	13,543,814	15.57%	0.00%	0.00%
2	Dina Chetan Shah	7,768,020	8.93%	8.87%	7,768,020	8.93%	0.00%	0.00%
3	Late Navnitlal Ratanji Shah	6,847,960	7.87%	7.72%	129,460	0.15%	0.00%	-7.72%
4	Fizzah Navnitlal Shah	2,437,510	2.80%	0.00%	9,156,010	10.53%	0.00%	7.72%
5	Manan Chetan Shah	2,239,220	2.57%	2.53%	2,239,220	2.57%	0.00%	0.00%
6	Chaitali Chetan Shah	1,255,620	1.44%	1.38%	1,255,620	1.44%	0.00%	0.00%
7	Himani Chetan Shah	142,980	0.16%	0.00%	142,980	0.16%	0.00%	0.00%
8	Ashapura Industrial Finance Ltd.	8,088,000	9.30%	0.00%	8,088,000	9.30%	0.00%	0.00%
9	Hemprabha Trading Co. Pvt. Ltd.	2,520	0.00%	0.00%	2,520	0.00%	0.00%	0.00%
10	Gurbarga Trading Co. Pvt. Ltd.	2,520	0.00%	0.00%	2,520	0.00%	0.00%	0.00%

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

Sl. No.	Name of the Shareholders	Shareholding at the beginning of the year		Changes During the year				Cumulative Shareholding during the year		Shareholding at the end of the year	
		No. of Shares	% of total shares	Date	No. of Shares (Increased/ Decreased)	% of total shares	Reason	No. of Shares	% of total shares	No. of Shares	% of total shares
1	Late Navnitlal Ratanji Shah	6,847,960	7.87%	01/06/2015	-6,718,500	-7.72%	Inter-se Transfer	129,460	0.15%	129,460	0.15%
2	Fizzah Navnitlal Shah	2,437,510	2.80%	01/06/2015	6,718,500	7.72%	Inter-se Transfer	9,156,010	10.53%	9,156,010	10.53%

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(iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	Name of the Shareholders	Shareholding at the beginning of the year		Changes During the year				Cumulative Shareholding during the year		Shareholding at the end of the year	
		No. of Shares	% of total shares	Date	No. of Shares (Increased/ Decreased)	% of total shares	Reason	No. of Shares	% of total shares	No. of Shares	% of total shares
1	Albula Investment Fund Ltd.	7,857,345	9.03%	-	-	-	-	7,857,345	9.03%	7,857,345	9.03%
2	LTS Investment Fund Ltd.	4,100,000	4.71%	-	-	-	-	4,100,000	4.71%	4,100,000	4.71%
3	Eriska Investment Fund Ltd.	3,757,345	4.32%	-	-	-	-	3,757,345	4.32%	3,757,345	4.32%
4	LGO Global Opportunities Limited	2,533,149	2.91%	10/04/2015	5,151	0.01%	Market Purchase	2,538,300	2.92%	2,998,517	3.45%
				17/04/2015	26,492	0.03%	Market Purchase	2,564,792	2.95%		
				24/04/2015	8,310	0.01%	Market Purchase	2,573,102	2.96%		
				01/05/2015	104,213	0.12%	Market Purchase	2,677,315	3.08%		
				08/05/2015	177,957	0.20%	Market Purchase	2,855,272	3.28%		
				15/05/2015	34,005	0.04%	Market Purchase	2,889,277	3.32%		
				16/10/2015	70,849	0.08%	Market Purchase	2,960,126	3.40%		
				30/10/2015	18,391	0.02%	Market Purchase	2,978,517	3.42%		
				06/11/2015	10,000	0.01%	Market Purchase	2,988,517	3.44%		
				13/11/2015	10,000	0.01%	Market Purchase	2,998,517	3.45%		
5	Nayana Mahendra Ramani	1,517,750	1.74%	31/12/2015	-10,000	-0.01%	Market Sale	1,507,750	1.73%	1,510,750	1.74%
				15/01/2016	3,000	0.00%	Market Purchase	1,510,750	1.74%		



Sl. No.	Name of the Shareholders	Shareholding at the beginning of the year		Changes During the year				Cumulative Shareholding during the year		Shareholding at the end of the year	
		No. of Shares	% of total shares	Date	No. of Shares (Increased/ Decreased)	% of total shares	Reason	No. of Shares	% of total shares	No. of Shares	% of total shares
6	Manubhai Mangaldas Securities Private Limited	16	0.00%	03/04/2015	210	0.00%	Transfer	226	0.00%	1,434,356	1.65%
				10/04/2015	4,846	0.01%	Transfer	5,072	0.01%		
				17/04/2015	-5,056	-0.01%	Market Sale	16	0.00%		
				01/05/2015	3,857	0.00%	Market Purchase	3,873	0.00%		
				08/05/2015	-3,857	0.00%	Market Sale	16	0.00%		
				26/06/2015	888	0.00%	Market Purchase	904	0.00%		
				30/06/2015	-888	0.00%	Market Sale	16	0.00%		
				07/08/2015	2,300	0.00%	Market Purchase	2,316	0.00%		
				14/08/2015	-2,300	0.00%	Market Sale	16	0.00%		
				18/09/2015	3,156	0.00%	Market Purchase	3,172	0.00%		
				25/09/2015	-3,156	0.00%	Market Sale	16	0.00%		
				30/09/2015	1,000	0.00%	Market Purchase	1,016	0.00%		
				09/10/2015	-1,000	0.00%	Market Sale	16	0.00%		
				16/10/2015	1,063	0.00%	Market Purchase	1,079	0.00%		
				23/10/2015	-563	0.00%	Market Sale	516	0.00%		
				30/10/2015	-500	0.00%	Market Sale	16	0.00%		
				13/11/2015	612	0.00%	Market Purchase	628	0.00%		
				20/11/2015	388	0.00%	Market Purchase	1,016	0.00%		

Sl. No.	Name of the Share-holders	Shareholding at the beginning of the year		Changes During the year				Cumulative Shareholding during the year		Shareholding at the end of the year	
		No. of Shares	% of total shares	Date	No. of Shares (Increased/ Decreased)	% of total shares	Reason	No. of Shares	% of total shares	No. of Shares	% of total shares
	Manubhai Mangaldas Securities Private Limited			27/11/2015	-1,000	0.00%	Market Sale	16	0.00%		
				04/12/2015	1,000	0.00%	Market Purchase	1,016	0.00%		
				11/12/2015	-1,000	0.00%	Market Sale	16	0.00%		
				18/12/2015	200	0.00%	Market Purchase	216	0.00%		
				25/12/2015	-100	0.00%	Market Sale	116	0.00%		
				31/12/2015	-100	0.00%	Market Sale	16	0.00%		
				01/01/2016	3,425	0.00%	Market Purchase	3,441	0.00%		
				08/01/2016	-3,400	0.00%	Market Sale	41	0.00%		
				15/01/2016	1,975	0.00%	Market Purchase	2,016	0.00%		
				22/01/2016	-1,500	0.00%	Market Sale	516	0.00%		
				29/01/2016	-500	0.00%	Market Sale	16	0.00%		
				12/02/2016	1,500	0.00%	Market Purchase	1,516	0.00%		
				19/02/2016	-1,500	0.00%	Market Sale	16	0.00%		
				26/02/2016	1,500	0.00%	Market Purchase	1,516	0.00%		
				04/03/2016	-500	0.00%	Market Sale	1,016	0.00%		
				11/03/2016	58	0.00%	Market Purchase	1,074	0.00%		
				18/03/2016	-58	0.00%	Market Sale	1,016	0.00%		
				25/03/2016	500	0.00%	Market Purchase	1,516	0.00%		



Sl. No.	Name of the Share-holders	Shareholding at the beginning of the year		Changes During the year				Cumulative Shareholding during the year		Shareholding at the end of the year	
		No. of Shares	% of total shares	Date	No. of Shares (Increased/ Decreased)	% of total shares	Reason	No. of Shares	% of total shares	No. of Shares	% of total shares
	Manubhai Mangaldas Securities Private Limited			31/03/2016	1,432,840	1.65%	Market Purchase	1,434,356	1.65%		
7	Mahendra Jethalal Ramani	938,670	1.08%	31/12/2015	-10,000	-0.01%	Market Sale	928,670	1.07%	935,670	1.08%
				01/01/2016	-10,000	-0.01%	Market Sale	918,670	1.06%		
				08/01/2016	5,000	0.01%	Market Purchase	923,670	1.06%		
				15/01/2016	7,000	0.01%	Market Purchase	930,670	1.07%		
				29/01/2016	5,000	0.01%	Market Purchase	935,670	1.08%		
8	Vibgyor Investors & Developers Pvt. Ltd.	0	0.00%	28/08/2015	800,000	0.92%	Market Purchase	800,000	0.92%	800,000	0.92%
9	Surekha Anil Shah	634,511	0.73%	26/02/2016	1,136	0.00%	Market Purchase	635,647	0.73%	635,647	0.73%
10	Mohideen Mohamed Sheik Dawood	436,485	0.50%	04/09/2015	2,000	0.00%	Market Purchase	438,485	0.50%	438,485	0.50%
11	AMI Industries(I) Pvt. Ltd.	771,506	0.89%	17/04/2015	-4,444	-0.01%	Market Sale	767,062	0.88%	383,000	0.44%
				26/06/2015	-3,651	0.00%	Market Sale	763,411	0.88%		
				03/07/2015	-30,746	-0.04%	Market Sale	732,665	0.84%		
				10/07/2015	-17,539	-0.02%	Market Sale	715,126	0.82%		
				17/07/2015	-15,126	-0.02%	Market Sale	700,000	0.80%		
				08/01/2016	-80,925	-0.09%	Market Sale	619,075	0.71%		
				15/01/2016	-29,075	-0.03%	Market Sale	590,000	0.68%		

Sl. No.	Name of the Share-holders	Shareholding at the beginning of the year		Changes During the year				Cumulative Shareholding during the year		Shareholding at the end of the year	
		No. of Shares	% of total shares	Date	No. of Shares (Increased/ Decreased)	% of total shares	Reason	No. of Shares	% of total shares	No. of Shares	% of total shares
	AMI Industries(l) Pvt. Ltd.			26/02/2016	-90,000	-0.10%	Market Sale	500,000	0.57%		
				04/03/2016	-82,000	-0.09%	Market Sale	418,000	0.48%		
				11/03/2016	-28,000	-0.03%	Market Sale	390,000	0.45%		
				18/03/2016	-7,000	-0.01%	Market Sale	383,000	0.44%		
12	Navnitlal Ratanji Shah / Chetan Navnitlal Shah / Nayanaben Mahendra Ramani (Held in the capacity of Trustee of Hiralaxmi Memorial Foundation Trust)	1,434,340	1.65%	25/03/2016	-1,434,340	-1.65%	Transfer	0	0.00%	0	0.00%
13	Runner Marketing Pvt. Ltd.	800,000	0.92%	28/08/2015	-800,000	-0.92%	Transfer	0	0.00%	0	0.00%

(v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name of the Share-holders	Shareholding at the beginning of the year		Changes During the year				Cumulative Shareholding during the year		Shareholding at the end of the year	
		No. of Shares	% of total shares	Date	No. of Shares (Increased/ Decreased)	% of total shares	Reason	No. of Shares	% of total shares	No. of Shares	% of total shares
1	Rajnikant B. Pajwani - Whole Time Director & CEO	41,800	0.05%	31/12/2015	-5,000	-0.01%	Market Sale	36,800	0.04%	36,800	0.04%
2	Sachin Polke- Company Secretary & VP	1,144	0.00%	-	-	-	-	-	-	1,144	0.00%



V. INDEBTEDNESS:

(Amount in ₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year				
i. Principal amount	919,601,410	—	—	919,601,410
ii. Interest due but not paid	334,306,533	—	—	334,306,533
iii. Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	1,253,907,943	NIL	NIL	1,253,907,943
Changes in Indebtedness during the financial year				
• Addition	99,248,173	—	—	99,248,173
• Reduction	254,422,298	—	—	254,422,298
Net Change	(155,174,125)	NIL	NIL	(155,174,125)
Indebtedness at the end of the Financial Year				
i. Principal amount	945,800,000	—	—	945,800,000
ii. Interest due but not paid	152,933,818	—	—	152,933,818
iii. Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	1,098,733,818	NIL	NIL	1,098,733,818

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

During the year under review, Shri Rajnikant Pajwani, Whole Time Director & Chief Executive Officer was paid remuneration of Rupee Thirty Lakhs* (TDS as applicable was deducted).

* The Effective Capital of the Company as on 31st March, 2015, calculated as per the provisions of Schedule V of the Companies Act, 2013, was negative. Thus, the Whole Time Director & CEO received remuneration during the FY 2015-2016 as prescribed under Schedule V of the Companies Act, 2013 and in accordance with the approval obtained from the Members of the Company, by way of Postal Ballot Notice dated 14th October, 2014 and the result of which was declared on 1st December, 2014.

B. Remuneration to other Directors:

During the year under review, the Non-Executive Independent Directors were paid Sitting Fees @ ₹ 50,000/- each for attending the every meeting of the Board of Directors and Audit Committee.

C. Remuneration to Key Managerial Personnel other than MD /Manager /WTD:

During the year under review, Remuneration paid to the Company Secretary and other Whole Time Key Managerial Personnel (as recognized by the Board of Directors) aggregates to approximately Rupees Two Crore Twenty Two Lakhs Thirty One Thousand One Hundred Eighty Eight.

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

During the year under review, your Company had received a letter from Bombay Stock Exchange and National Stock Exchange with regards to non-compliance with the requirement of clause 49 (II) (A) (1) of the Listing Agreement for non-appointment of Woman Director on the Board of the Company, thereby levied the fine of ₹ 50,000.

In this regard, Company had submitted its clarification to the stock exchanges and paid the requisite fine.

For and on Behalf of the Board of Directors

Sd/-

CHETAN SHAH

CHAIRMAN (NON-EXECUTIVE)

Sd/-

RAJNIKANT PAJWANI

WHOLE TIME DIRECTOR & CEO

Sd/-

HARISH MOTIWALLA

INDEPENDENT DIRECTOR

(CHAIRMAN - AUDIT COMMITTEE)

Place: Mumbai

Date: 10th August, 2016



REPORT ON CORPORATE GOVERNANCE

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

Corporate Governance encompasses a set of systems and practices to ensure that the Company's affairs are being managed in four basic tenets namely Transparency, Fairness, Accountability and Responsibility.

We at Ashapura Group ensure that we evolve and follow the good Corporate Governance practices. Ashapura Group is committed to meet aspirations of all the Stakeholders be it Shareholders, Employees, Suppliers, Customers, Investors, Banks, Government and Community at large.

The Company, pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 i.e. Listing Regulations, has executed fresh agreements with the Stock Exchanges where Company's shares are listed. A report on compliance with the principles of Corporate Governance as prescribed by the Securities and Exchange Board of India (SEBI), is given below:

2. BOARD OF DIRECTORS:

A. Composition and category of Board of Directors:

As on 31st March, 2016, Ashapura's Board consists of Eight (8) Directors. Besides the Chairman, a Non-Executive Promoter-Director, the Board comprises of One (1) Executive Director, Five (5) Non-Executive Independent Directors (including One Woman Director) and One (1) Special Director appointed by the Board for Industrial and Financial Reconstruction (BIFR).

The composition of the Board is in conformity with the provisions of Section 149 of the Companies Act, 2013 and Regulation 17 of the Listing Regulations, enjoining specified combination of Executive, Non-Executive and Independent Directors with at least one Women Director.

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

The Composition of the Board of Directors and their attendance at the Board Meetings during the year and at the previous Annual General Meeting as also number of Directorships/Memberships of committees of other Companies are as under:

Name of Directors	DIN	Category	No. of Board Meetings Attended	Attendance at last AGM Held on 30 th September, 2015	No. of Directorships in other companies as on 31 st March, 2016 ⁵	No. of Committee positions held including Ashapura Minechem Ltd. as on 31 st March, 2016 ⁶	
						Member	Chairman
Late Shri Navnitlal Shah ¹	00018945	Promoter Director, Non-Executive	—	—	—	1	—
Shri Chetan Shah ²	00018960	Promoter, Chairman(Non-Executive)	4	Present	7	1	1
Shri Rajnikant Pajwani	00086007	Whole Time Director & Chief Executive Officer (CEO)	4	Present	2	1	—
Shri Ashok Kadakia	00317237	Non-Executive, Independent	3	Present	6	4	4
Shri Harish Motiwalla	00029835	Non-Executive, Independent	4	Present	8	4 ⁷	6 ⁷

Name of Directors	DIN	Category	No. of Board Meetings Attended	Attendance at last AGM Held on 30 th September, 2015	No. of Directorships in other companies as on 31 st March, 2016 ⁵	No. of Committee positions held including Ashapura Minechem Ltd. as on 31 st March, 2016 ⁶	
						Member	Chairman
Shri Abhilash Munsif	02773542	Non-Executive, Independent	4	Present	1	2	—
Smt. Navita Gaiha ³	07248115	Non-Executive, Independent	2	Present	—	—	—
Shri Pundarik Sanyal ⁴	01773295	Non-Executive, Independent	—	N.A.	4	1	2
Shri Arun Chadha	06747459	Special Director appointed by BIFR	4	Present	—	—	—

Notes :-

- 1 The Board of Directors at their meeting held on 26th May, 2015 took on record the vacation of office of Late Shri Navnitlal Shah pursuant to the provisions of Section 167(1) (b) of the Companies Act, 2013.

Late Shri Navnitlal Shah, Ex-Chairman & Promoter of the Company has left for his heavenly adobe on Tuesday, 30th June, 2015.

- 2 Shri Chetan Shah has been designated/appointed as a Non-Executive Chairman/Emeritus Chairman of the Company viz-a-viz the Ashapura Group w.e.f. 26th May, 2015.
- 3 Smt. Navita Gaiha was appointed as a Non-Executive Independent Director of the Company w.e.f. 5th August, 2015. She was invited for the meeting of the Board of Directors on 5th August, 2015 and was formally introduced to the Board of Directors.
- 4 Shri Pundarik Sanyal has been appointed as an Additional Director (Independent Director) of the Company w.e.f. 9th February, 2016 and holds office up to the ensuing Annual General Meeting. The relevant details as required pursuant to the Companies Act, 2013 and the Listing Regulations are furnished in the Notice of the ensuing Annual General Meeting.

He was invited for the meeting of the Board of Directors on 9th February, 2016 and was formally introduced to the Board of Directors.

- 5 Excludes directorships in Private Limited Companies, Foreign Companies, Companies incorporated under Section 8 of the Companies Act, 2013 and Alternate Directorships.
- 6 Represents only Membership/Chairmanship of the Audit Committee and the Stakeholders' Relationship Committee of Indian Public Companies.
- 7 As on the date of the report, Shri Harish Motiwalla has five (5) membership & five (5) chairmanship.

None of the other Directors are related inter-se except late Shri Navnitlal Shah and Shri Chetan Shah, who were related to each other being father and son.

**B. Number of shares held by Non-Executive Directors:**

The details of number of shares held by the Non-Executive Directors as on 31st March, 2016 is given below:

Name of Directors	Designation	Number of Shares Held
Shri Chetan Shah	Chairman (Non-Executive), Non-Independent	1,35,43,814
Shri Ashok Kadakia	Non-Executive, Independent	14,750
Shri Harish Motiwalla	Non-Executive, Independent	500

C. Number of Meetings held during the Financial Year 2015-2016:

During the Financial Year 2015-2016, the Board of Directors of the Company met four (4) times on 26th May, 2015, 5th August, 2015, 4th November, 2015 and 9th February, 2016 and that the time elapsed between any two consecutive meetings never exceeded 120 days. The necessary quorum was present for all the meetings.

D. Independent Directors:**a. Appointment of Smt. Navita Gaiha and Shri Pundarik Sanyal:**

Smt. Navita Gaiha has been appointed as an Additional (Independent) Director w.e.f. 5th August, 2015 and her appointment as an Independent Director for the period of 5 years from the date of her appointment was ratified at the previous year's Annual General Meeting held on 30th September, 2015.

Shri Pundarik Sanyal has been appointed as an Additional (Independent) Director w.e.f. 9th February, 2016, whose appointment as an Independent Director in terms of the Companies Act, 2013 and the Listing Regulations shall be placed before Shareholders at the ensuing Annual General Meeting for ratification.

- b. A formal Letter of Appointment is issued to Independent Directors upon their appointment at the General Meeting of the Company. A model letter of appointment is available at the website of the Company at www.ashapura.com.
- c. The Company has received necessary declarations from the Independent Directors of the Company, confirming that they meet the criteria of independence as prescribed.
- d. During the Financial Year 2015-2016, following events were held as regard to Independent Directors:
 - A separate meeting of Independent Directors was held on 8th February, 2016 without the attendance of Non-Independent Directors and managerial personnel of the Company for the purposes, as required by provisions of the Companies Act, 2013 and the Listing Regulations.
 - The Company has conducted Familiarization Programme during the year under review for Independent Directors, the details of which are available on the website of the Company at www.ashapura.com.

E. CEO Certificate:

A certificate, pursuant to the provisions of Regulation 17(8) of the Listing Regulations, duly signed by the Whole Time Director & CEO in respect of the financial year ended 31st March, 2016 was placed before the Board and the same was taken on record.

F. Code of Conduct:

The Company has adopted Ashapura's Code of Conduct for the Board Members, Senior Management and all employees in and above Officers level and the same is posted on the website of the Company. The duties of the

Independent Directors as laid down in the Companies Act, 2013 has been framed separately and forms part of Ashapura's Code of Conduct.

A declaration from the Whole Time Director that all Board Members and senior management personnel have affirmed compliance with the Code of Conduct for the financial year ended 31st March, 2016 forms part of the Annual Report.

The Company is in due compliance of all the provisions of Regulation 17 of the Listing Regulation for the Financial Year 2015-2016.

3. COMMITTEES OF BOARD OF DIRECTORS:

The following Committees 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 among other are specified herein below:

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

b. Composition:

As on 31st March, 2016, the Audit Committee comprised of Four (4) Directors. The composition of the Audit Committee and the details of meetings attended by its members are given below:

Name of Directors	Category	No. of Meetings during the F. Y. 2015-2016	
		Held	Attended
Shri Harish Motiwalla * (Chairman)	Non-Executive, Independent	4	4
Shri Ashok Kadakia #	Non-Executive, Independent	4	3
Shri Abhilash Munsif	Non-Executive, Independent	4	4
Shri Pundarik Sanyal @	Non-Executive, Independent	N.A.	N.A.



* Shri Harish Motiwalla was appointed as the Chairman of the Audit Committee w.e.f 9th February, 2016.

Shri Ashok Kadakia stepped down as Chairman of the Audit Committee w.e.f. 9th February, 2016.

@ Shri Pundarik Sanyal was inducted by the Board as a Member of the Audit Committee as on 9th February, 2016.

Shri Ashok Kadakia, the then Chairman of the Audit Committee was present at the 34th Annual General Meeting of the Company held on 30th September, 2015.

The Sr. General Manager - Accounts, Representative of the Statutory Auditors and the Internal Auditors are permanent invitees to the Audit Committee Meetings.

Shri Sachin Polke, Company Secretary & Vice President acts as the Secretary of the Audit Committee.

c. Meetings:

During the Financial Year 2015-2016, the members of the Audit Committee met four (4) times on 26th May, 2015, 5th August, 2015, 4th November, 2015 and 9th February, 2016 and that time elapsed between any two consecutive meetings never exceeded 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:

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

b. Composition:

As on 31st March, 2016, 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 given below:

Name of Directors	Category	No. of Meetings during the F. Y. 2015-2016	
		Held	Attended
Shri Ashok Kadakia (Chairman)	Non-Executive, Independent	2	1
Shri Harish Motiwalla	Non-Executive, Independent	2	2
Shri Abhilash Munsif	Non-Executive, Independent	2	2

c. Meetings:

During the Financial Year 2015-2016, the members of the Nomination & Remuneration Committee met Two (2) times on 5th August, 2015 and 8th February, 2016.

Details of methodology adopted for Board evaluation including Independent Directors have been provided on page no. 12 of the Board's Report.

d. Remuneration of Directors:

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

The details of sitting fees paid to Non-Executive Directors for the year ended 31st March, 2016 are as under:

Name of the Directors	Sitting fees paid for Board Meetings (₹)	Sitting fees paid for Audit Committee Meetings (₹)
Shri Chetan Shah	2,00,000/-	N.A.
Shri Harish Motiwalla	2,00,000/-	2,00,000/-
Shri Ashok Kadakia	1,50,000/-	1,50,000/-
Shri Abhilash Munsif	2,00,000/-	2,00,000/-
Shri Arun Chadha	2,00,000/-	N.A.
Smt. Navita Gaiha	1,00,000/-	N.A.
Shri Pundarik Sanyal*	N.A.*	N.A.*

* Shri Pundarik Sanyal was co-opted as an Additional Director (Independent) w.e.f. 9th February, 2016.

The details of Remuneration paid to Executive Director for the year ended 31st March, 2016 are as under:

Name of the Director	Salaries & Perquisites including allowance	Tenure as per agreement upto
Shri Rajnikant Pajwani	₹. 30,00,000/- *	30 th September, 2017 (3 Years w.e.f. 1 st October, 2014)

* The Effective Capital of the Company as on 31st March, 2015, calculated as per the provisions of Schedule V of the Companies Act, 2013 was negative. Thus, the Whole-time Director received remuneration during the Financial Year 2015-2016 as prescribed under Schedule V of the Companies Act, 2013, and in accordance with approval obtained from the members of the Company, by way of a Postal Ballot notice dated 14th October, 2014 and the result of which was declared on 1st December, 2014.

C. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

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

a. Terms of Reference:

The terms of reference of the Stakeholders' Relationship Committee are in line with the regulatory requirements



which among other are specified herein below:

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

b. Composition:

As on 31st March, 2016, 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	No. of Meetings during the F. Y. 2015-2016	
		Held	Attended
Shri Ashok Kadakia (Chairman)	Non-Executive, Independent	9	8
Shri Navnitlal Shah*	Non-Executive, Non-Independent	2	NIL
Shri Chetan Shah	Non-Executive, Non-Independent	9	9
Shri Suryakant Shah	Independent Member	9	9

* Late Shri Navnitlal Shah ceased to be the Member of the Stakeholders' Relationship Committee w.e.f. 26th May, 2015. Consequently, he expired on 30th June, 2015.

c. Meetings:

During the Financial Year 2015-2016, the members of the Stakeholders' Relationship Committee met Nine (9) times on 13th April, 2015, 25th May, 2015, 29th June, 2015, 25th August, 2015, 28th September, 2015, 19th October, 2015, 3rd November, 2015, 14th January, 2016 and 10th February, 2016.

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 2015-2016 are as follows:

Opening Balance	Received During the year	Resolved During the year	Closing Balance
NIL	15	15	NIL

D. COMMITTEE OF DIRECTORS:

a. Terms of Reference:

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

- Reviewing various day to day administrative, operational and finance matters requiring urgent decisions;
- Availing/making of loans, raising of funds, giving of corporate guarantees/securities considering the limits and provisions as specified in the Companies Act, 2013
- To consider and approve intrinsic & time bound policy decisions such as investment/disinvestment in other body

corporate(s)/firm(s), leasing / disposing off the Company's assets within the group & such other where time is essence and that the said decisions are placed before the Board of Directors for ratification.

- Such other matters as may be delegated by the Board to the Committee pursuant to the provisions of the Companies Act, 2013 and such other Acts.

b. Composition and Meetings:

During the year under review, Twelve (12) meetings of the Committee of Directors were held on the dates mentioned below:

13th April, 2015, 13th May, 2015, 16th June, 2015, 20th July, 2015, 24th August, 2015, 4th September, 2015, 30th September, 2015, 3rd November, 2015, 11th December, 2015, 14th January, 2016, 8th February, 2016 and 26th February, 2016.

The Composition of the Committee of Board of Directors and the particulars of attendance of the Committee Members are as follows:

Name of Directors	Category	No. of Meetings during the F. Y. 2015-2016	
		Held	Attended
Shri Rajnikant Pajwani* (Chairman)	Whole Time Director & CEO	10	10
Late Shri Navnitlal Shah**	Non-Executive, Non-Independent	2	NIL
Shri Chetan Shah	Non-Executive, Non-Independent	12	12
Shri Ashok Kadakia	Non-Executive, Independent	12	12
Shri Harish Motiwalla	Non-Executive, Independent	12	12

* Shri Rajnikant Pajwani was co-opted as a member of the Committee of Directors w.e.f. 26th May, 2015.

** Late Shri Navnitlal Shah was ceased to be the Member of the Committee of Directors w.e.f. 26th May, 2015. Consequently, he expired on 30th June, 2015.

E. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

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

The terms and reference of CSR Committee is as follows:

- 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.

During the year under review, Two (2) meetings of the CSR Committee were held on 5th August, 2015 and 8th February, 2016.



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

Name of Directors	Category	No. of Meetings during the F. Y. 2015-2016	
		Held	Attended
Shri Harish Motiwalla (Chairman)	Non-Executive, Independent	2	2
Shri Chetan Shah	Non-Executive, Non-Independent	2	2
Shri Rajnikant Pajwani	Whole Time Director & CEO	2	2

4. GENERAL BODY MEETINGS:

Details of Annual General Meetings (AGMs) of the last three years:

Financial Year	Date	Time	Location	Special resolution Passed
2012-2013	26 th September, 2013	11.30 a.m.	Babasaheb Dahanukar Sabhagriha, Maharashtra Chamber of Commerce, Oricon House, 6 th Floor, 12, K. Dubhash Marg, Kala Ghoda, Fort, Mumbai - 400001.	No
2013-2014	25 th September, 2014	3.30 p.m.		No
2014-2015	30 th September, 2015	3.00 p.m.	M. C. Ghia Hall, Bhogilal Hargovindas Building 4 th Floor, 18/20, K Dubash Marg, Kala Ghoda, Mumbai - 400001.	No

During the year under review, no Special resolution has been passed through the exercise of postal ballot.

5. MEANS OF COMMUNICATION:

- a. Quarterly/half-yearly/annual financial results as prescribed under Regulations 33 and 47 of the Listing Regulations (erstwhile Listing Agreement) are published in the following newspapers and also displayed on the Company's website www.ashapura.com:

Newspapers	Cities of Publication
Business Standard	Mumbai Edition
Sakal	Mumbai Edition

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

6. GENERAL SHAREHOLDER INFORMATION:

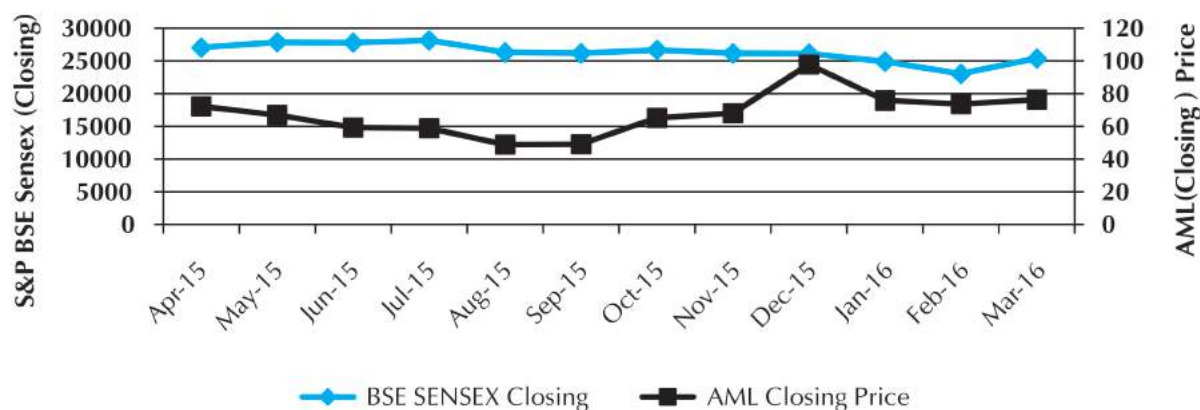
Annual General Meeting:	<p>Day & Date : Thursday, 29th September, 2016.</p> <p>Time : 3.00 P.M.</p> <p>Venue : Walchand Hirachand Hall, 4th Floor, Indian Merchants' Chamber, Mumbai - 400 020</p>
Tentative Financial Calendar:	<p>Financial reporting for the quarter ending 30th June, 2016: On or before 14th August, 2016</p> <p>Financial reporting for the quarter ending 30th September, 2016: On or before 14th November, 2016</p> <p>Financial reporting for the quarter ending 31st December, 2016: On or before 14th February, 2017</p> <p>Financial reporting for the quarter ending 31st March, 2017: On or before 30th May, 2017</p>
Date of Book Closure:	21 st September, 2016 to 29 th September, 2016 (Both days inclusive)
Dividend Payment Date:	No Dividend is recommended for the FY 2015-2016
Listing Details:	<p>Equity Shares are listed on the following Stock Exchanges:</p> <ol style="list-style-type: none"> 1. Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001. 2. National Stock Exchange of India Limited, "Exchange Plaza", Bandra Kurla Complex, Bandra (East), Mumbai – 400051. <p>The Annual Listing Fees for the year 2015-2016 have been paid to the said Stock Exchanges.</p>
Stock Code:	<p>Bombay Stock Exchange Ltd. 527001</p> <p>National Stock Exchange of India Ltd. ASHAPURMIN</p>
ISIN Number:	INE348A01023
Corporate Identification Number (CIN):	L14108MH1982PLC026396



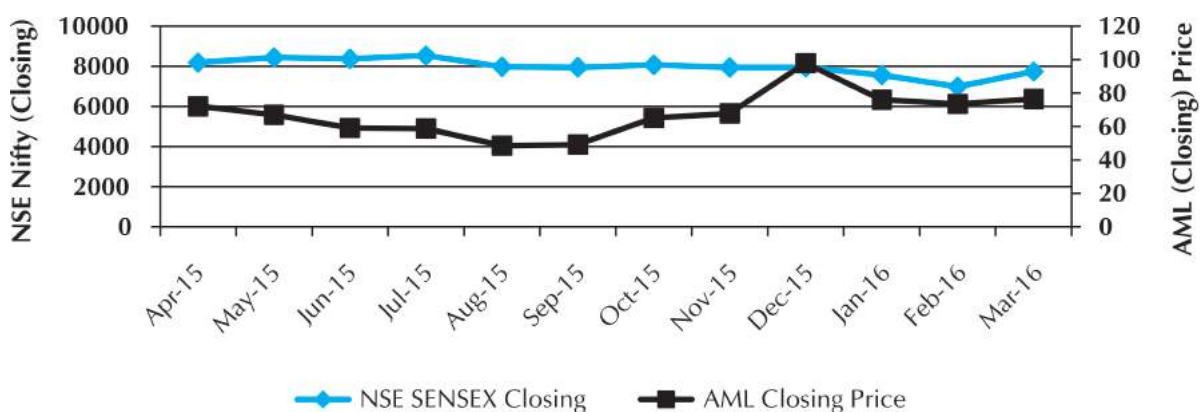
Market Price Data:

Period	Bombay Stock Exchange Limited				National Stock Exchange of India Limited			
	Sensex (₹.)		AML Share price (₹.)		Nifty (₹.)		AML Share price (₹.)	
	High	Low	High	Low	High	Low	High	Low
Apr-15	29094.61	26897.54	84.00	65.80	8844.80	8144.75	84.00	65.65
May-15	28071.16	26423.99	75.90	63.50	8489.55	7997.15	76.05	63.20
Jun-15	27968.75	26307.07	67.50	55.50	8467.15	7940.30	67.50	55.50
Jul-15	28578.33	27416.39	68.40	56.90	8654.75	8315.40	68.80	56.75
Aug-15	28417.59	25298.42	64.90	46.75	8621.55	7667.25	64.70	47.00
Sep-15	26471.82	24833.54	54.40	43.20	8055.00	7539.50	54.75	43.40
Oct-15	27618.14	26168.71	70.90	49.40	8336.30	7930.65	70.70	49.20
Nov-15	26824.30	25451.42	69.30	59.00	8116.10	7714.15	69.70	57.20
Dec-15	26256.42	24867.73	99.40	61.50	7979.30	7551.05	99.60	61.60
Jan-16	26197.27	23839.76	100.60	61.80	7972.55	7241.50	100.50	61.60
Feb-16	25002.32	22494.61	82.75	60.00	7600.45	6825.80	82.85	59.00
Mar-16	25479.62	23133.18	82.00	70.70	7777.60	7035.10	82.00	70.60

Share Performance of the Company in comparison to BSE Sensex:



Share Performance of the Company in comparison to NSE Nifty:



[Source : This information is complied from the data available from the website of BSE & NSE]

Registrar and Share Transfer Agent:	M/s. Link Intime India Pvt. Ltd. C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai – 400 078																		
Share Transfer System:	<p>The Company's shares are traded on the Stock Exchanges in Demat Mode as well as in Physical Mode.</p> <p>In Demat Mode, the transfers are effected through National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Majority of the share transfers take place in this mode.</p> <p>In Physical Mode, the transfer of shares is processed and approved weekly and the certificates are returned to the shareholders within 15 days from the date of receipt, subject to documents being valid and complete in all respects.</p>																		
Distribution of Shareholding & Category-wise distribution:	Refer Table A & B																		
Dematerialization of shares and liquidity:	<p>As on 31st March, 2016, 99.39% of the paid-up share capital (face value of Equity Shares of ₹. 2 each) is held in Demat form with NSDL and CDSL.</p> <table><tr><th>Mode</th><th>No. of equity shares</th><th>% to the Total Share Capital</th></tr><tr><td>Physical</td><td>5,26,413</td><td>00.61%</td></tr><tr><td>Electronic:</td><td></td><td></td></tr><tr><td>(A) NSDL</td><td>7,67,80,955</td><td>88.26%</td></tr><tr><td>(B) CDSL</td><td>96,78,730</td><td>11.13%</td></tr><tr><td>TOTAL</td><td>8,69,86,098</td><td>100.00%</td></tr></table>	Mode	No. of equity shares	% to the Total Share Capital	Physical	5,26,413	00.61%	Electronic:			(A) NSDL	7,67,80,955	88.26%	(B) CDSL	96,78,730	11.13%	TOTAL	8,69,86,098	100.00%
Mode	No. of equity shares	% to the Total Share Capital																	
Physical	5,26,413	00.61%																	
Electronic:																			
(A) NSDL	7,67,80,955	88.26%																	
(B) CDSL	96,78,730	11.13%																	
TOTAL	8,69,86,098	100.00%																	
Outstanding GDR / ADR / Warrants or any Convertible Instruments and their likely impact on Equity:	The Company has not issued any GDR/ADR/ warrants or any convertible instruments in the past and hence as on 31 st March, 2016, the Company does not have any outstanding GDR/ADR/ Warrants or any convertible instruments.																		
Plant Locations:	<ol style="list-style-type: none">Plot No. 256/3, Village Baraya, Bhuj-Mundra Highway, Tal. Mundra, Kutch, Gujarat.Jamnagar-Dwarka Highway, Khambhaliya, Dist. Jamnagar, Gujrat.Village Paddhar, Taluka - Bhuj, Dist-Kutch, Gujarat.Mamuara, Taluka - Bhuj, Dist-Kutch, Gujarat.Village - Hamla, Taluka - Mandvi, Dist-Kutch, Gujarat.																		
Address for Correspondence:	<p>The Company's Registrar and Share Transfer Agent viz. M/s. Link Intime India Pvt. Ltd. provides all shareholder related services.</p> <p>Any query relating to shares and requests for transactions such as transfers, transmissions and nomination facilities, duplicate share certificates, change of address and also dematerialization of shares may please be taken up with:</p> <p>M/s. Link Intime India Pvt. Ltd. C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai – 400 078 Tel.: +91-22-25963838 Fax: +91-22-25946969 E-mail: rnt.helpdesk@linkintime.co.in</p>																		



7. OTHER DISCLOSURES:

- a. The Company has in place a policy (uploaded and available on the Company's website - www.ashapura.com) on Related Party Transactions approved by the Board of Directors to deal with the related party transactions entered into by the Company. 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 no. 40 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.
- b. During the year under review, the Company paid penalty to Stock Exchanges for Non-Compliance of erstwhile Clause 49(II)(A)(1) of the Listing Agreement i.e. non-appointment of woman director on the Board of the Company on or before 31st March, 2015. However, the Company has appointed Smt. Navita Gaiha as Non-Executive Independent Woman Director w.e.f. 5th August, 2015.

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

- c. A Vigil Mechanism/Whistle Blower Policy has been established 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 of 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 (www.ashapura.com).
- d. The Company has in place a Code Of Conduct For Prevention Of Insider Trading and Code Of Practices And Procedures For Fair Disclosure Of Unpublished Price Sensitive Information to regulate, monitor and report trading by Insiders as prescribed under the SEBI (Prohibition of Insider Trading) Regulations, 2015, as approved by the Board of Directors.

"TABLE A"
DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2016

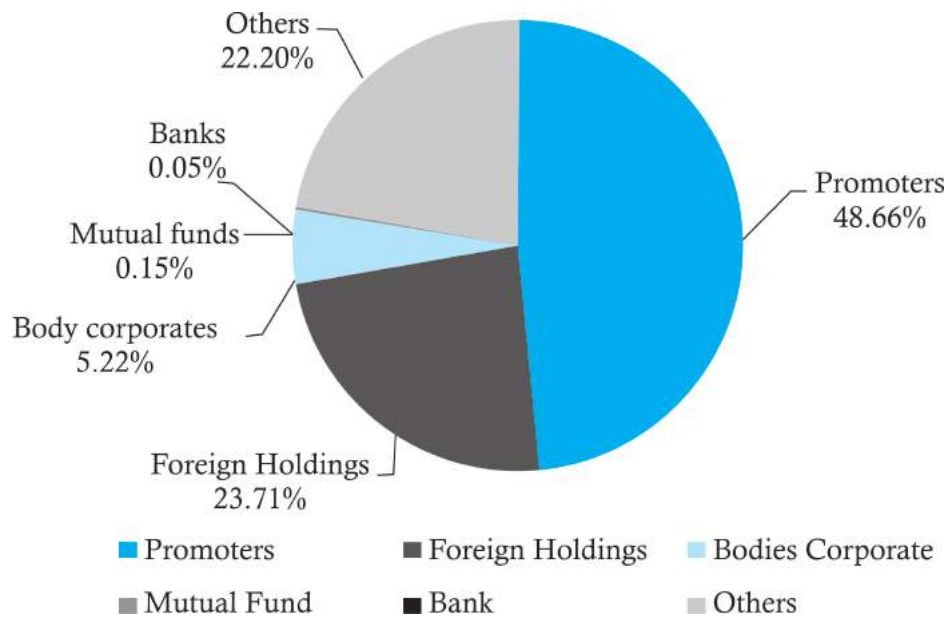
No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares	% of Shareholding
1-500	15001	79.64	2147528	2.47
501-1000	1645	8.73	1372019	1.58
1001-2000	1049	5.57	1752186	2.01
2001-3000	321	1.70	841552	0.97
3001-4000	168	0.89	612271	0.70
4001-5000	145	0.77	690920	0.79
5001-10000	207	1.10	1591699	1.83
10001 & above	299	1.59	77977923	89.64
TOTAL	18835	100.00	86986098	100.00

“TABLE B”
CATEGORY-WISE DISTRIBUTION AS ON 31ST MARCH, 2016

Categories	Total No. of Shares	% of Holding
A) Promoters Holding		
Individuals	34235124	39.36
Bodies Corporate	8093040	9.30
Total (A)	42328164	48.66
B) Public Holding		
i) Institutions		
Mutual Fund	130000	0.15
Foreign Portfolio Investor (Corporate)	10968435	12.61
Foreign Inst. Investors	8181408	9.41
Nationalised Bank	8000	0.01
Non-Nationalised Bank	35696	0.04
Total (B)(i)	19323539	22.21
ii) Non-Institutions		
Bodies Corporate	4543948	5.22
Non-Resident Indian (Repatriable)	590112	0.68
Non-Resident (non-repatriable)	885955	1.02
Market Maker	98917	0.11
Other Directors	52050	0.06
Clearing Members	1777904	2.04
Public	17385509	19.99
Total (B)(ii)	25334395	29.12
Total (B)(i) + (B)(ii)	44657934	51.34
Grand Total (A + B)	86986098	100.00



SHAREHOLDING PATTERN AS ON 31ST MARCH, 2016



AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
ASHAPURA MINECHEM LIMITED

We have examined the compliance of conditions of Corporate Governance by **Ashapura Minechem Limited** ("the Company") for the year ended 31st March, 2016, as stipulated in Clause 49 of the Listing Agreement ("Listing Agreement") of the Company with stock exchange for the period 1st April, 2015 to 30th November, 2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 ("Listing Regulations") as referred to in Regulation 15(2) of the Listing Regulations for the period 1st December, 2015 to 31st March, 2016.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedure and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-referred Listing Agreement / Listing Regulations, as applicable, except that the Company has not appointed Chief Financial Officer (CFO) during the year under review.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

Place: Mumbai
Date: 10th August, 2016

For **SANGHAVI & COMPANY**
Chartered Accountants
FRN: 109099W
Sd/-
MANOJ GANATRA
Partner
Membership No. 043485

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

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

I further confirm that the Company has in respect of the financial year ended on 31st March, 2016, 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.

Place : Mumbai
Date : 10th August, 2016

For and on behalf of the Board,
Sd/-
Rajnikant Pajwani
Whole-time Director & CEO



MANAGEMENT DISCUSSION AND ANALYSIS

CAUTIONARY STATEMENT:

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable laws and regulations. Forward looking statements are based on certain assumptions and expectations of future events. The Company's actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations which among others include demand & supply of raw materials, energy and finished goods; cyclical changes in prices; significant changes in political and economic environment in India/Abroad; changes in Government policies; tax regimes; exchange rate fluctuations; litigations; labour relations and acts of god.

The Management of Ashapura Minechem Limited presents the analysis of the performance of the Company during the financial year 2015-2016 and an outlook for the future, which is based on the assessment of the current business environment. The business environment may vary due to the future economic, political and other developments, both in India and abroad.

ECONOMIC ENVIRONMENT:

The global economy negotiated a fairly daunting tightrope in 2015-2016, amongst the stabilizing US economy, wobbling Chinese macro-economic indicators and yet another sluggish year for EU & Japan. A chill of fear followed a brief wave of cheer after energy and commodity prices corrected sharply in late 2015. The world economy appears to have admirably adjusted itself to a "new normal" nearly every three months. India's growth rate of 7.6% in FY 2015-2016 in this context was a great relief yet in its own way elusively surreptitious.

Though India has benefitted from falling global oil prices given its status as a net importer of crude oil, its trade balance has not improved much, on account of the worrying contraction in exports for 15 consecutive months.

Structural changes in the economy (such as moving towards GST) and a bountiful monsoon augur well for the Indian growth story in FY 2016-2017, the CSO predicts a wide range for GDP growth between 7% to 7.75% for FY 2016-2017.

INDUSTRY SCENARIO:

In general, the metals and mining industry faced challenging headwinds on account of slowing infrastructure & investment growth in the world's second largest economy and its resulting fallout on the commodity prices. On the other hand, companies that could nimbly re-adjust production, inventories, capital expenditure and cost structures stood out, while even some of the global metals & mining Goliaths seemed to have been momentarily wrong footed.

In India the mining sector output had contracted for three successive years till FY 2013-2014, and made only a marginal recovery in FY 2014-2015 as output of non-metallic minerals like limestone continued to shrink. These tepid years were largely a result of regulatory intervention rather than demand driven; in contrast, FY 2015-2016, both metallic and non-metallic minerals reported robust growth with total mineral output rising by 8.2% on account of resumption of mining in amongst several minerals over multiple states in India.

There have been sincere attempts at a policy level to boost mineral production in the country through auctioning of mining blocks and by unveiling a new mineral exploration policy; but their effectiveness would eventually depend upon a lot of pragmatic detailing that remains to be addressed.

OUTLOOK:

The silver lining of benign metal and commodity prices is that relatively cost efficient business models are accorded an opportunity to prevail over others; however, the specter of an across the board demand correction always looms large in uncertain times.

Creating a specific niche amongst processed minerals and moving towards providing specialty mineral solutions, is an avenue your Company has adopted over the years to gradually wean off from the vagaries of the global metal and commodity markets.

FINANCIAL PERFORMANCE:

The Financial Statements for the year ended 31st March, 2016, have been prepared in accordance with the requirements of the Companies Act, 2013 and the Generally Accepted Accounting Principles (GAAP) in India and are based on the historical cost convention on an accrual basis.

During the financial year under review, Revenue from Operations of the Company on a stand-alone basis stood at ₹ 59,249 Lakhs as compared to ₹ 74,924 Lakhs in the previous financial year and ₹ 1,77,535 Lakhs on a consolidated basis as against ₹ 1,75,285 Lakhs in the previous year. The decrease in turnover on standalone basis was mainly attributable to reduction in sale of Bauxite due to royalty provisions and sluggish Chinese economy.

Your Company achieved Earnings Before Interest Tax Depreciation & Amortisation (EBITDA) of ₹ 7,880 Lakhs during the year under review as compared to the previous financial year's EBITDA of ₹ 13,307 Lakhs on a stand-alone basis. On a consolidated basis, the Company achieved EBITDA during the year under review of ₹ 24,523 Lakhs as compared to ₹ 27,549 Lakhs in the previous financial year.

OPPORTUNITIES:

Another set of opportunities lie in tapping of mining, processing and marketing activities in new geographies i.e. expanding the business reach in overseas markets and your Company having added new minerals to its portfolio combined with the development of value added products has been gradually augmenting its overseas reach thereby reaping the benefits of economies of scale and achieving diversification & growth objectives.

THREATS:

A deeper and prolonged weakness in commodity and mineral markets is likely to impact the Company's medium term profitability; furthermore, adverse legislative or regulatory decisions in connection with the Company's Bauxite operations, shipping and other claims could significantly affect the Company's revenue and profitability.

RISK & CONCERNS:

Based on the Audited Accounts for the year ended 31st March, 2011, the Board for Industrial and Financial Reconstruction ("BIFR") has declared the Company a 'Sick Company' vide its order dated 20th March, 2012. The Company is in the process of drawing up a Draft Rehabilitation Scheme (DRS) as directed by the BIFR. The Company may be required to follow any operational, administrative or financial directives envisaged in the scheme or as may be stipulated by the BIFR.

The Company continues to face applications for enforcement of ex-parte awards passed in respect of three Contracts of Affreightment for USD 126.07 million; these applications for enforcement of ex-parte awards passed outside India are being contested by the Company at appropriate Indian courts.

The Hon. Supreme Court of India vide its order dated 13th May, 2016 has held that the award under Section 34 of the Arbitration and Conciliation Act, 1996 cannot be challenged and is enforceable. Aggrieved by the said order, the Company has filed a Review Petition against the said order dated 13th May, 2016 passed by the Hon'ble Supreme Court.

INTERNAL CONTROL SYSTEM AND ITS ADEQUACY:

Your Company has an adequate Internal Control System ('ICS') viz-a-viz Internal Financial Control System commensurate with the size, scale and nature of its operation. At Ashapura, the Board of Directors through its Audit Committee ensures that ICS have been laid down in the Company after taking into account the corporate policies, applicable laws & prevailing business/market conditions and that such control are functioning effectively.

The effectiveness of ICS is reviewed through the internal audit process for which Independent Audit Firm ('Internal Auditors') has been appointed. The Internal Auditors are entrusted with duty to oversee and carry out the periodic audit of the functions and activities including financial controls of the Company at all locations as per the Scope of Work approved by the Audit Committee and after taking into consideration the Standard Operating Procedure (SOPs) implemented by the Company. The Internal Audit team based on their observations submits Internal Audit report to Audit Committee which also includes corrective action to be taken by the Management.



The Audit Committee reviews the reports submitted by the Internal Auditors in each of its meeting and at frequent intervals discuss the adequacy and effectiveness of the Internal Audit Process viz-a-viz Internal Control System.

Moving one step forward, your Company has conceptualized, developed and is in process of implementing 'SAP' programme, an advanced IT business solution to achieve standardized business process/procedure and shall work as additional Internal Control System within the Organization.

RESEARCH & DEVELOPMENT:

Your Company is driven by firm belief that minerals have a boundless capacity to satiate the growing needs of humankind and that innovation can help to unlock nature's bounties, thereby making the Company an effective catalyst for change and transformation.

Your Company has set-up Knowledge & Innovation Centre at lush four acre Innovation Complex at Bhuj, Gujarat which houses one of the best geo-mineral laboratories and highly qualified expert/scientist team carrying out extensive research to pursue technological development of new/value added products such as High/intermediate - strength proppant, High-quality refractory products, absorbent & catalysis for oil & wax refining, water treatment minerals based solutions to remove toxic contaminations i.e. arsenic, floride, heavy metals, COD, etc. from water/waste-water/industrial effluents. In addition to this, Knowledge & Innovation Centre's focus is to actively develop the products such as pharma, cosmetic, wine purification, salt pan and pond sealing grade, etc.

Your Company's Research & Development (R&D) facilities is state of art research centre equipped with all the facilities to process minerals through various physical, chemical & thermal treatment and further to characterize using sophisticated instruments and equipment's for product quality and validation evaluation. The future expansion of Pilot Plant facilities (under erection) will help to evaluate the product performance, process establishment as well as to simulate or optimize the process parameters of large scale trials. This facility at R&D will save the raw-material, energy cost and time require to establish the plant process.

During the year under review, various tailor made products were developed in-house for the Indian and International market as also all manufacturing processes were streamlined to make it more energy efficient / cost effective and environment friendly. These developed products and processes are patented at National and International Patent agencies through PCT filling.

For the continual growth of the Company and Nation at large, the Company continued to invest in developing R&D capacity in terms of manpower, technical skill development, equipment and infrastructure to compete effectively across world market. Our future expansion facility being development of Technology Incubation and Demonstration Center will help to transfer the technology to plant level and save process development cost in terms of energy consumption, raw material and time for product/process development.

HUMAN RESOURCES:

Over a period of years, your Company has employed, groomed and retained a blend of experienced and qualified pool of human resources and maintained a balance between the business needs and individual aspirations. Constant training and international exposure has not only sharpened their natural skill & knowledge but also increased their overall morale. In view of this, your Company enjoys a relatively low attrition rate. This pool of human resources also enables your Company to take up new projects with a combination of old trusted hands and fresh youthful talent.

Your Company frequently provides platform for the employees at all levels to interact and connect with their seniors/leaders as also within their peer groups thereby enabling them to share information and feedback on individual & Company's performance and way forward. Induction training for new recruits and focussed training for good performers have been devised to retain the better and advance the best employees. Your Company has also initiated the digitisation process by implementing SAP based modules with a view to effectively deploy various Human Resources initiatives.

During the year under review, your Company at Group level employed, directly or indirectly, approximately 2400 employees at different levels across diverse locations. Sincere efforts of the employees of your Company are one of the key factors in the

growth and successful implementation of its business strategies.

Your Company will continue to harness and train quality talent to achieve its growth plans.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

The land, the people and the society that have sustained Ashapura and its humble efforts at transformation, deserve an equal amount of affection and indulgence. The Ashapura Group has created institutions and infrastructure for the amelioration and development of rural education, women & child development, vocational training, local arts, culture and history.

On the Educational front, Ashapura Group is running Ashapura Primary School & Ashapura Women's Academy. At Ashapura Primary School along with education many extra curriculum activities are organized for overall development of the students, some of such activities recently introduced are martial art training & e-learning programme in schools of rural area. Ashapura Women's Academy accredited with ISO 9001:2008 certification provides various certified training courses and educational facilities to the women.

During the year under review, Ashapura Group also got associated with ITI Bhuj & ITI Mandvi for imparting technical courses like computer hardware, mobile repairing & motor driving to the students of rural area.

On Healthcare front, Hiralaxmi Memorial Mobile Medical Van provides medical services in the remote areas of Gujarat. Ashapura Group, at regular interval also arranges for medical/ayurvedic camps for awareness/medical treatment relating to female diseases and general diseases. Further, concerning the Health & Nutrition of the Mothers that are feeding their child, nutritional food 'KATALA' was provided to such Mothers.

On Cultural & Social front, Ashapura Group has undertaken several projects, one of such major project initiated in recent years being Vande Mataram Museum Project which is been constructed in Hiralakshmi Memorial Craft Park as a tribute to Indian Independence. The said Museum will have combination of history, art and technology. The Museum among other includes replicas of Indian Parliament (Sansad Bhavan), Delhi's India Gate, Ahmedabad's Sabarmati Ashram & few other Indian Monuments; statues of freedom fighters; rejuvenating selected few events occurred during year 1800 to 1947.

Apart from this, Ashapura Group also promotes and undertakes many activities such as Animal Care Project for vaccination & better health of animals by providing good quality and nutritious cattle feed to the animals in water scarcity villages; Hiralaxmi Craft Park that preserves & promotes the crafts of Kutch where artisans are provided platform for direct sale to customers enabling them to earn a reasonable income.

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INDEPENDENT AUDITORS' REPORT

To
The Members of
ASHAPURA MINECHEM LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Ashapura Minechem Limited** ("the Company") which comprise the Balance Sheet as at 31st March 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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 Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance

about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2016 and of the profit and its cash flows for the year ended on that date.

Other Matters

We did not audit the financial statements of two branches included in the standalone financial statements of the Company whose financial statements reflect total assets of ₹ 118,244,827 as at 31st March 2016 and total revenues of ₹ 13,754,141 for the year ended on that date, as considered in the standalone financial statements. The financial statements of these branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such branch auditors.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

- 1 As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government



of India terms of sub-section (11) of section 143 of the Act, we give in the Annexure – A, a statement on the matters specified in clause 3 and 4 of the Order, to the extent possible.

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 reports on the accounts of two branch offices of the Company audited under section 143 (8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report.
- d) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- f) On the basis of written representations received from the directors as on 31st March 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2016, from being appointed as a director in terms section 164(2) of the Act;
- g) 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;
- h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer note no. 25, 26 and 35;

- ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
- iii. There has been no delay in transferring the amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For SANGHAVI & COMPANY
Chartered Accountants
FRN: 109099W

Sd/-
MANOJ GANATRA
Partner
Membership No. 043485

Mumbai
26th May, 2016

ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT

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

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

- 1 In respect of fixed assets:
 - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b. The fixed assets were physically verified by the management at reasonable intervals in a phased manner in accordance with a programme of physical verification. No discrepancies were noticed on such verification.
 - c. The title deeds of immovable properties are held in the name of the Company.
- 2 The inventories were physically verified by the management at reasonable intervals during the year. No material discrepancies were noticed on such physical verification carried out by the Company.
- 3 The Company has granted unsecured loans to companies covered in the register maintained under section 189 of the Act. Since no terms and conditions of these loans are stipulated, we cannot offer any comments as to the repayment of principal amount or overdue amounts, if any. The receipts of interest on these loans are regular.
- 4 The Company has complied with provisions of Section 185 and 186 of the Act in respect of loans, investments, guarantees and security, to the extent applicable.
- 5 The Company has not accepted any deposits within the meaning of the provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder with regard to the deposits accepted from the public. 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 Companies Act, 2013 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, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess 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
Value Added Tax	Kerala VAT Act	8.23	2007-08	Appellate Tribunal
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
Service Tax	Service Tax Rules	6.05	2008-09, 2009-10	CESTAT - Ahmedabad
		141.79	2007-08, 2008-09	Gujarat High Court
Income Tax	Income Tax Act	1,403.32	2010-11	The Commissioner of Income Tax (Appeals)



- 8 The Company has not defaulted in repayment of loans or borrowing to banks except for the dues of certain banks in respect of losses and liabilities for foreign currency derivative transactions which are disputed by the Company as stated in note no. 25 and to the extent the amounts stated under note no. 6. The Company has not obtained any borrowings from any financial institutions or government or by way of debentures.

Lender wise details of the defaults are as under:

Bank	Balance as on 31 st March 2016 ₹
HDFC Bank	254,000,000

* excluding interest

- 9 Term loans obtained by the Company have been applied for the purpose for which they were obtained. The Company has not raised any money during the year, by way of public offer (including debt instruments).
- 10 To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company or on the Company by its officers or employees was noticed or reported during the year.
- 11 Managerial remuneration paid or provided by the Company during the year is in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- 12 Since the Company is not a Nidhi Company, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- 13 All transactions with the related parties are in compliance with Section 177 and 188 of the Act and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- 14 The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- 15 The Company has not entered into any non-cash transactions during the year with directors or persons concerned with him.

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

For SANGHAVI & COMPANY

Chartered Accountants

FRN : 109099W

sd/-

MANOJ GANATRA

Partner

Membership No. 043485

Mumbai
26th May, 2016

ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of **Ashapura Minechem Limited** ("the Company") as of 31st March, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for the Internal Financial Statements

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 issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by 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, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over

financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized 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 March 31, 2016, 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 issued by the Institute of Chartered Accountants of India.

For SANGHAVI & COMPANY

Chartered Accountants
FRN : 109099W

sd/-

MANOJ GANATRA

Partner
Membership No. 043485

Mumbai
26th May, 2016

ASHAPURA MINECHEM LIMITED

BALANCE SHEET AS AT 31st MARCH, 2016

	Note No.	31 st March, 2016 ₹	31 st March, 2015 ₹
EQUITY AND LIABILITIES :			
Shareholders' Funds			
Share Capital	2	173,972,196	173,972,196
Reserves and Surplus	3	<u>(2,228,842,557)</u> (2,054,870,361)	<u>(2,875,786,271)</u> (2,701,814,075)
Non-Current Liabilities			
Long-term Borrowings	4	417,800,000	3,500,000
Other Long Term Liabilities		—	—
Long-term Provisions	5	<u>88,650,850</u> 506,450,850	<u>69,162,491</u> 72,662,491
Current Liabilities			
Short-term Borrowings	6	264,000,000	656,282,956
Trade Payables		934,318,708	508,282,248
Other Current Liabilities	7	8,257,028,824	8,550,640,365
Short-term Provisions	8	<u>13,847,488</u> 9,469,195,020	<u>10,035,787</u> 9,725,241,356
		<u>7,920,775,509</u>	<u>7,096,089,772</u>
ASSETS :			
Non-Current Assets			
Fixed Assets	9		
Tangible Assets		1,886,884,049	1,415,872,326
Intangible Assets		2,325,669	3,392,035
Capital Work-in-Progress		<u>492,273,965</u>	<u>89,449,346</u>
		2,381,483,683	1,508,713,707
Non-current Investments	10	390,049,038	389,674,238
Long-term Loans and Advances	11	1,125,256,556	802,682,367
Other Non-current Assets		<u>—</u> 3,896,789,277	<u>—</u> 2,701,070,312
Current Assets			
Current Investments	12	—	374,800
Inventories	13	1,205,881,182	1,061,272,884
Trade Receivables	14	1,847,965,248	1,995,720,519
Cash and Bank Balances	15	163,808,835	280,934,347
Short-term Loans and Advances	16	806,330,967	1,056,716,910
Other Current Assets		<u>—</u> 4,023,986,232	<u>—</u> 4,395,019,460
		<u>7,920,775,509</u>	<u>7,096,089,772</u>

The accompanying notes 1 to 44 are an integral part of these financial statements.

As per our Report of even date	For and on Behalf of the Board of Directors		
	sd/-	sd/-	sd/-
For SANGHAVI & COMPANY	CHETAN SHAH	RAJNIKANT PAJWANI	HARISH MOTIWALLA
Chartered Accountants	Chairman (Non Executive)	Whole-time Director & CEO	Audit Committee Chairman & Ind. Director
sd/-	sd/-	sd/-	sd/-
MANOJ GANATRA	ASHISH DESAI	SACHIN POLKE	
Partner	Sr. General Manager - Accounts	Company Secretary and Vice President	
Mumbai	Mumbai		
26 th May, 2016	26 th May, 2016		



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

	Note No.	2015-2016 ₹	2014-2015 ₹
REVENUE :			
Revenue from Operations	17	5,924,875,452	7,492,351,321
Other Income	18	64,318,500	94,518,309
		<u>5,989,193,952</u>	<u>7,586,869,630</u>
EXPENSES :			
Cost of Materials Consumed	19	1,155,415,773	986,446,423
Purchases of Stock-in-Trade		454,342,228	606,600,791
Changes in Inventories	20	(50,367,541)	342,730,976
Employee Benefits Expenses	21	381,107,075	260,864,301
Finance Costs	22	93,555,778	98,151,278
Depreciation and Amortization		204,145,253	158,802,243
Other Expenses	23	3,258,304,035	4,059,337,418
		<u>5,496,502,601</u>	<u>6,512,933,430</u>
Profit before exceptional and extraordinary items and tax		492,691,351	1,073,936,200
Exceptional Items	33	154,252,363	(2,313,307,893)
Profit before extraordinary items and tax		646,943,714	(1,239,371,693)
Extraordinary Items		—	—
Profit Before Tax		646,943,714	(1,239,371,693)
Tax Expenses			
Current tax		—	—
Earlier years' tax		—	—
Deferred tax		—	—
Net Profit for the year		646,943,714	(1,239,371,693)
Face Value per Equity Share		2.00	2.00
Basic/Diluted (before exceptional and extra ordinary items)		5.66	12.35
Basic/Diluted (after exceptional and extra ordinary items)		7.44	(14.25)

The accompanying notes 1 to 44 are an integral part of these financial statements.

As per our Report of even date
For SANGHAVI & COMPANY
Chartered Accountants

sd/-
MANOJ GANATRA
Partner

Mumbai
26th May, 2016

For and on Behalf of the Board of Directors
sd/-

CHETAN SHAH
Chairman (Non Executive)

sd/-
ASHISH DESAI
Sr. General Manager - Accounts

Mumbai
26th May, 2016

sd/-
RAJNIKANT PAJWANI
Whole-time Director & CEO

sd/-
HARISH MOTIWALLA
Audit Committee Chairman & Ind. Director

sd/-
SACHIN POLKE
Company Secretary and Vice President

ASHAPURA MINECHEM LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2016

	2015-2016 (Amount in ₹)	2014-2015 (Amount in ₹)
A CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit Before Tax and Extraordinary Items	492,691,351	1,073,936,200
Adjustments for -		
Depreciation	204,145,253	158,802,243
Loss (Profit) on Sale/disposal of Fixed Assets	(523,193)	(162,292)
Loss (Profit) on Sale of Investment	(2,210,937)	(8,421,027)
Dividend	(13,998,495)	(13,449,885)
Interest (net)	229,275,545	49,996,480
Operating Profit Before Working Capital Changes	909,379,524	1,260,701,719
Adjustments for -		
Trade and Other Receivables	406,430,194	(296,207,530)
Inventories	(144,608,298)	328,061,842
Trade and Other Payables	156,069,599	1,368,327,980
Cash Generated From Operations	1,327,271,019	2,660,884,011
Direct Taxes Paid	(17,924,127)	(18,689,499)
Cash Flow before Exceptional / Extra Ordinary Items	1,309,346,892	2,642,194,512
Exceptional / Extra Ordinary Items	154,252,363	(2,125,637,000)
NET CASH FROM OPERATING ACTIVITIES	1,463,599,255	516,557,512
B CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	(1,126,170,705)	(305,310,510)
Sale of Fixed Assets	49,778,669	26,987,650
Sale (Purchase) of Investments (net)	2,210,937	5,421,027
Interest Received	43,309,198	60,044,508
Dividend Received	13,998,495	13,449,885
NET CASH USED IN INVESTING ACTIVITIES	(1,016,873,406)	(199,407,440)



C CASH FLOW FROM FINANCING ACTIVITIES :

Proceeds (Repayments) from Long Term Borrowings	414,300,000	(11,210,953)
Proceeds (Repayments) from Short Term Borrowings	(392,282,956)	(70,000,000)
Loans lent / recovered	(312,939,041)	(35,871,000)
Dividend Paid	(344,621)	(585,023)
Interest Paid	(272,584,743)	(110,040,988)
Net Change in Statutory Restricted Accounts Balances	84,237,370	(61,516,007)
NET CASH USED IN FINANCING ACTIVITIES	(479,613,991)	(289,223,971)
Net Increase in Cash and Cash Equivalents	(32,888,142)	27,926,101
Cash and cash equivalents as at beginning of the year	157,885,590	129,959,489
Cash and cash Equivalents as at end of the year	124,997,448	157,885,590
Cash and Cash Equivalents		
Cash and Bank Balances	163,808,835	280,934,347
Statutory restricted accounts	(38,811,387)	(123,048,757)
	124,997,448	157,885,590

As per our Report of even date

For SANGHAVI & COMPANY
Chartered Accountants

sd/-
MANOJ GANATRA
Partner

Mumbai
26th May, 2016

For and on Behalf of the Board of Directors

sd/-
CHETAN SHAH
Chairman (Non Executive)

sd/-
ASHISH DESAI
Sr. General Manager - Accounts

Mumbai
26th May, 2016

sd/-
RAJNIKANT PAJWANI
Whole-time Director & CEO

sd/-
HARISH MOTIWALLA
Audit Committee Chairman & Ind. Director

sd/-
SACHIN POLKE
Company Secretary and Vice President

1 SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING:

The financial statements have been prepared in accordance with the recognition and measurement principles laid down in the Accounting Standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principle generally accepted in India and are based on the historical cost convention on an accrual basis.

USE OF ESTIMATES:

The preparation of financial statement in conformity with GAAP requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

FIXED ASSETS:

Fixed Assets are stated at cost less depreciation. All costs incurred till the date the asset is ready for use, including interest on loans relating to the acquisition, installation and substantial modification to the fixed assets are capitalized and included in the cost of the respective fixed asset.

Depreciation is provided on Written Down Value method except for building, plant & machinery, laboratory equipment and excavators where depreciation is provided on Straight Line Method at the rates and in the manner specified in the schedule II in accordance with the provisions of section 123 (2) of the Companies Act, 2013.

INVESTMENTS:

Long-term investments are stated at cost. Provision, if any, is made for permanent diminution in the value of investments. Current investments are stated at lower of cost or market value determined category wise. Dividends/interest is accounted for as and when the right to receive the same is established.

INVENTORIES:

Inventories are valued at cost or net realizable value, whichever is lower. Cost is determined on the following basis:

- Raw materials, traded goods and stores and spares – on a first-in first-out (FIFO) basis;
- Finished and semi-finished goods – at material cost plus direct expenses and appropriate value of overheads.

REVENUE RECOGNITION:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably be measured.

Revenue from sale of goods are recognized when significant risks and rewards of ownership are passed to the buyer, which generally coincides with dispatch of goods. Sales taxes and value added taxes, wherever applicable, are collected on behalf of the Government and therefore, excluded from the revenue.

Revenue from services are recognized as and when the services are rendered in terms of the agreements with the customers. Service tax, wherever applicable, is collected on behalf of the Government and therefore, excluded from the revenue.

MINING EXPENSES:

Expenses incurred on mining including removal of overburden of mines are charged to the profit & loss account as mining cost based on quantity of minerals mined during the year since removal of overburden and mining are carried out concurrently and relatively within short period of time. Mining restoration expenses are annually reviewed and provided for.

RESEARCH AND DEVELOPMENT EXPENSES & 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 Center of the company are accounted for as revenue receipts.

FOREIGN CURRENCY TRANSACTIONS:

- a. Foreign currency transactions are accounted for at the rates prevailing on the date of transaction. Exchange rate differences related to sales and other transactions are dealt with in the profit & loss statement.
- b. Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year except where the ultimate recovery or the payment, as the case may be, are uncertain, are translated at the closing rates and profit or loss arising therefrom is dealt with in the profit & loss statement.
- c. In respect of forward foreign exchange contracts, the difference between the forward rate and exchange rate at the inception of the contract is recognized as income or expense, as the case may be, over the life of the contract.
- d. Realized gain or loss on cancellation of forward exchange contracts are recognized in the profit & loss statement of the year in which they are cancelled.

BORROWING COSTS:

Net cost of borrowed funds for the projects are capitalized and included in the cost of fixed assets till its completion and other borrowing costs are recognized as expenses in the period in which they are incurred.

EMPLOYEE BENEFITS:

Post-employment benefit plans

- i. Defined Contribution Plan: Contribution for provident fund are accrued in accordance with applicable statutes and deposited with the Regional Provident Fund Commissioner.
- ii. Defined Benefit Plan: The liabilities in respect of gratuity and leave encashment are determined using Projected Unit Credit Method with actuarial valuation carried out as at balance sheet date. Actuarial gains and losses are recognized in full in the profit and loss account for the period in which they occur.

Contributions in respect of gratuity are made to the Group Gratuity Scheme with Life Insurance Corporation of India. Employee benefits recognized in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost and as reduced by the fair value of respective fund.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for services rendered by employees is recognized during the period when the employee renders the service.

TAXATION:

Provisions are made for current income tax based on tax liability computed in accordance with relevant tax rates and tax laws. Deferred tax is recognised, subject to the consideration of prudence, on timing difference, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

EARNING PER SHARE:

Basic earning per share is computed by dividing the net profit attributable to equity shareholders for the year, by weighted average number of equity shares outstanding during the year. Diluted earning per share is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding at year-end.

PROVISION AND CONTINGENCIES:

The company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

ASHAPURA MINECHEM LIMITED

Note No. 2

2.1 Share Capital :

	31 st March, 2016 ₹	31 st March, 2015 ₹
Authorised		
125,000,000 equity Shares of ₹ 2/- each	250,000,000	250,000,000
6,500,000 preference Shares of ₹ 100/- each	650,000,000	650,000,000
	<u>900,000,000</u>	<u>900,000,000</u>
Issued, Subscribed and Paid up		
86,986,098 equity Shares of ₹ 2/- each	173,972,196	173,972,196
	<u>173,972,196</u>	<u>173,972,196</u>

Of the total capital, 65,543,049 equity shares were issued as fully paid-up bonus shares including equity shares issued as fully paid up bonus shares during the preceding five years : Nil

2.2 Share Capital Reconciliation :

Equity Shares :

Particulars	31 st March, 2016		31 st March, 2015	
	No. of Shares	₹.	No. of Shares	₹
Shares outstanding at the beginning of the year	86,986,098	173,972,196	86,986,098	173,972,196
Shares issued during the year	—	—	—	—
Shares bought back during the year	—	—	—	—
Shares outstanding at the end of the year	86,986,098	173,972,196	86,986,098	173,972,196

2.3 Shares held by each shareholder holding more than five percent shares

Name of Shareholder	31 st March, 2016		31 st March, 2015	
	No. of shares	% of holding	No. of shares	% of holding
Mr. Navnitlal Ratanji Shah	—	—	6,847,960	7.87
Mr. Chetan Navnitlal Shah	13,543,814	15.57	13,543,814	15.57
Mrs. Dina Chetan Shah	7,768,020	8.93	7,768,020	8.93
Mrs. Fizzah N Shah	9,156,010	10.53	—	—
Ashapura Industrial Finance Limited	8,088,000	9.30	8,088,000	9.30
Albula Investment Fund Limited	7,857,345	9.03	7,857,345	9.03

2.4 Rights, preferences and restrictions attached to shares

Equity Shares :

The Company has one class of equity shares having a face value of ₹ 2 each ranking pari passu in all respects including voting rights and entitlement to dividend.



Note No. 3 RESERVES AND SURPLUS

	31 st March, 2016 ₹	31 st March, 2015 ₹
a. Capital Reserve	3,400,694	3,400,694
b. Capital Redemption Reserve	100,000	100,000
c. Securities Premium Account		
Balance at the beginning of the year	1,773,458,645	1,773,458,645
Premium received during the year	—	—
Balance at the end of the year	<u>1,773,458,645</u>	<u>1,773,458,645</u>
d. Surplus		
Balance at the beginning of the year	(4,652,745,610)	(3,393,884,775)
Adjustment on account of depreciation	—	(19,489,142)
Net Profit for the current year	646,943,715	(1,239,371,693)
Balance at the end of the year	<u>(4,005,801,896)</u>	<u>(4,652,745,610)</u>
	<u>(2,228,842,557)</u>	<u>(2,875,786,271)</u>

Note No. 4 LONG TERM BORROWINGS

	31 st March, 2016 ₹	31 st March, 2015 ₹
a. Secured		
Term loans/WCTL from banks and others (Indian rupee accounts)*	417,800,000	3,500,000
* upon assignment from a financial institution		
	<u>417,800,000</u>	<u>3,500,000</u>

Notes:

Term Loans / WCTL from banks and others are against hypothecation of plant & equipment and vehicles, Inventory and Books debts and further secured by equitable mortgage of certain immovable assets of the company and also against personal guarantees of some of the directors.

Hire purchase finance is against hypothecation of vehicles.

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

Period of default	NA	NA
Amount	Nil	Nil

b. Unsecured	—	—
	—	—
	<u>417,800,000</u>	<u>3,500,000</u>

ASHAPURA MINECHEM LIMITED

Note No. 5 LONG TERM PROVISIONS

	31 st March, 2016 ₹	31 st March, 2015 ₹
Provision for leave encashment	11,828,763	7,948,754
Provision for mining restoration	76,822,087	61,213,737
	<u>88,650,850</u>	<u>69,162,491</u>

Note No. 6 SHORT TERM BORROWINGS

	31 st March, 2016 ₹	31 st March, 2015 ₹
a. Secured		
Working capital finance from banks (Indian rupee accounts)	254,000,000	254,000,000
Working capital finance from financial institutions and others * (Indian rupee accounts)	10,000,000	402,282,956

* includes accounts upon assignment from banks/financial institution

<u>264,000,000</u>	<u>656,282,956</u>
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Exports packing credit finance and post-shipment finance from banks and financial Institution are against hypothecation of inventories, book debts and discounting of export bills and further secured by equitable mortgage of certain fixed assets of the company.

Amount of default : Of the above, accounts with aggregate balances of ₹ 254,000,000 (614,282,956) have been classified by the respective lenders as non-standard.

b. Unsecured

<u>—</u>	<u>—</u>
<u>—</u>	<u>—</u>
<u>264,000,000</u>	<u>656,282,956</u>



Note No. 7 OTHER CURRENT LIABILITIES

	31 st March, 2016 ₹	31 st March, 2015 ₹
Current maturities of long-term debt [including amount in default in repayment ₹ Nil (243,703,153)]	94,700,000	259,818,454
Interest accrued but not due on borrowings	—	—
Interest accrued and due on borrowings	152,933,818	334,306,533
Payables on purchase of capital assets	3,918,039	5,404,307
Advances from customers	165,085,494	58,453,760
Statutory liabilities	35,456,308	70,437,902
Unclaimed dividends	—	344,621
Shipping claims payable	5,620,288,244	5,620,288,244
Derivatives and other claims payable	2,110,137,363	2,110,137,363
Other liabilities	74,509,558	91,449,181
	<u>8,257,028,824</u>	<u>8,550,640,365</u>

Note No. 8 SHORT TERM PROVISIONS

	31 st March, 2016 ₹	31 st March, 2015 ₹
Provision for bonus	11,831,081	8,895,039
Provision for leave encashment	2,016,407	1,140,748
	<u>13,847,488</u>	<u>10,035,787</u>

Note No. 9 FIXED ASSETS

PARTICULARS	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at 1 st April 2015	Additions	Deductions	As at 31 st March, 2016	As at 1 st April 2015	For the Year	On Deductions/ Adjustment	As at 31 st March, 2016	As at 31 st March, 2016	As at 31 st March 2015
	₹	₹	₹	₹.	₹	₹.	₹	₹.	₹.	₹
OWNED TANGIBLE ASSETS										
LAND AND LAND DEVELOPMENT	163,071,090	8,482,734	449,006	171,104,818	-	-	-	-	171,104,818	163,071,090
BUILDINGS	458,698,939	90,608,902	15,475,997	533,831,844	78,294,354	15,027,998	566,486	92,755,866	441,075,978	380,404,585
PLANT AND EQUIPMENT	1,416,304,248	580,727,328	64,054,495	1,932,977,081	600,760,220	164,238,356	30,414,812	734,583,764	1,198,393,317	815,544,028
BARGES	7,598,314	-	-	7,598,314	7,353,950	-	-	7,353,950	244,364	244,364
VEHICLES	76,981,229	5,980,763	3,806,836	79,155,156	68,459,950	3,261,860	3,609,601	68,112,209	11,042,947	8,521,279
FURNITURE & FIXTURES	109,344,259	23,568,281	101,698	132,810,842	73,313,608	11,324,549	69,093	84,569,064	48,241,778	36,030,651
OFFICE EQUIPMENT	79,303,209	13,978,078	2,420,847	90,860,440	67,246,880	9,238,472	2,405,759	74,079,593	16,780,847	12,056,329
TOTAL	2,311,301,288	723,346,086	86,308,879	2,948,338,495	895,428,962	203,091,235	37,065,751	1,061,454,446	1,886,884,049	1,415,872,326
OWNED INTANGIBLE ASSETS										
COMPENSATION FOR PREMISES RIGHTS	1,602,693			1,602,693	-	-	-	-	1,602,693	1,602,693
COMUTER SOFTWARES	5,453,281	-		5,453,281	3,787,414	1,054,018	-	4,841,432	611,849	1,665,867
MINING LEASE	123,475	-	12,348	111,127	-	-	-	-	111,127	123,475
TOTAL	7,179,449	-	12,348	7,167,101	3,787,414	1,054,018	-	4,841,432	2,325,669	3,392,035
CAPITAL WORK IN PROGRESS	89,449,346	897,431,616	494,606,997	492,273,965					492,273,965	89,449,346
GRAND TOTAL	2,407,930,083	1,620,777,702	580,928,224	3,447,779,561	899,216,376	204,145,253	37,065,751	1,066,295,878	2,381,483,683	1,508,713,707
PREVIOUS YEAR	2,382,534,727	557,052,361	531,657,005	2,407,930,083	786,344,404	158,802,243	45,930,271	899,216,376	1,508,713,707	1,596,190,323



Note No. 10 NON-CURRENT INVESTMENTS

	31 st March, 2016 ₹	31 st March, 2015 ₹
Unquoted; at cost:		
a. Investments in Subsidiary Companies:		
3,000,000 equity shares of Ashapura International Limited of ₹ 10 each (A wholly owned subsidiary)	32,727,000	32,727,000
3,560,000 equity shares of Ashapura Claytech Limited of ₹ 10 each (extent of holding: 99.44%)	37,100,000	37,100,000
10,000 equity shares of Ashapura Consultancy Pvt Limited of ₹ 10 each (A wholly owned subsidiary)	100,000	100,000
10,000 equity shares of Sharda Consultancy Pvt Limited of ₹ 10 each (A wholly owned subsidiary)	100,000	100,000
10,000 equity shares of Peninsula Property Developers Pvt Limited of ₹ 10 each (A wholly owned subsidiary)	100,000	100,000
700,000 equity shares of Prashansha Ceramics Limited of ₹ 10 each (A wholly owned step down subsidiary)	14,700,000	14,700,000
218,080 equity shares of Bombay Minerals Limited of ₹ 10 each (A wholly owned subsidiary)	96,154,325	96,154,325
50,000 equity shares of Ashapura Aluminum Limited of ₹ 10 each (A wholly owned subsidiary)	500,000	500,000
68 equity shares of Ashapura Minechem UAE FZE of AED 150,000 (A wholly owned subsidiary)	112,312,634	112,312,634
	<u>293,793,959</u>	<u>293,793,959</u>
b. Investments in Joint Ventures:		
8,966,590 equity shares of Ashapura Perfoclay Limited of ₹ 10 each (extent of holding: 50.00%)	89,665,900	89,665,900
30,750 equity shares of Ashapura Midgulf NV (AMCOL) Antwerp of Euro 1.00 each (extent of holding: 50.00%)	1,776,379	1,776,379
	<u>91,442,279</u>	<u>91,442,279</u>
c. Investments in Associates:		
55,000 equity shares of Ashapura Arcadia Logistics Pvt Limited of ₹ 10 each (extent of holding: 50.00 %)	550,000	550,000
	<u>550,000</u>	<u>550,000</u>
d. Investments in Other Equity Shares:		
186,285 equity shares of Shantilal Multiport Infrastructure Pvt Limited of ₹ 10 each	2,500,000	2,500,000
	<u>2,500,000</u>	<u>2,500,000</u>
e. Investments in Government Securities:		
National Savings Certificates (under lien with sales tax/mining authorities)	1,762,800	1,388,000
	<u>1,762,800</u>	<u>1,388,000</u>
	<u>390,049,038</u>	<u>389,674,238</u>

ASHAPURA MINECHEM LIMITED

Note No. 11 LONG-TERM LOANS AND ADVANCES

	31 st March, 2016 ₹	31 st March, 2015 ₹
Unsecured (considered good)		
Capital advances	2,550,034	2,894,351
Security deposits	161,125,209	151,377,516
includes -		
Security deposits towards land and premises to directors, firms and companies in which some of the directors are interested ₹ 5,700,000 (23,200,000)		
security deposits towards premises to subsidiary companies ₹ 44,100,000 (44,100,000)		
Loans to wholly owned subsidiary companies	825,651,696	466,105,155
Loans to a joint venture company	134,897,051	181,504,551
Loans to associate companies	—	—
Loans to staff	1,032,566	800,794
	<u>1,125,256,556</u>	<u>802,682,367</u>

Note No. 12 CURRENT INVESTMENT

	31 st March, 2016 ₹	31 st March, 2015 ₹
Investments in Government Securities:		
National Savings Certificates (under lien with sales tax/mining authorities)	—	374,800
	<u>—</u>	<u>374,800</u>

Note No. 13 INVENTORIES

	31 st March, 2016 ₹	31 st March, 2015 ₹
(valued at the lower of cost or net realisable value)		
Raw materials	171,983,449	113,293,115
Work-in-progress	2,042,151	2,488,338
Finished goods	683,692,055	789,776,621
Stock-in-trade	262,272,957	105,374,663
Stores & spares	55,455,311	35,610,401
Packing materials	30,435,259	14,729,746
	<u>1,205,881,182</u>	<u>1,061,272,884</u>



Note No. 14 TRADE RECEIVABLES

	31 st March, 2016 ₹	31 st March, 2015 ₹
Unsecured (considered good, unless otherwise stated)		
Over six months	614,831,703	1,096,267,485
Others	1,318,985,048	1,030,164,087
	<u>1,933,816,751</u>	<u>2,126,431,572</u>
less: Provision for doubtful debts	<u>85,851,503</u>	<u>130,711,053</u>
	<u>1,847,965,248</u>	<u>1,995,720,519</u>
includes -	More than Six Months	Others
due from subsidiaries	145,517,200	659,751,583
due from joint venture and associate companies	131,171,665	189,326,836
due from firms and companies in which directors are interested	38,557,727	—

Note No. 15 CASH AND BANK BALANCES

	31 st March, 2016 ₹	31 st March, 2015 ₹
I. Cash and Cash Equivalents		
a. Balances with Banks:		
Current accounts	121,234,916	152,494,807
Short term deposits	—	—
	<u>121,234,916</u>	<u>152,494,807</u>
b. Cash on Hand	<u>3,762,532</u>	<u>5,390,783</u>
	<u>124,997,448</u>	<u>157,885,590</u>
II. Other Bank Balances		
Dividend accounts	—	344,141
Margin money accounts	11,910	1,363,000
Terms deposits with more than 12 months maturity	13,196,665	61,182,987
Other terms deposits	25,602,812	60,158,629
	<u>38,811,387</u>	<u>123,048,757</u>
	<u>163,808,835</u>	<u>280,934,347</u>
Term deposits of ₹ 38,799,477 are under lien with banks against letter of credits and bank guarantees (previous year ₹ 121,341,616)		

ASHAPURA MINECHEM LIMITED

Note No. 16 SHORT-TERM LOANS AND ADVANCES

	31 st March, 2016 ₹	31 st March, 2015 ₹
Unsecured (considered good, unless otherwise stated)		
Trade advances to suppliers	738,010,422	975,536,020
less: Provision for doubtful advances	<u>217,422,883</u>	<u>229,922,883</u>
	520,587,539	745,613,137
includes -		
Trade advances to subsidiaries, joint venture and associate companies ₹ 78,003,067 (85,856,778)		
Trade advances to companies or firms in which some of the directors are interested ₹ 47,461,679 (318,739,853)		
Advance payments of income tax (net of provisions)	56,607,002	38,682,875
Loans and advances to staff	6,402,209	3,444,979
Claims receivable	130,426,863	158,461,679
Prepaid expenses	12,560,827	15,035,399
Other loans and advances	79,746,527	95,478,841
	<u>806,330,967</u>	<u>1,056,716,910</u>

Note No. 17 REVENUE FROM OPERATIONS

	2015 - 2016 ₹	2014 - 2015 ₹
Sale of Products		
Export sales	4,376,767,191	6,037,986,360
Domestic sales	<u>1,257,957,499</u>	<u>5,634,724,690</u>
	1,143,591,016	7,181,577,376
Sale of Services		
Cargo handling income	—	135,388,800
Other Operating Revenue		
Export incentives and credits	1,837,860	28,884,892
Foreign currency fluctuation gain	60,150,445	43,479,000
Research & development fees receipts	137,500,000	62,237,140
Other operational income	<u>90,662,457</u>	<u>40,784,113</u>
	<u>5,924,875,452</u>	<u>7,492,351,321</u>

**Note No. 18 OTHER INCOME**

	2015 - 2016 ₹	2014 - 2015 ₹
Dividend receipts		
from Subsidiary and joint venture companies	13,995,085	13,449,885
from others	<u>3,410</u>	<u>-</u>
	13,998,495	13,449,885
Interest receipts	43,309,198	60,044,508
Profit on sale of assets (net)	523,193	162,292
Profit on sale of Investment	2,210,937	8,421,027
Sundry balances/excess provisions written back (net)	—	2,879,016
Miscellaneous income	4,276,677	9,561,581
	<u>64,318,500</u>	<u>94,518,309</u>

Note No. 19 COST OF MATERIALS CONSUMED

	2015 - 2016 ₹	2014 - 2015 ₹
Materials and Mining Expenses		
Opening stock	113,293,115	100,679,715
Purchase and direct expenses	<u>749,498,877</u>	<u>414,341,140</u>
	862,791,992	515,020,855
Closing stock	<u>171,983,449</u>	<u>113,293,115</u>
	690,808,543	401,727,740
Rent and royalty (net)	75,958,424	240,614,437
Mining expenses	388,648,806	344,104,247
	<u>1,155,415,773</u>	<u>986,446,423</u>

ASHAPURA MINECHEM LIMITED

Note No. 20 CHANGES IN INVENTORIES

		2015 - 2016 ₹		2014 - 2015 ₹
Opening Stock				
Finished Goods	789,776,621		1,154,244,802	
Stock-in-trade	105,374,663		78,447,848	
Work-in-progress	<u>2,488,338</u>	897,639,622	<u>7,677,948</u>	1,240,370,598
Closing Stock				
Finished Goods	683,692,055		789,776,621	
Stock-in-trade	262,272,957		105,374,663	
Work-in-progress	<u>2,042,151</u>	948,007,163	<u>2,488,338</u>	897,639,622
		<u>(50,367,541)</u>		<u>342,730,976</u>

Note No. 21 EMPLOYEE BENEFIT EXPENSES

		2015 - 2016 ₹		2014 - 2015 ₹
Salaries, wages, allowances and bonus	313,667,819		219,596,532	
Contribution to employee benefit funds	42,672,111		20,299,281	
Staff welfare expenses	24,767,145		20,968,488	
	<u>381,107,075</u>		<u>260,864,301</u>	
includes directors' remuneration	2,933,996		3,264,498	

Note No. 22 FINANCE COSTS

		2015 - 2016 ₹		2014 - 2015 ₹
Interest				
Working capital finance	20,841,555		74,357,870	
Term loans	69,305,293		22,050,595	
Others	<u>1,065,180</u>	91,212,028	<u>1,586,563</u>	97,995,028
Other borrowing cost	2,343,750		156,250	
		<u>93,555,778</u>		<u>98,151,278</u>



Note No. 23 OTHER EXPENSES

	2015 - 2016		2014 - 2015	
	₹		₹	
Manufacturing Expenses				
Power & Fuel	118,446,599		106,448,164	
Machinery repairs and maintenance	14,029,220		7,263,527	
Packing materials and expenses	44,620,784		50,866,202	
Carriage inward	12,485,351		7,256,103	
Stores and Spares	55,963,965		44,509,429	
Other expenses	97,141,120	342,687,039	69,739,957	286,083,382
Selling and Distribution Expenses				
Sales commission	106,888,975		30,232,883	
Cargo handling expenses	—		95,068,741	
Export freight and insurance	755,806,070		667,892,230	
Export duty	540,224,065		692,536,541	
Export and other shipment expenses	1,206,938,999	2,609,858,109	1,861,044,112	3,346,774,507
Administrative and Other Expenses				
Travelling expenses	60,706,272		53,034,218	
Rent	10,270,485		10,164,750	
Rates and taxes	22,276,941		20,425,911	
Insurance premiums	5,295,179		2,972,415	
Building and other repairs	14,491,353		10,474,272	
Advertisement and business promotion	11,643,092		9,635,652	
Directors' sitting fees	1,645,000		540,000	
Liquidated damages	—		124,152,550	
Legal and professional fees	51,084,931		51,461,356	
Payments to auditors	5,217,672		4,727,613	
Provisions and write off for doubtful debts and advances (net)	3,191,718		34,181,090	
Bank discount, commission and other charges	6,033,396		4,092,055	
Donations	1,218,801		630,675	
Prior period expenses	3,175,052		1,800,541	
General expenses	109,508,995	305,758,887	98,186,431	426,479,528
		3,258,304,035		4,059,337,418

- 24** Based on the audited annual accounts for the year ended 31st March 2011, the company became a sick industrial company within the meaning of section 3(1)(O) of the Sick Industrial Companies (Special Provisions) Act, 1985 and pursuant the proviso to section 15(1) of the Sick Industrial Companies (Special Provisions) Act, 1985.

The Board of Industrial & Financial Restructuring (BIFR) on considering the material on their record, declared the company as a sick company vide its order dated 20th March 2012. Further, in terms of the order passed and the powers available u/s 17(3) of SICA, the Bench has appointed Bank of India as Operating Agency with directions to submit Draft Rehabilitation Scheme which is under consideration and discussion.

- 25** As directed by the Security and Exchange Board of India (SEBI), the Company has, during the financial year 2014-15, made provisions of unprovided disputed loss/liability aggregating to ₹ 21,101.37 lacs in respect of foreign currency derivative contracts, which were the subject matter of the qualification in the Auditors' Report in the earlier years. The Company, however, based on the legal advice received, maintains that that these financial derivatives contracts are void and unenforceable.
- 26** The company had entered into Contract of Affreightment (COA) with four shipping companies viz. (i) British Marine, (ii) IHX Pacific (UK), (iii) Eitzen Bulk A/S and (iv) Armada (Pte) Singapore.

The company has settled the claim of British Marine Plc, for ₹ 22.64 crore as against award passed for ₹ 553.41 crores, which was initially claimed by British Marine Plc.

The quantum of awards in respect of the other three companies is as under:

Shipping Company	₹ in crores
IHX (UK) Limited	107.97
Eitzen Bulk S/A	161.83
Armada (Singapore) Pte Ltd.	292.23
Total...	562.03

Since the award of claims of each of the three shipping companies were heavily exaggerated. the Company had, much prior in time to filing of the application for enforcement of the award, initiated legal proceedings against the alleged arbitration awards under Section 34 of the Arbitration & Conciliation Act, 1996.

The Hon. Supreme Court of India vide order dated 13th May, 2016 has held that the award under Section 34 of the Arbitration and Conciliation Act, 1996 cannot be challenged and is enforceable. Aggrieved by the said order, the Company is in the process of filing a review petition before the Hon. Supreme Court.

Pending the final outcome of the proceedings, no further adjustments have been made in the above provisions made for ₹ 562.03 crores in the books.

- 27** Balances with some of the banks as well as balances for trade payables, trade receivables, for loans and advances are subject to confirmations from the respective parties and reconciliations, if any, in many cases. In absence of such confirmations, the balances as per books have been relied upon by the auditors.
- 28** The management of the Company has, during the year, carried out technological valuation for identification of impairment of assets, if any, in accordance with the Accounting Standard (AS) – 28. Based on the judgment of the management and as certified by the directors, no provision for impairment is found to be necessary in respect of any of the assets.
- 29** As the company's main business activity, in the opinion of the management, falls within a single primary segment i.e. bulk minerals for industrial consumption and its derivatives and other activities incidental thereto, which are subject to the same risks and returns, the disclosure requirements of Accounting Standard (AS) – 17 "Segment Reporting", in the opinion of the management, are not applicable.
- 30** In the opinion of the directors, the current assets, loans and advances are approximately of the value as stated in the balance sheet, if realized in the ordinary course of the business. The provision of all known liabilities is adequate and



not in excess of the amount reasonably required.

31 In accordance with Accounting Standard (AS) 13, the long-term investments held by the company are carried at cost. All the investments of the company in subsidiaries, joint ventures and associate companies have been considered by the management to be of a long-term nature and diminution in the value of investments, being considered by the management to be for a temporary period is not provided for.

32 Based on the principles of prudence and in view of the uncertainty, deferred tax assets arising out of the carried forward business losses are not accounted for in accordance with the provisions of Accounting Standard (AS) – 22 “Accounting for Taxes on Income.”

33 Exceptional Items :

(₹ in lacs)

Particulars	2015-2016	2014-2015
Loss on shifting of manufacturing facilities from one location to another	(444.27)	(1,876.71)
Disputed losses/liabilities in respect of foreign currency derivative contracts as per the directions by the SEBI (refer note no. 25)	—	(21,101.37)
Net liabilities in respect of certain secured loans as well as disputed and unprovided foreign currency derivative contracts upon settlement with certain terms and conditions with some of the banks and financial institutions.	1,986.80	(155.00)

34 The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence, disclosures relating to amounts unpaid as at the year-end together with interest paid/payable under this Act have not been given.

35 Contingent Liabilities:

(₹ in lacs)

Particulars	31 st March	
	2016	2015
Guarantees to banks against credit facilities extended to Subsidiary Companies	6,425.00	6,275.00
Guarantees to banks against credit facilities extended to Joint Venture and Associate Companies	3,200.00	3,560.00
Guarantees given by the Company to various Government Authorities	8,656.89	8,245.16
In respect of contracts remaining to be executed	19.82	116.40
In respect of disputed Income Tax Matters	1,545.11	1,545.11
In respect of Other Matters	4,396.98	2,994.80

36 Payments to Auditors:

Particulars	2015-2016 ₹	2014-2015 ₹
Audit Fees including Limited Review	4,230,000	3,850,000
Tax audit Fees	515,000	450,000
Other Services	301,000	241,500
Reimbursement of Expenses	171,672	186,113

37 Disclosure as per AS – 15 (Revised) on “Employee Benefit” for the year ended 31st March, 2016:

Gratuity Plan	2015-2016 ₹	2014-2015 ₹
Change in the defined benefit obligations		
Defined benefit obligations as at 1 st April	41,727,443	38,311,321
Service cost	3,601,942	3,445,309
Interest cost	3,338,195	3,064,906
Actuarial loss / (Gain)	18,816,799	2,380,025
Benefits paid	(1,648,614)	(5,474,118)
Defined benefit obligations as at 31 st March (a)	65,835,765	41,727,443
Change in plan assets		
Fair Value of plan assets as at 1 st April	39,630,775	39,591,275
Expected return on plan assets	3,609,705	3,348,263
Contributions by employer	749,912	2,165,355
Actuarial Gain / (loss)	—	—
Benefits paid	(1,648,614)	(5,474,118)
Fair Value of plan assets as at 31 st March (b)	42,341,778	39,630,775
Present Value of unfunded obligations (a-b)	(23,493,987)	(2,096,668)
The net amount recognized in the statement of profit and loss for the year ended 31 st March is as follows:		
Current service cost	3,601,942	3,445,309
Interest cost	3,338,195	3,064,906
Expected return on plan assets	(3,609,705)	(3,348,263)
Net actuarial loss / (gain) recognized	18,816,799	2,380,025
Net amount recognized	22,147,231	5,541,977
Actual Return on Plan Assets		
The principal actuarial assumptions used as at 31 st March are as follows:		
Discount Rate	8.00%	8.00%
Expected rate of return on plan assets	6.00%	6.00%
Rate of increase in compensation levels	5.00%	5.00%



38 Details of Income and Expenditure on Research and Development:

Particulars	2015-2016		2014-2015		2013-2014	
Salaries, wages, allowances and bonus	15,776,579		13,494,451		16,080,985	
Contribution to employee benefit funds	512,089		640,447		—	
Staff welfare expenses	818,195		227,858		305,867	
Machinery repairs and maintenance	746,610		642,460		586,090	
Laboratory analysis and other expenses	2,153,980		875,534		1,411,051	
Other selling exp. expenses	259,998		150,863		—	
Travelling expenses	624,874		587,285		573,586	
Rent	1,477,050		3,046,840		3,597,000	
Rates and taxes	—		312,734		614,634	
Building and other repairs	2,023,446		689,417		1,682,364	
Advertisement and business promotion	15,350		11,517		26,501	
Legal and professional fees	825,855		384,814		736,754	
Sundry balances written off	—		—		19,359	
Bank commission and other charges	25,866		2,145		—	
Loss on sale of assets (net)	—		22,682		—	
Prior Period Expenses	385,084		—		—	
General expenses	4,577,647	30,222,623	4,121,368	25,210,415	4,382,501	30,016,692
Depreciation		9,350,411		7,359,398		3,906,996
		39,573,034		32,569,813		33,923,688
Less :						
Receipt from Research Activities	137,500,000		62,237,140		20,186,000	
Interest income	8,969		—		—	
Other Operational Income	56,000		—		—	
Sale of Products	—	137,564,969	121,311	62,358,451	19,531	20,205,531
Net Surplus / (Deficit)		97,991,936		29,788,638		(13,718,157)

ASHAPURA MINECHEM LIMITED

39 Disclosures pursuant to Section 186 of the Companies Act, 2013

	Balance at the year end	Maximum amount outstanding at any time during the year	Guarantees given by the Company
Ashapura International Limited	–	80,000,000	197,500,000
Ashapura Minechem (UAE) FZE	425,651,696	425,651,696	265,000,000
Ashapura Perfoclay Limited	134,897,051	181,504,551	320,000,000
Bombay Minerals Limited	400,000,000	400,000,000	180,000,000
Ashapura Arcadia Logistics Pvt Limited	–	26,670,048	–
All the above loans were utilized towards working capital requirements.			

40 RELATED PARTY TRANSACTIONS:

Subsidiaries:

- Ashapura Aluminium Limited
- Ashapura Claytech Limited
- Ashapura Consultancy service Pvt. Ltd.
- Ashapura International Limited
- Ashapura Holdings (UAE) FZE
- Ashapura Maritime FZE
- Ashapura Minechem (UAE) FZE
- Bombay Minerals Limited
- Peninsula Property Developers Pvt. Ltd.
- PT Ashapura Resources
- Prashansha Ceramics Limited
- Sharda Consultancy Pvt. Ltd.

Associates and Joint Ventures:

- Altage Stone Crushing Industries
- Ashapura Amcol NV
- Ashapura Arcadia Logistic Private Ltd.
- Ashapura Exports Pvt. Limited
- Ashapura Mineral Company
- Ashapura Overseas Pvt. Ltd.
- Ashapura Perfoclay Ltd.
- Emo Ashapura Energy and Mining
- Hudson MPA SDN BHD
- Kutch Navnirman Trust
- Manico Resources Pvt. Ltd.
- Minologistic Corporation
- Minotrans Logistic Corporation
- Orient Abrasives Limited
- Sharda Industrial Corporation
- Sohar Ashapura Chemicals LLC

Key Managerial Personnel:

- Mr. Chetan Shah
- Mr. Rajnikant Pajwani
- Mr. Sachin Polke
- Mr. Ashish Desai
- Mr. Ajay Phalod
- Ms. Surekha Sathe
- Ms. Harsha Joshi
- Mr. Vipul Saxena

Relatives of Key Managerial Personnel:

- Mr. Manan Shah



Particular of Transaction	2015-2016 ₹	2014-2015 ₹
Subsidiaries :		
Sales of Materials	957,767,176	743,930,586
Purchase of Materials	290,836,872	421,718,463
Export Shipment and Other Expenses	501,448	4,033,905
Interest Received	17,285,528	28,628,829
Lease Rent Paid	1,368,000	1,368,000
Loans granted	400,000,000	80,000,000
Reimbursement of Adm. Expenses Receipts (net)	100,104,471	82,546,260
Reimbursement of Royalty Payments	14,944,298	47,063,886
R&D Charges Receipts	50,000,000	38,819,000
Sale of Assets	473,758,730	26,955,136
Purchase of Assets	587,096,652	2,281,179
Stores, Spares & Packing Materials Purchase	19,865,421	—
Shipment Expenses (Other Operational Income)	50,255,243	—
Outstanding Balances as on 31st March		
Security Deposits (Long-term loans and advances)	44,100,000	44,100,000
Trade Receivables	805,268,783	1,129,778,715
Trade Advances(Short-term loans and advances)	78,003,067	85,856,778
Long-term Loans and Advances	825,651,696	466,105,155
Associates and Joint Ventures:		
Sales of Materials	292,165,778	428,968,352
Purchase of Materials	75,722,762	53,707,357
Interest Received	19,679,886	29,361,220
Rent Received	120,000	—
Mining, Other Charges Payments	4,215,150	74,756,413
Reimbursement of Adm. Expenses Receipts (net)	48,786,898	47,912,207
Export Shipment and Other Expenses	53,460,063	159,709,919
Operational Income	13,529,474	3,972,960
Purchase of Assets	374,899	—
Sale of Assets	49,935	969,043
R&D Charges Receipts	46,000,000	2,800,000
Outstanding Balances as on 31st March		
Trade Receivables	359,056,228	344,920,308
Trade Advances	47,461,679	318,739,853
Security Deposits (Long-term loans and advances)	5,700,000	23,200,000
Long-term Loans and Advances	134,897,051	180,504,551
Trade Payables	27,819,590	2,085,243
Advances from Customers	43,657,096	38,924,729
Interest Receivable	4,010,068	18,714,114
Key Management Personnel and Relatives		
Remuneration	27,011,438	25,228,225
Sitting Fees	200,000	30,000
Outstanding Balances as on 31st March		
Security Deposits (Long-term loans and advances)	—	—

ASHAPURA MINECHEM LIMITED

41 Additional information

a. Details of Stocks & Trading Purchases

(Amounts in ₹)

Material	Opening Stock		Purchases		Closing Stock	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Processed Industrial Minerals	789,776,621	1,154,244,802	—	—	683,692,055	789,776,621
Traded Industrial Minerals	105,374,663	78,447,848	454,342,228	606,600,791	262,272,957	105,374,663
Work in Progress	2,488,338	7,677,948	—	—	2,042,151	2,488,338
Total	897,639,622	1,240,370,598	450,464,467	606,600,791	948,007,163	897,639,622

b. Details of Materials Consumed

Material	2015-2016			2014-2015		
	Total	Indigenous	Imported	Total	Indigenous	Imported
Raw Minerals	311,760,889	311,760,889 100.00%	—	235,256,433	235,256,432 100.00%	—
Chemicals and Others	379,047,654	204,792,370 54.03%	174,255,284 45.97%	166,471,307	92,190,685 55.38%	78,280,622 44.62%

c. Expenditure in Foreign Currency

Particulars	2015-16 ₹	2014-15 ₹
i) Travelling Expenses	14,595,536	13,797,699
ii) Commission	107,974,299	32,270,330
iii) CIF Value of Import of Raw & Packing Materials	299,788,704	94,158,821
iv) CIF Value of Import of Capital Goods	92,841,828	6,967,873
v) Others	841,580,854	884,898,228

d. Earnings in Foreign Currency

Particulars	2015-16 ₹	2014-15 ₹
FOB Value of Exports	3,620,961,121	5,370,094,130

42 Figures in the brackets are the figures for the previous year, unless otherwise stated.

43 All the amounts have stated in Indian Rupees, unless otherwise stated.

44 Previous year's figures has regrouped and rearranged, wherever necessary.

Signatures to Notes No. 1 to 44

As per our Report of even date

For SANGHAVI & COMPANY
Chartered Accountants

sd/-

MANOJ GANATRA
Partner

Mumbai
26th May, 2016

For and on Behalf of the Board of Directors

sd/-

CHETAN SHAH
Chairman (Non Executive)

sd/-

ASHISH DESAI
Sr. General Manager - Accounts

Mumbai
26th May, 2016

sd/-

RAJNIKANT PAJWANI
Whole-time Director & CEO

sd/-

HARISH MOTIWALLA
Audit Committee Chairman & Ind. Director

sd/-

SACHIN POLKE
Company Secretary and Vice President



CONSOLIDATED FINANCIAL STATEMENTS

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INDEPENDENT AUDITORS' REPORT

To
The Members of
ASHAPURA MINECHEM LIMITED

Report on the Consolidated Financial Statements

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") and its joint venture companies and associates, which comprise the Consolidated Balance Sheet as at 31st March 2016, the Consolidated Statement of Profit and Loss, the 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").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group and its joint venture companies and associates in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of the Directors of the companies included in the Group and its joint venture companies and associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its joint venture companies and associates 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 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its joint venture companies and associates as at 31st March 2016 and of the consolidated profit and its consolidated cash flows for the year ended on that date.

Other Matters

We did not audit the financial statements of eight subsidiaries and two joint venture companies, whose financial statements



reflect total assets of ₹ 19,144.23 (previous year: ₹ 17,326.22) lacs as at the balance sheet date and total revenues of ₹ 9,207.91 (previous year: ₹ 19,290.69) lacs for the year then ended, and of three associates (previous year: two) whose financial statements reflect the Holding Company's share of profit (net) of ₹ 930.17 (previous year: ₹ 262.30) lacs as considered in the consolidated financial statements.

These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint venture companies and associates is based solely on the report of the other auditors.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1 As required by section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of subsidiaries, joint venture companies and associates incorporated in India as noted in the "Other Matters" paragraph, we report, to the extent possible, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of the written representations

received from the directors as on 31st March 2016 and taken on record by the Board of Directors of the Holding Company and its subsidiaries, joint venture companies and associates incorporated in India, none of the directors of the Group is disqualified as on 31st March 2016, 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 Holding Company and its subsidiaries, joint venture companies and associates and operating effectiveness of such controls, our separate report in annexure – A may be referred;
- g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us and based on the consideration of the reports of the other auditors on separate financial statements, as noted in the 'Other Matters' paragraph:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its joint venture companies and associates. Refer note no. 28, 29 and 36;
 - ii. The Group and its joint venture companies and associates did not have any material foreseeable losses on long-term contracts including derivatives contracts;
 - iii. There has been no delay in transferring the amounts, required to be transferred to the Investor Education and Protection Fund by the Holding company, its subsidiaries, joint venture companies and associates incorporated in India.

For SANGHAVI & COMPANY

Chartered Accountants
FRN : 109099W

sd/-

MANOJ GANATRA

Partner
Membership No. 043485

Mumbai
26th May, 2016

ANNEXURE – A TO THE INDEPENDENT AUDITORS' REPORT

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2016, we have audited the internal financial controls over financial reporting of **Ashapura Minechem Limited** ("the Holding Company") and subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its joint venture companies and associates which are companies incorporated in India.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiaries, joint venture companies and associates which are companies 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 issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Group's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by 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, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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



the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company, its subsidiaries, joint venture companies and associates 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 March 31, 2016, 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 issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to four subsidiaries and two associates, which are companies incorporated in India, is based on the corresponding reports of the other auditors of these companies.

For SANGHAVI & COMPANY

Chartered Accountants

FRN : 109099W

sd/-

MANOJ GANATRA

Partner

Membership No. 043485

Mumbai

26th May, 2016

ASHAPURA MINECHEM LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2016

	Note No.	31 st March, 2016 ₹.	31 st March, 2015 ₹.
EQUITY AND LIABILITIES :			
Shareholders' Funds			
Share Capital	4	173,972,196	173,972,196
Reserves and Surplus	5	18,633,298	(1,442,184,850)
		192,605,494	
Minority Interest			
		226,485	342,412
Non-Current Liabilities			
Long-term Borrowings	6	994,046,490	477,338,742
Deferred Tax Liabilities (net)		—	19,377,219
Other Long Term Liabilities	7	11,679,417	12,262,641
Long-term Provisions	8	190,587,762	159,499,563
		1,196,313,669	668,478,164
Current Liabilities			
Short-term Borrowings	9	800,229,052	1,092,162,160
Trade Payables		2,736,630,245	1,939,856,365
Other Current Liabilities	10	8,936,481,787	8,985,538,006
Short-term Provisions	11	439,188,297	114,247,908
		12,912,529,312	12,131,804,440
		14,301,674,960	11,358,440,166
ASSETS :			
Non-Current Assets			
Fixed Assets			
	12		
Tangible Assets		3,450,392,603	3,329,158,481
Intangible Assets		4,315,215	5,063,566
Capital Work-in-Progress		999,331,105	182,883,426
		4,454,038,923	3,517,105,473
Goodwill on Consolidation		105,056,795	105,056,795
Non-current Investments	13	1,463,336,723	622,476,404
Long-term Loans and Advances	14	391,996,778	398,137,884
Deferred Tax Assets		21,094,754	—
Other Non-current Assets		—	—
		6,435,523,972	4,642,776,556
Current Assets			
Current Investments	15	—	2,874,800
Inventories	16	2,852,460,122	2,084,869,185
Trade Receivables	17	2,956,302,128	2,685,951,452
Cash and Bank Balances	18	688,115,663	578,329,492
Short-term Loans and Advances	19	1,369,273,075	1,363,638,681
Other Current Assets		—	—
		7,866,150,987	6,715,663,610
		14,301,674,960	11,358,440,166

The accompanying notes 1 to 40 are an integral part of these financial statements.

As per our Report of even date
For **SANGHAVI & COMPANY**
Chartered Accountants

sd/-
MANOJ GANATRA
Partner

Mumbai
26th May, 2016

For and on Behalf of the Board of Directors

sd/-
CHETAN SHAH
Chairman (Non Executive)

sd/-
ASHISH DESAI
Sr. General Manager - Accounts

Mumbai
26th May, 2016

sd/-
RAJNIKANT PAJWANI
Whole-time Director & CEO

sd/-
HARISH MOTIWALLA
Audit Committee Chairman & Ind. Director

sd/-
SACHIN POLKE
Company Secretary and Vice President



CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2016

	Note No.	31 st March, 2016 ₹.	31 st March, 2015 ₹.
REVENUE :			
Revenue from Operations (Gross)	20	17,923,052,445	17,667,616,341
Less : Excise duty		169,571,882	139,150,751
Revenue from Operations (Net)		17,753,480,563	17,528,465,590
Other Income	21	89,595,012	71,450,487
		17,843,075,575	17,599,916,077
EXPENSES :			
Cost of Materials Consumed	22	2,930,169,168	2,494,463,469
Purchases of Stock-in-Trade		1,659,716,039	1,597,216,033
Changes in Inventories	23	(724,781,521)	238,028,836
Employee Benefits Expenses	24	783,710,171	629,565,759
Finance Costs	25	208,066,977	188,882,236
Depreciation and Amortization		438,623,901	348,545,534
Other Expenses	26	10,722,724,763	9,884,107,735
		16,018,229,299	15,380,809,602
Profit before exceptional and extraordinary items and tax		1,824,846,276	2,219,106,475
Exceptional Items	33	154,252,363	(2,313,307,893)
Profit before extraordinary items and tax		1,979,098,639	(94,201,418)
Extraordinary Items		—	—
Profit Before Tax		1,979,098,639	(94,201,418)
Tax Expenses			
Current tax		483,600,000	293,869,663
Earlier Years' Tax		5,926,467	(107,481)
Deferred tax		(40,635,525)	2,948,042
		448,890,942	296,710,224
Net Profit After Tax		1,530,207,697	(390,911,642)
Share of Profit in Associate Companies		93,017,061	26,230,027
Minority Interest		115,927	(19,588)
Net Profit for the Year		1,623,340,685	(364,701,203)
Face Value per Equity Share		2.00	2.00
Earnings per Equity Share			
Basic / Diluted (before exceptional and extra ordinary items)		20.44	22.40
Basic / Diluted (after exceptional and extra ordinary items)		18.66	(4.19)

The accompanying notes 1 to 40 are an integral part of these financial statements.

As per our Report of even date
For SANGHAVI & COMPANY
Chartered Accountants

sd/-
MANOJ GANATRA
Partner

Mumbai
26th May, 2016

For and on Behalf of the Board of Directors

sd/-
CHETAN SHAH
Chairman (Non Executive)

sd/-
ASHISH DESAI
Sr. General Manager - Accounts

Mumbai
26th May, 2016

sd/-
RAJNIKANT PAJWANI
Whole-time Director & CEO

sd/-
HARISH MOTIWALLA
Audit Committee Chairman & Ind. Director

sd/-
SACHIN POLKE
Company Secretary and Vice President

ASHAPURA MINECHEM LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2016

			(₹. in lacs)
	2015-2016	2014-2015	
A CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit Before Tax and Extraordinary Items	1,824,846,276	2,219,106,475	
Adjustments for -			
Depreciation and Amortization	438,623,901	348,545,534	
Exchange Rate Adjustment (net)	14,298,729	(33,973,428)	
Loss (Profit) on Sale/disposal of Fixed Assets	2,302,169	5,912,948	
Loss (Profit) on Sale of Investments	(9,811,919)	(8,421,027)	
Provisions and Write-offs	23,045,559	42,186,394	
Dividend	(5,734,366)	(4,662,171)	
Interest (net)	343,356,183	806,080,256	173,049,652
Operating Profit Before Working Capital Changes	2,630,926,533	2,741,744,377	
Adjustments for -			
Trade and Other Receivables	(321,062,246)	(1,093,562,854)	
Inventories	(767,590,937)	54,554,152	
Trade and Other Payables	903,009,614	(185,643,569)	2,520,422,848
Cash Generated From Operations	2,445,282,964	4,223,158,523	
Direct Taxes Paid / Refund Receipts	(291,714,005)	(291,714,005)	(233,593,456)
Cash Flow before Exceptional / Extra Ordinary Items	2,153,568,959	3,989,565,067	
Exceptional / Extra Ordinary Items	154,252,363	(2,125,636,875)	
NET CASH FROM OPERATING ACTIVITIES	2,307,821,322	1,863,928,192	
B CASH FLOW FROM INVESTING ACTIVITIES :			
Purchase of Fixed Assets	(1,400,376,203)	(1,103,452,260)	
Sale of Fixed Assets	22,516,666	66,982,456	
Sale (Purchase) of Investments (net)	(735,156,539)	19,832,105	
Interest Received	27,089,988	27,740,167	
Dividend Received	5,734,366	4,662,171	
NET CASH USED IN INVESTING ACTIVITIES	(2,080,191,722)	(984,235,361)	



C CASH FLOW FROM FINANCING ACTIVITIES :

Proceeds (Repayments) from Long Term Borrowings	516,707,748	(34,324,970)
Proceeds (Repayments) from Short Term Borrowings	(291,933,108)	(443,208,610)
Loans lent / recovered	28,172,723	39,984,223
Dividend Paid	(344,621)	(585,023)
Interest Paid	(370,446,171)	(200,789,819)
Net Change in Statutory Restricted Accounts Balances	(21,089,234)	(61,820,000)
Increase in Share Capital (including premium)	—	—
NET CASH USED IN FINANCING ACTIVITIES	(138,932,662)	(700,744,189)
 Net Increase in Cash and Cash Equivalents	 88,696,937	 178,948,642
Cash and cash equivalents as at beginning of the year	430,369,215	251,420,573
Cash and cash equivalents as at end of the year	<u>519,066,152</u>	<u>430,369,215</u>
 Cash and Cash Equivalents:		
Cash and Bank Balances	688,115,663	578,329,492
Statutory restricted accounts	(169,049,511)	(147,960,277)
	<u>519,066,152</u>	<u>430,369,215</u>

As per our Report of even date

For SANGHAVI & COMPANY
Chartered Accountants

sd/-
MANOJ GANATRA
Partner

Mumbai
26th May, 2016

For and on Behalf of the Board of Directors

sd/-
CHETAN SHAH
Chairman (Non Executive)

sd/-
ASHISH DESAI
Sr. General Manager - Accounts

Mumbai
26th May, 2016

sd/-
RAJNIKANT PAJWANI
Whole-time Director & CEO

sd/-
HARISH MOTIWALLA
Audit Committee Chairman & Ind. Director

sd/-
SACHIN POLKE
Company Secretary and Vice President

ASHAPURA MINECHEM LIMITED

1. Basis of Presentation of Financial Statements

The consolidated financial statements relate to Ashapura Minechem Limited ("the Company"), its subsidiary companies, joint venture companies and associates. The consolidated accounts have been prepared on the following basis:

- The financial statements of the subsidiaries, joint ventures and associates used in the consolidation are drawn up to the same reporting date as that of the parent company, i.e. year ended 31st March 2016 except for an overseas joint venture company, Sohar Ashapura Chemicals LLC and an overseas associate, Hudson MPA Sdn Bhd–Malaysia where the accounts are last drawn up to 31st December, 2015.
- The financial statements of the subsidiaries, joint venture companies and associates are audited, except for an overseas associates, Emo Ashapura Energy and Mining Limited, Nigeria.
- The consolidated financial statements present the consolidated accounts of Ashapura Minechem Limited with its following subsidiaries, joint ventures and associates.

Particulars	Country of Incorporation	% voting power held as at 31st March 2016 (either directly or through subsidiaries)	% voting power held as at 31st March 2015 (either directly or through subsidiaries)
Subsidiaries:			
1 Ashapura Aluminum Limited	India	100.00	100.00
2 Ashapura Claytech Limited	India	99.44	99.44
3 Ashapura Consultancy Service Private Limited	India	100.00	100.00
4 Ashapura Holdings (UAE) FZE	UAE	100.00	100.00
5 Ashapura International Limited	India	100.00	100.00
6 Ashapura Maritme FZE	UAE	100.00	100.00
7 Ashapura Minechem (UAE) FZE	UAE	100.00	100.00
8 Bombay Minerals Limited	India	100.00	100.00
9 Peninsula Property Developers Private Limited	India	100.00	100.00
10 Prashansha Ceramics Limited	India	100.00	100.00
11 PT Ashapura Resources	Indonesia	100.00	100.00
12 Sharda Consultancy Private Limited	India	100.00	100.00
Joint Ventures:			
1 Ashapura Midgulf NV	Belgium	50.00 %	50.00 %
2 Ashapura Perfoclay Limited	India	50.00 %	50.00 %
3 Sohar Ashapura Chemicals LLC	Oman	40.00 %	40.00 %
Associates:			
1 Ashapura Arcadia Logistic Private Limited	India	50.00 %	50.00 %
2 Emo Ashapura Energy and Mining Limited	Nigeria	48.00 %	48.00 %
3 Hudson MPA Sdn Bhd	Malaysia	25.00 %	25.00 %
4 Orient Abrasives Limited	India	39.10 %	—



d. Details of Assets and Profits:

Name of the Entity	Net Assets		Share in Profit/(Loss)	
	As % of consolidated net assets	Amount ₹ in lacs	As % of consolidated net profit	Amount ₹ in lacs
Parent Company:				
Ashapura Minechem Limited	(1,066.88)	(20,548.70)	39.85	6,469.44
Subsidiaries:				
Indian				
Ashapura Aluminum Limited	2.82	54.24	(0.04)	(7.23)
Ashapura Claytech Limited	20.05	386.21	(1.28)	(207.01)
Ashapura Consultancy Service Private Limited	(9.10)	(175.31)	0.03	5.40
Ashapura International Limited	376.95	7,260.22	21.86	3,548.53
Bombay Minerals Limited	606.76	11,686.48	22.88	3,714.93
Peninsula Property Developers Private Limited	(0.43)	(8.36)	0.00	0.52
Prashansa Ceramics Limited	(12.63)	(243.32)	0.03	5.59
Sharda Consultancy Private Limited	(5.40)	(103.95)	0.01	2.07
Foreign				
Ashapura Holdings (UAE) FZE	38.18	735.35	3.07	498.19
Ashapura Maritme FZE	(148.68)	(2,863.70)	0.14	22.81
Ashapura Minechem (UAE) FZE	68.26	1,314.79	(1.43)	(231.48)
PT Ashapura Resources	15.99	308.00	(0.01)	(2.41)
Joint Ventures:				
Indian				
Ashapura Perfoclay Limited	309.37	5,958.67	6.45	1,047.17
Foreign				
Ashapura Midgulf NV	63.32	1,219.64	0.77	124.79
Sohar Ashapura Chemicals LLC	78.09	1,503.96	4.60	747.31
Associates:				
Indian				
Ashapura Arcadia Logistic Private Limited			1.81	293.66
Orient Abrassives Limited			4.50	731.09
Foreign				
Hudson MPA Sdn Bhd			(0.58)	(94.58)
Total Eliminations	(2,370.43)	(4,558.18)	(2.68)	(435.32)
Total...	100.00	1,926.05	100.00	16,233.41

2. Principles of Consolidation

- a. The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together the book values of like items of the assets, liabilities, income and expenses, after fully eliminating there from intra-group balances and intra-group transactions as per Accounting Standard (AS) – 21 “Consolidated Financial Statements”.
- b. Interests in joint ventures have been accounted for by using the proportionate consolidation method as per Accounting Standard (AS) – 27 “Financial Reporting of Interest in Joint Ventures”.
- c. Interests in associates have been accounted for by using the equity method as per Accounting Standard (AS) – 23 “Accounting for Investments in Associates in Consolidated Financial Statements”.
- d. The financial statements of the parent company and its subsidiaries and joint ventures have been consolidated using uniform account policies for like transactions and other events in similar circumstances.
- e. The excess of cost to the parent company of its investment in each of the subsidiary over its share of equity in the respective subsidiary, on the acquisition date, is recognized in the financial statements as goodwill on consolidation and carried in the Balance Sheet as an asset.
- f. The investment in associates is initially recorded at cost. Goodwill and/or capital reserve arising at the time of acquisition and the carrying amount are adjusted to recognize the share of profit or loss of the invested after the date of acquisition.

3. Significant Accounting Policies

Basis of Accounting:

The financial statements have been prepared in accordance with Generally Accepted Accounting Principles (“GAAP”) in India, the recognition and measurement principles laid down the Accounting Standards prescribed under Section 133 of the Companies Act, 2013 (‘Act’) read with Rule 7 of the Companies (Accounts) Rules, 2014, to the extent applicable, and are based on the historical cost convention on an accrual basis.

Use of Estimates:

The preparation of financial statements in conformity with GAAP requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

Fixed Assets:

Fixed Assets are stated at cost less depreciation. All costs incurred till the date the asset is ready for use, including interest on loans relating to the acquisition, installation and substantial modification to the fixed assets are capitalized and included in the cost of the respective fixed assets.

Depreciation is provided at the rates and in the manner specified in the Schedule II in accordance with the provisions of section 123(2) of the Companies Act, 2013.

The assets of foreign subsidiaries, joint venture companies and associates are depreciated over the estimated useful life of the respective assets.

Investments:

Long-term investments are stated at cost. Provision, if any, is made for permanent diminution in the value of investments.



Current investments are stated at lower of cost or market value determined category wise. Dividends/interests are accounted for as and when the right to receive the same is established.

Inventories:

Inventories are valued at cost or net realizable value, whichever is lower. Cost is determined on the following basis:

Raw materials, traded goods and stores and spares – on a first-in first-out (FIFO) basis;

Finished and semi-finished goods – at material cost plus direct expenses and appropriate value of overheads.

Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably be measured.

Revenue from sale of goods are recognized when significant risks and rewards of ownership are passed to the buyer, which generally coincides with dispatch of goods. Sales taxes and value added taxes, wherever applicable, are collected on behalf of the Government and therefore, excluded from the revenue.

Revenue from services are recognized as and when the services are rendered in terms of the agreements with the customers. Service tax, wherever applicable, is collected on behalf of the Government and therefore, excluded from the revenue.

Mining Expenses:

Expenses incurred on mining including removal of overburden of mines are charged to the profit & loss statement as mining cost based on quantity of minerals mined during the year since removal of overburden and mining are carried out concurrently and relatively within short period of time. Mining restoration expenses are annually reviewed and provided for.

Research and Development Expenses & 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 center of the company are accounted for as revenue receipts.

Foreign Currency Transactions:

- a. Foreign currency transactions are accounted for at the rates prevailing on the date of transactions. Exchange rate differences related to sales and other transactions are dealt with in the profit & loss statement.
- b. Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year except where the ultimate recovery or the payment, as the case may be, are uncertain, are translated at the closing rates and profit or loss arising there from is dealt with in the profit & loss statement.
- c. In respect of forward foreign exchange contracts, the difference between the forward rate and exchange rate at the inception of the contract is recognized as income or expense, as the case may be, over the life of the contract.
- d. Realized gain or loss on cancellation of forward exchange contracts are recognized in the profit and loss statement for the year in which they are cancelled.
- e. Operations of the foreign subsidiary and joint venture companies are classified as non-integral. Revenue items of the foreign subsidiary and joint venture companies are translated at average rate. Monetary assets and liabilities of the

foreign subsidiary and joint venture companies are translated at the closing rate.

In respect of operations of the foreign subsidiary and joint venture companies, the translation of functional currency into reporting currency is performed for the consolidation purpose. The gain or loss resulting from such translation is recognized in foreign currency translation reserve.

Borrowing Costs:

Net cost of borrowed funds for the projects are capitalized and included in the cost of fixed assets till its completion and other borrowing costs are recognized as expenses in the period in which they are incurred.

Employee Benefits:

Post-employment benefit plans

- i) Defined Contribution Plan: Contribution for provident fund are accrued in accordance with applicable statutes and deposited with regional Provident Fund Commissioner.
- ii) Defined Benefit Plan: The liabilities in respect of gratuity and leave encashment are determined using Projected Unit Credit Method with actuarial valuation carried out as at balance sheet date. Actuarial gains and losses are recognized in full in the profit and loss statement for the period in which they occur.

Contributions in respect of gratuity are made to the Group Gratuity Scheme with Life Insurance Corporation of India. Employee benefits recognized in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost and as reduced by the fair value of respective fund.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for services rendered by employees is recognized during the period when the employee renders the service.

In respect of the foreign subsidiaries and joint venture companies, the provision for employee benefits is made in accordance with the respective local statutes applicable.

Taxation:

Provisions are made for current income tax based on tax liability computed in accordance with relevant tax rates and tax laws. Deferred tax is recognized, subject to the consideration of prudence, on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Earning Per Share:

Basic earning per share is computed by dividing the net profit attributable to equity shareholders for the year by weighted average number of equity shares outstanding during the year. Diluted earning per share is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding at year-end.

Provision and Contingencies:

The company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.



Note No. 4

4.1 SHARE CAPITAL

	31 st March, 2016 ₹.	31 st March, 2015 ₹.
Authorised		
125,000,000 equity shares of ₹ 2/- each	250,000,000	250,000,000
6,500,000 preference shares of ₹ 100/- each	650,000,000	650,000,000
	<u>900,000,000</u>	<u>900,000,000</u>
Issued, Subscribed and Paid up		
86,986,098 equity shares of ₹ 2/- each	173,972,196	173,972,196
	<u>173,972,196</u>	<u>173,972,196</u>

Of the total capital, 65,543,049 equity shares were issued as fully paid up bonus shares including equity shares issued as fully paid up bonus shares during the preceding five years : Nil

4.2 Share Capital Reconciliation

Equity Shares

Particulars	31 st March, 2016		31 st March, 2015	
	No. of Shares	₹.	No. of Shares	₹
Shares outstanding at the beginning of the year	86,986,098	173,972,196	86,986,098	173,972,196
Shares issued during the year	—	—	—	—
Shares bought back during the year	—	—	—	—
Shares outstanding at the end of the year	86,986,098	173,972,196	86,986,098	173,972,196

4.3 Shares held by each shareholder holding more than five percent shares

Name of Shareholder	31 st March, 2016		31 st March, 2015	
	No. of shares	% of holding	No. of shares	% of holding
Mr. Navanital Ratanji Shah	—	—	6,847,960	7.87
Mr. Chetan Navnital Shah	13,543,814	15.57	13,543,814	15.57
Mrs. Dina Chetan Shah	7,768,020	8.93	7,768,020	8.93
Mrs. Fizza N. Shah	9,156,010	10.53	—	0.00
Ashapura Industrial Finance Limited	8,088,000	9.30	8,088,000	9.30
Albula Investment Fund Limited	7,857,345	9.03	7,857,345	9.03

4.4 Rights, preferences and restrictions attached to shares

Equity Shares

The Company has one class of equity shares having a face value of ₹ 2/- each ranking *pari passu* in all respect including voting rights and entitlement to dividend.

ASHAPURA MINECHEM LIMITED

Note No. 5 RESERVES AND SURPLUS

	31 st March, 2016 ₹.	31 st March, 2015 ₹.
a. Capital Reserve	33,193,924	33,193,924
b. Capital Redemption Reserve	390,000	390,000
c. Statutory Reserve		
Balance at the beginning of the year	5,407,910	4,646,324
Transferred from Surplus	—	761,586
Balance at the end of the year	<u>5,407,910</u>	<u>5,407,910</u>
d. Securities Premium Account		
Balance at the beginning of the year	1,773,458,645	1,773,458,645
Premium received during the year	—	—
Balance at the end of the year	<u>1,773,458,645</u>	<u>1,773,458,645</u>
e. Foreign Currency Translation Reserve		
Balance at the beginning of the year	(120,189,116)	(86,215,688)
Current year transfer	14,298,729	(33,973,428)
Balance at the end of the year	<u>(105,890,387)</u>	<u>(120,189,116)</u>
f. Surplus		
Balance at the beginning of the year	(3,308,418,409)	(2,898,954,404)
Adjustment on account of depreciation	—	(41,152,150)
Net Profit for the year	1,623,340,685	(364,701,203)
Corporate dividend tax	(2,849,070)	(2,849,066)
Transfer to Statutory Reserve	—	(761,586)
Balance at the end of the year	<u>(1,687,926,794)</u>	<u>(3,308,418,409)</u>
	<u>18,633,298</u>	<u>(1,616,157,046)</u>



Note No. 6 LONG TERM BORROWINGS

	31 st March, 2016 ₹.	31 st March, 2015 ₹.
a. Secured		
Term loans from banks (foreign currency accounts)	315,207,346	305,608,224
Term loans from banks and others (Indian rupee accounts) *	417,800,000	3,500,000
Hire purchase finance	140,545,548	6,037,399
* includes accounts upon assignment from a financial institution		
	<u>873,461,894</u>	<u>315,145,623</u>
Period of default	NA	NA
Amount	Nil	Nil
b. Unsecured		
Inter corporate loans	53,145,791	98,589,999
Others	67,438,805	63,603,120
	<u>120,584,596</u>	<u>162,193,119</u>
	<u>994,046,490</u>	<u>477,338,742</u>

Note No. 7 OTHER LONG TERM LIABILITIES

	31 st March, 2016 ₹.	31 st March, 2015 ₹.
Sales tax deferred payment liabilities	10,929,417	11,512,641
Security deposits	750,000	750,000
	<u>11,679,417</u>	<u>12,262,641</u>

Note No. 8 LONG TERM PROVISIONS

	31 st March, 2016 ₹.	31 st March, 2015 ₹.
Provision for leave encashment	19,685,454	12,954,010
Provision for mining restoration	170,195,732	146,074,980
Provision for gratuity	706,576	470,573
	<u>190,587,762</u>	<u>159,499,563</u>

ASHAPURA MINECHEM LIMITED

Note No. 9 SHORT TERM BORROWINGS

	31 st March, 2016	31 st March, 2015
	₹.	₹.
a. Secured		
Working capital finance from banks (Foreign currency accounts)	27,511,187	31,680,180
Working capital finance from banks (Indian rupee accounts)	540,024,120	497,199,024
Working capital finance from financial institutions and others * (Indian rupee accounts)	10,000,000	402,282,956
* includes accounts upon assignments from banks/financial institution		
	<u>577,535,307</u>	<u>931,162,160</u>
Amount of default : Of the above, accounts with aggregate balances of ₹ 25,40,00,000 (614,282,956) have been classified by the respective bankers as non-standard.		
b. Unsecured		
Inter corporate loans	222,693,745	161,000,000
	<u>222,693,745</u>	<u>161,000,000</u>
	<u>800,229,052</u>	<u>1,092,162,160</u>

Note No. 10 OTHER CURRENT LIABILITIES

	31 st March, 2016	31 st March, 2015
	₹.	₹.
Current maturities of long-term debt [including amount in default in repayment Nil (₹ 243,703,153)]	243,902,672	311,048,497
Interest accrued and due on borrowings	152,933,818	334,306,533
Interest accrued but not due on borrowings	1,309,190	1,529,906
Payables on purchase of capital assets	4,478,432	18,014,264
Advances from customers	514,019,635	249,167,397
Statutory liabilities	91,049,518	136,373,494
Unclaimed dividends	—	344,621
Shipping claims payable	5,620,288,244	5,620,288,244
Derivatives and other claims payable	2,110,137,363	2,110,137,363
Other liabilities	198,362,916	204,327,687
	<u>8,936,481,787</u>	<u>8,985,538,006</u>

Note No. 11 SHORT TERM PROVISIONS

	31 st March, 2016	31 st March, 2015
	₹.	₹.
Provision for Royalty	163,665,652	45,357,152
Provision for Taxes (Net of Payments)	243,590,831	42,929,303
Provision for bonus	24,721,515	20,454,927
Provision for leave encashment	4,361,159	2,657,460
Provision for corporate dividend tax	2,849,070	2,849,066
	<u>439,188,227</u>	<u>114,247,908</u>

Note No. 12 FIXED ASSETS

PARTICULARS	GROSS BLOCK				ACCUMULATED DEPRECIATION			NET BLOCK		
	As at 1 st April, 2015	Additions	Deductions	As at 31 st March, 2016	As at 1 st April, 2015	For the Year	On Deductions/ Adjustment	As at 31 st March, 2016	As at 31 st March, 2016	As at 31 st March, 2015
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Owned Tangible Assets										
Freehold Land	187,311,418	14,482,593	6,572,385	195,221,625	—	—	—	—	195,221,625	187,311,418
Buildings	1,016,554,729	51,934,051	7,366,173	1,061,122,607	175,836,268	35,031,841	(636,577)	211,504,686	849,617,921	840,718,461
Plant & Equipment	3,546,037,713	160,191,147	25,643,422	3,680,585,438	1,378,410,501	307,946,830	16,055,338	1,670,301,993	2,010,283,445	2,167,627,212
Barges	7,598,314	—	—	7,598,314	7,353,950	—	—	7,353,950	244,364	244,364
Vehicles	122,703,364	301,630,834	3,501,264	420,832,933	95,660,289	59,363,584	3,377,058	151,646,814	269,186,119	27,043,075
Furniture & Fixtures	160,731,636	33,443,006	—	194,174,642	104,136,221	17,194,182	(283,519)	121,613,923	72,560,719	56,595,414
Office Equipment	111,203,642	21,428,522	2,608,373	130,023,792	91,725,579	13,998,335	2,372,830	103,351,085	26,672,707	19,478,063
Total..	5,152,140,817	583,110,153	45,691,617	5,689,559,351	1,853,122,808	433,534,772	20,885,130	2,265,772,450	3,423,786,885	3,299,018,023
Tangible Assets Under Lease										
Freehold Land	30,800	—	—	30,800	—	—	—	—	30,800	30,800
Buildings	12,838,268	—	—	12,838,268	3,313,501	365,822	—	3,679,323	9,158,945	9,524,767
Plant & Equipment	35,761,590	—	—	35,761,590	15,378,100	3,123,559	—	18,501,659	17,259,931	20,383,490
Vehicles	75,000	—	—	75,000	28,520	—	—	28,520	46,480	46,480
Furniture & Fixtures	319,902	—	—	319,902	214,493	41,135	—	255,628	64,274	105,409
Office Equipment	253,871	—	—	253,871	204,344	4,239	—	208,583	45,289	49,527
Total..	49,279,431	—	—	49,279,430	19,138,958	3,534,754	—	22,673,711	26,605,719	30,140,481
Owned Intangible Assets										
Compensation for Premises Right	24,434,113	—	—	24,434,113	21,689,849	—	—	21,689,849	2,744,264	2,744,264
Computer Software	6,394,527	818,372	—	7,212,899	4,198,700	1,554,375	—	5,753,075	1,459,824	2,195,827
Mining Lease Rights	123,475	—	12,348	111,127	—	—	—	—	111,127	123,475
Total..	30,952,115	818,372	12,348	31,758,139	25,888,549	1,554,375	—	27,442,924	4,315,215	5,063,566
Capital Work in Progress	182,883,426	964,547,995	148,100,316	999,331,105	—	—	—	—	999,331,105	182,883,426
Grand Total..	5,415,255,788	1,548,476,519	193,804,281	6,769,928,024	1,898,150,315	438,623,901	20,885,130	2,315,889,085	4,454,038,923	3,517,105,495
Previous Year	4,669,454,674	1,782,062,078	1,036,260,964	5,415,255,788	1,591,647,169	348,545,534	42,042,388	1,898,150,315	3,517,105,473	3,077,807,505



ASHAPURA MINECHEM LIMITED

Note No. 13 NON-CURRENT INVESTMENTS

	31 st March, 2016 ₹.	31 st March, 2015 ₹.
Quoted; at cost:		
a. Investments in Equity Shares		
21,535,056 equity shares of Orient Abrasive Ltd of ₹ 1 each (Aggregate market value of quoted investments Nil (₹ 507,150,569))	—	549,143,928
	—	549,143,928
b. Investments in Associates		
Orient Abrasive Limited		
46,782,953 equity shares of ₹ 1 each (extent of holding: 39.10%)		
Goodwill on acquisition	670,126,512	—
Carrying amount of investment	626,485,874	—
Accumulated share of profit or (loss)	73,109,067	—
	1,369,721,453	—
(Aggregate market value of quoted investment ₹ 2,334,469,355)		
Unquoted ; at Cost:		
Hudson MPA Sdn Bhd, Malaysia		
Goodwill on acquisition	37,662,910	37,662,910
Carrying amount of investment	10,349,100	10,349,100
Accumulated share of profit or (loss)	(25,000,020)	(15,542,240)
	23,011,990	32,469,770
Emo Ashapura Energy & Mining Limited, Nigeria		
Goodwill on acquisition	112,884,398	112,884,398
Carrying amount of investment	101,099,602	101,099,602
Accumulated share of profit or (loss)	—	—
Provision for impairment of investment	(213,984,000)	(213,984,000)
	—	—
Ashapura Arcadia Logistic Private Limited		
Goodwill on acquisition	(7,825,342)	(7,825,342)
Carrying amount of investment	8,375,342	8,375,342
Accumulated share of profit or (loss)	65,704,480	36,338,706
	66,254,480	36,888,706
	1,458,987,923	69,358,476
c. Investments in Other Equity Shares:		
186,285 equity shares of Shantilal Multiport Infrastructure Pvt Limited of ₹ 10 each	2,500,000	2,500,000
	2,500,000	2,500,000
d. Investments in Government Securities:		
National Savings Certificates (under lien with sales tax/mining authorities)	1,848,800	1,474,000
	1,848,800	1,474,000
	1,463,336,723	622,476,404



Note No. 14 LONG-TERM LOANS AND ADVANCES

	31 st March, 2016	31 st March, 2015
	₹.	₹.
Unsecured (considered good)		
Capital advances	2,704,420	4,451,206
Security deposits	224,198,393	201,172,302
includes -		
Security deposits towards land and premises to directors, firms and companies in which some of the directors are interested		
₹ 10,700,000 (28,200,000)		
Loans to joint venture companies	162,035,638	188,310,058
Loans to associate companies	—	1,898,303
Loans to staff	2,965,837	1,246,485
Other loans and advances	92,490	1,059,530
	<u>391,996,778</u>	<u>398,137,884</u>

Note No. 15 CURRENT INVESTMENT

	31 st March, 2016	31 st March, 2015
	₹.	₹.
Investments in Government Securities:		
National Savings Certificates	—	374,800
(under lien with sales tax/mining authorities)		
	<u>—</u>	<u>374,800</u>
Investments in Mutual Funds :		
Union KBC FMP Fund	—	2,500,000
	<u>—</u>	<u>2,500,000</u>
	<u>—</u>	<u>2,874,800</u>

Note No. 16 INVENTORIES

	31 st March, 2016	31 st March, 2015
	₹.	₹.
(Valued at lower of cost or net realisable value)		
Raw materials	564,107,250	523,409,950
Work-in-progress	55,393,060	66,840,904
Finished goods	1,131,551,047	1,072,554,213
Materials in transit	18,365,103	8,252,629
Stock-in-trade	929,931,382	262,811,325
Stores & spares	97,254,155	106,984,153
Packing materials	55,858,126	44,016,011
	<u>2,852,460,122</u>	<u>2,084,869,185</u>

ASHAPURA MINECHEM LIMITED

Note No. 17 TRADE RECEIVABLES

	31 st March, 2016 ₹.	31 st March, 2015 ₹.
Unsecured (considered good, unless otherwise stated)		
Over six months	689,704,027	557,224,179
Others	2,387,383,581	2,294,579,965
	3,077,087,608	2,851,804,144
less: Provision for doubtful debts	120,785,480	165,852,692
	2,956,302,128	2,685,951,452
	More than Six Months	Others
includes -		
due from joint venture and associate companies	57,090,132	243,714,790
due from firms and companies in which directors are interested	38,557,727	—

Note No. 18 CASH AND BANK BALANCES

	31 st March, 2016 ₹.	31 st March, 2015 ₹.
I. Cash and Cash Equivalents		
a. Balances with Banks:		
Current accounts	510,828,605	420,588,304
Short term deposits	873,099	645,648
	511,701,704	421,233,952
b. Cash on Hand	5,892,410	6,550,229
	517,594,114	427,784,180
II. Other Bank Balances		
Dividend accounts	—	344,141
Margin Money Accounts	25,761,231	4,861,664
Terms deposits with more than 12 months maturity	23,195,436	80,635,777
Other term deposits	121,451,932	64,703,730
Cheques on Hand	112,950	—
	170,521,549	150,545,312
	688,115,663	578,329,492

Term deposits of ₹ 169,049,511 are under lien with banks against working capital finance, letter of credits and bank guarantees (previous year ₹ 147,616,136)



Note No. 19 SHORT-TERM LOANS AND ADVANCES

	31 st March, 2016 ₹.	31 st March, 2015 ₹.
Unsecured (considered good, unless otherwise stated)		
Trade advances to suppliers	963,534,144	1,079,658,003
less: Provision for doubtful advances	218,158,683	230,658,683
	<u>745,375,461</u>	<u>848,999,320</u>
Trade advances to Joint venture & Associates ₹ 6,148,529 (Nil)		
Trade advances to companies or firms in which some of the directors are interested ₹ 41,313,150 (257,537,947)		
Loans and advances to staff	10,335,411	6,269,344
Claims receivable	356,215,883	292,893,408
Prepaid expenses	17,832,288	16,998,602
Advance payments of royalty	45,887,655	46,414,035
Input credits receivable	53,848,696	45,654,017
Other loans and advances	139,777,681	106,409,955
	<u>1,369,273,075</u>	<u>1,363,638,681</u>

Note No. 20 REVENUE FROM OPERATIONS

	2015 - 2016 ₹.	2014 - 2015 ₹.
Sale of Products		
Export sales	13,845,912,472	13,633,702,587
Domestic sales	<u>3,653,321,941</u>	<u>3,392,123,301</u>
	17,499,234,413	17,025,825,888
Sale of Services		
Cargo handling income	10,507,275	187,373,091
Mining Charges Receipts	<u>41,365,660</u>	<u>173,845,274</u>
	51,872,935	361,218,365
Other Operating Revenue		
Export incentives and credits	14,767,045	46,058,087
Foreign currency fluctuation gain	59,131,189	55,381,925
Research & development fees receipts	82,000,000	22,018,140
Freight receipts on sales	106,908,952	106,047,157
Rent income from trucks and tippers	60,224,037	—
Other operational income	<u>48,913,874</u>	<u>51,066,779</u>
	<u>371,945,097</u>	<u>280,572,088</u>
	<u>17,923,052,445</u>	<u>17,667,616,341</u>

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Note No. 21 OTHER INCOME

	2015 - 2016	2014 - 2015
	₹.	₹.
Dividend receipts	5,734,366	4,662,171
Interest receipts	27,089,988	27,740,167
Profit on sale of Investments (net)	9,811,919	8,421,027
Sundry balances / excess provisions written back (net)	2,408,219	9,857,492
Miscellaneous income	44,550,520	20,769,630
	<u>89,595,012</u>	<u>71,450,487</u>

Note No. 22 COST OF MATERIALS CONSUMED

	2015 - 2016	2014 - 2015
	₹.	₹.
Materials and Mining Expenses		
Opening stock	523,409,950	349,500,001
Purchase and direct expenses	1,198,740,802	991,209,449
	<u>1,722,150,752</u>	<u>1,340,709,450</u>
Closing stock	<u>564,107,250</u>	<u>523,409,950</u>
Rent and Royalty (net)	617,195,566	589,014,889
Mining expenses	1,154,930,100	1,088,149,080
	<u>2,930,169,168</u>	<u>2,494,463,469</u>



Note No. 23 CHANGES IN INVENTORIES

		2015 - 2016 ₹.		2014 - 2015 ₹.
Opening Stock				
Finished Goods	1,072,554,213		1,441,937,419	
Stock-in-trade	262,811,325		155,337,848	
Materials in transit	8,252,629		2,145,690	
Work-in-progress	<u>66,840,904</u>	<u>1,410,459,071</u>	<u>49,066,950</u>	<u>1,648,487,907</u>
Closing Stock				
Finished Goods	1,131,551,047		1,072,554,213	
Stock-in-trade	929,931,382		262,811,325	
Materials in transit	18,365,103		8,252,629	
Work-in-progress	<u>55,393,060</u>	<u>2,135,240,592</u>	<u>66,840,904</u>	<u>1,410,459,071</u>
		<u>(724,781,521)</u>		<u>238,028,836</u>

Note No. 24 EMPLOYEE BENEFIT EXPENSES

	2015 - 2016 ₹.	2014 - 2015 ₹.
Salaries, wages, allowances and bonus	673,136,843	558,411,737
Contribution to employee benefit funds	71,910,665	37,053,423
Staff welfare expenses	38,662,663	34,100,599
	<u>783,710,171</u>	<u>629,565,759</u>
includes directors' remuneration	13,952,799	3,264,498

Note No. 25 FINANCE COSTS

	2015 - 2016 ₹.	2014 - 2015 ₹.
Interest		
Working capital finance	50,057,986	120,947,964
Term loans	75,282,549	32,722,019
Income Tax	2,019,032	—
Others	<u>61,493,172</u>	<u>33,542,135</u>
Loss / (Gain) on foreign currency borrowings	9,395,515	(5,838,584)
Other borrowing costs	9,818,723	7,508,702
	<u>208,066,977</u>	<u>188,882,236</u>

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Note No. 26 OTHER EXPENSES

		2015 - 2016		2014 - 2015
		₹.		₹.
Manufacturing Expenses				
Power & Fuel	329,638,201		303,667,204	
Machinery repairs and maintenance	73,736,674		84,006,207	
Packing materials and expenses	205,739,277		194,719,778	
Stores & spares consumption	148,287,749		155,638,559	
Carriage inward	38,132,767		47,092,258	
Other expenses	<u>263,299,782</u>	<u>1,058,834,450</u>	<u>224,435,873</u>	1,009,559,879
Selling and Distribution Expenses				
Sales commission and discount	274,529,479		207,237,867	
Cargo handling expenses	9,394,217		141,684,590	
Export freight and insurance	1,429,306,335		1,275,461,167	
Export Duty	1,344,301,287		1,487,732,587	
Export and other shipment expenses	<u>5,886,289,022</u>	<u>8,943,820,339</u>	<u>5,067,012,292</u>	8,179,128,503
Administrative and Other Expenses				
Travelling expenses	85,098,794		69,506,313	
Rent	40,281,312		41,286,276	
Rates and taxes	59,310,837		54,654,572	
Insurance premiums	10,019,221		7,978,117	
Building and other repairs	31,930,203		21,274,200	
Advertisement and business promotion	25,768,336		23,003,932	
Directors' sitting fees	2,100,000		595,000	
Liquidated damages	—		124,152,550	
Legal and professional fees	96,975,322		81,496,851	
Payments to auditors	9,697,865		8,150,001	
Provisions/write off of doubtful debts/ advances (net)	25,453,778		42,186,394	
Bank discount, commission and other charges	15,592,039		10,082,175	
Donations	87,146,309		17,862,203	
Corporate social responsibility Expenses	22,661,339		10,346,445	
Loss on sale of assets (net)	2,302,169		5,912,948	
Prior period expenses (net)	4,730,369		2,000,541	
General expenses	<u>201,001,882</u>	<u>720,069,774</u>	<u>174,930,835</u>	695,419,353
		<u><u>10,722,724,563</u></u>		<u><u>9,884,107,735</u></u>



- 27 Based on the audited annual accounts for the year ended 31st March 2011, the company became a sick industrial company within the meaning of section 3(1)(O) of the Sick Industrial Companies (Special Provisions) Act, 1985 and pursuant the proviso to section 15(1) of the Sick Industrial Companies (Special Provisions) Act, 1985.

The Board for Industrial & Financial Reconstruction (BIFR) on considering the material on their record, declared the company as a sick company vide its order dated 20th March 2012. Further, in terms of the order passed and the powers available u/s 17(3) of SICA, the Bench has appointed Bank of India as Operating Agency with directions to submit Draft Rehabilitation Scheme which is under consideration and discussion.

- 28 As directed by the Security and Exchange Board of India (SEBI), the Company has, during the financial year 2014-15, made provisions of unprovided disputed loss/liability aggregating to ₹ 21,101.37 lacs in respect of foreign currency derivative contracts, which were the subject matter of the qualification in the Auditors' Report in the earlier years. The Company, however, based on the legal advice received, maintains that that these financial derivatives contracts are void and unenforceable.

- 29 The company had entered into Contract of Affreightment (COA) with four shipping companies viz. (i) British Marine, (ii) IHX Pacific (UK), (iii) Eitzen Bulk A/S and (iv) Armada (Pte) Singapore.

The company has settled the claim of British Marine Plc, for ₹ 22.64 crores as against award passed for ₹ 553.41 crores, which was initially claimed by British Marine Plc.

The quantum of awards in respect of the other three companies are as under:

Shipping Company	₹ in crore
IHX (UK) Limited	107.97
Eitzen Bulk S/A	161.83
Armada (Singapore) Pte Ltd.	292.23
Total...	562.03

Since the award of claims of each of the three shipping companies were heavily exaggerated. the Company had, much prior in time to filing of the application for enforcement of the award, initiated legal proceedings against the alleged arbitration awards under Section 34 of the Arbitration & Conciliation Act, 1996.

The Hon. Supreme Court of India vide order dated 13th May, 2016 has held that the award under Section 34 of the Arbitration and Conciliation Act, 1996 cannot be challenged and is enforceable. Aggrieved by the said order, the Company is in the process of filing a review petition before the Hon. Supreme Court.

Pending the final outcome of the proceedings, no further adjustments have been made in the above provisions made for ₹ 562.03 crores in the books.

- 30 The Company has disclosed only such policies and notes from the individual financial statements, which fairly present the needed disclosures. Lack of homogeneity and other similar considerations made it desirable to exclude some of them, which in the opinion of the management, could be better viewed, when referred from the individual financial statements.
- 31 Balances with some of the banks as well as balances for trade payables, trade receivables, for loans and advances in many cases are subject to confirmations from the respective parties and reconciliations, if any. In absence of such confirmations, the balances as per books have been relied upon by the auditors.
- 32 In the opinion of the directors, the current assets, loans and advances are approximately of the value as stated in the balance sheet, if realized in the ordinary course of the business. The provisions of all known liabilities are adequate and not in excess of the amount reasonably required.

33 Exceptional Items:

(₹. in Lacs)

Particulars	2015-2016	2014-2015
Loss on shifting of manufacturing facilities from one location to another	(444.27)	(1,876.71)
Disputed losses/liabilities in respect of foreign currency derivative contracts as per the directions by the SEBI (refer note no. 28)	—	(21,101.37)
Net liabilities in respect of certain secured loans as well as disputed and unprovided foreign currency derivative contracts upon settlement with certain terms and conditions with some of the banks and financial institutions.	1,986.80	(155.00)

- 34 Based on the principles of prudence and in view of the uncertainty, deferred tax assets arising out of the carried forward business losses in the parent company are not accounted for in accordance with the provisions of Accounting Standard (AS) - 22 "accounting for Taxes on Income".

Details of the balance of ₹ 21,094,754 are as under:

Particulars	₹
Depreciation	(59,227,403)
Disallowances u/s 43B & others under the Income Tax Act	80,322,157
Total...	21,094,754

- 35 The proportionate share of assets, liabilities, income and expenses in respect of the Company having interest in the jointly controlled entities, Ashapura Perfoclay Limited (holding: 50%), and Ashapura Midgulf NV (holding: 50%) & Sohar Ashapura Chemicals LLC (holding:40%) are as under:

(₹. in Lacs)

	Current Year	Previous Year
Assets		
Fixed Assets (Net Block including WIP)	9,968.73	10,793.68
Investments		25.00
Current Assets	6,469.54	6,085.58
Long term Loans and Advances	191.35	186.49
Short Term Loans and Advances	847.41	733.85
Total...	17,477.03	17,824.60
Liabilities		
Non Current Liabilities	2,611.59	3,892.19
Current Liabilities	6,048.67	6,774.40
Total ...	8,660.25	10,666.59



	Current Year	Previous Year
Income		
Sales and Operational Income	13,335.41	12,388.20
Other Income	112.59	127.96
Total...	13,447.99	12,516.16
Expenditure		
Manufacturing and Other Expenses	10,052.69	9,764.19
Interest	401.46	335.65
Depreciation	1,157.16	905.34
Total...	11,611.31	11,005.18

36 Contingent Liabilities:

(₹. in Lacs)

Particulars	31 st March	
	2016	2015
Guarantees to banks against credit facilities extended to group companies	1,600.00	1,755.00
Guarantees given to others on behalf of inter-group companies	244.32	285.65
Guarantees given to various Government Authorities and Others	8,656.89	8,257.26
In respect of guarantees given by the company	9,672.70	6,296.03
In respect of disputed Income Tax liabilities	1,551.93	1,551.48
In respect of contracts remaining to be executed	146.06	254.27
Disputed Liabilities in respect of Excise Duty	2,993.81	2,754.36
In respect of Other matters	5,438.26	3,113.27

37 Related Party Transactions:

Associates and Joint Ventures:

- Altage Stone Crushing Co
- Ashapura Midgulf NV
- Ashapura Arcadia Logistic Pvt Ltd.
- Ashapura Exports Pvt Limited
- Ashapura Industrial Finance Limited
- Ashapura Infin Pvt. Limited
- Ashapura Mineral Company
- Ashapura Perfoclay Limited
- CIF AVL Investment Holding Limited
- Emo Ashapura Energy and Mining
- Hudson MPA SDN BHD
- Kutch Navnirman Trust
- Manico Resources Pvt Limited
- Minguj Logistic Corporation
- Minologistic Corporation
- Minotrans Logistic Corporation
- Orient Abrasives Limited
- Sharda Industrial Corporation
- Sohar Ashapura Chemicals LLC

Key Managerial Personnel:

- Mr. Chetan Shah
- Mr. Rajnikant Pajwani
- Mr. Hemul Shah
- Ms. Geeta Nerurkar
- Mr. Sachin Polke
- Ms. Surekha Sathe
- Mr. Chetan Mehra
- Mr. Vipul Saxena
- Mr. Ajay Phalod
- Mr. Ashish Desai
- Ms. Harsha Joshi

Relatives of Key Managerial Personnel:

- Ms. Dina C. Shah
- Mr. Manan C. Shah

Particulars of Transactions	2015-2016 ₹	2014-2015 ₹
Associates:		
Sales of Materials	254,343,920	345,929,312
Purchases of Materials	74,774,999	494,700,468
Interest Received	9,839,943	18,964,490
Interest Paid	11,201,601	14,857,172
Export Shipment & Other Expenses	53,460,036	159,709,919
Transportation Charges	30,673,514	44,374,374
Lease Rent Paid	2,460,000	2,442,903
Reimbursement of Administrative Expenses	24,659,338	26,579,408
Rent Received	320,000	112,258
Mining and Other Charges Payments	4,215,150	74,756,413
Loans Repaid	—	65,000,000
Purchase of Fixed Assets	5,019,557	2,414
Sale of Fixed Assets	40,275,822	1,864,355
R&D Charges Receipts	40,500,000	1,400,000
Machinery Repairs & Maintenance	—	3,232,556
Operational Income	25,115,603	3,972,960
Donations and CSR expenses	58,529,709	15,372,800
Dividend Receipts	11,474,317	-
Outstanding Balances as on 31 st March		
Trade Payables	34,847,645	168,652,967
Trade Receivables	339,362,649	293,244,774
Long-term Loans and Advances	67,448,526	92,650,579
Advance from Customers	21,828,548	19,462,365
Security Deposits	10,700,000	28,200,000
Trade Advances (Short-term loans and advances)	47,461,679	309,678,338
Long-term and Short-term Borrowings	121,148,625	142,272,500
Interest Receivable	2,005,034	9,357,057



Key Management Personnel:		
Remuneration	38,030,241	27,455,100
Directors' Sitting Fees	200,000	30,000
Outstanding Balances as on 31 st March		
Security Deposits	5,700,000	5,000,000
Other Payables	1,030,750	1,000,000

- 38** Figures pertaining to the subsidiary companies as well as a joint venture companies have been reclassified wherever necessary to bring them in line with the Parent Company's financial statements.
- 39** Figures for the previous year are regrouped and rearranged, wherever necessary.
- 40** All the amounts are stated in Indian Rupees, unless otherwise stated.

Signatures to Notes No. 1 to 40

As per our Report of even date

For SANGHAVI & COMPANY
Chartered Accountants

sd/-

MANOJ GANATRA
Partner

Mumbai

26th May, 2016

For and on Behalf of the Board of Directors

sd/-

CHETAN SHAH
Chairman (Non Executive)

sd/-

ASHISH DESAI
Sr. General Manager - Accounts

Mumbai

26th May, 2016

sd/-

RAJNIKANT PAJWANI
Whole-time Director & CEO

sd/-

HARISH MOTIWALLA
Audit Committee Chairman & Ind. Director

sd/-

SACHIN POLKE
Company Secretary and Vice President

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 OF THE

Part "A": Subsidiaries

PARTICULARS	Name of the Subsidiary Companies	Ashapura International Limited	Ashapura Claytech Limited	Bombay Minerals Limited	Prashansha Ceramics Limited	Peninsula Property Developers (P) Limited
Currency and Exchange Rate as on last date of relevant Financial Year (Foreign Subsidiaries)		—	—	—	—	—
Share Capital		30,000,000	35,799,000	2,180,800	14,500,000	100,000
Reserves & Surplus		696,022,462	2,821,968	1,166,467,491	(38,832,283)	(936,192)
Total Assets		2,573,210,057	240,257,784	3,907,853,864	12,245,700	1,176,518
Total Liabilities		1,847,187,595	201,636,815	2,739,205,573	36,577,983	2,012,710
Investments (except investments in Subsidiary(ies)#)		86,000	—	1,296,612,386	—	—
Turnover (including Other Income)		6,307,557,901	120,998,056	5,541,961,192	842,940	79,434
Profit/(Loss) Before Taxation		522,855,977	(16,859,303)	582,344,413	558,951	51,746
Provision for taxation		168,003,066	3,841,999	210,851,031	—	(450)
Profit/(Loss) After Taxation		354,852,911	(20,701,302)	371,493,382	558,951	52,196
Proposed Dividend		—	—	545,200	—	—
% of Shareholding (either directly or indirectly)		100%	99.44%	100%	100%	100%

* Balance Sheet Items are converted at closing Exchange Rate of USD 1 = ₹ 66.25 (As on 31/03/2016) (rounded off to the nearest Rupee)

Details of Investment by the Company's Subsidiaries:

Name of the Subsidiary Company	Particulars of Investments	Nature of Investments
Bombay Minerals Limited	Prashansha Ceramics Limited	Equity Shares
Ashapura Minechem (UAE) FZE	Ashapura Holdings (UAE) FZE	Shares
Ashapura Holdings (UAE) FZE	Ashapura Maritime FZE	Shares
Ashapura Minechem (UAE) FZE	PT. Ashapura Resources Indonesia	Shares

1 USD = 3.67 AED

Note : The Company will make available the annual accounts of the subsidiary companies and related prescribed information upon request by any member of the Company and of its subsidiaries. Any member interested in obtaining such documents and details may inspect the same on all working days except Saturday and holidays, between 11.00 a.m. to 1.00 p.m. at the Registered Office of the Company at Jeevan Udyog Building, 3rd Floor, 278, Dr. D. N. Road, Fort, Mumbai – 400001.

Place : Mumbai

Date : 26th May, 2016



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

SUBSIDIARY COMPANIES FOR THE YEAR ENDED 31st MARCH, 2016

(Amount in ₹.)

Sharda Consultancy (P) Limited	Ashapura Consultancy Services (P) Limited	Ashapura Aluminium Limited	Ashapura Minechem (UAE) FZE	Ashapura Holdings (UAE) FZE	Ashapura Maritime FZE	PT. Ashapura Resources Indonesia
—	—	—	—	—	—	—
100,000	100,000	500,000	184,088,213*	2,707,770*	2,707,770*	66,250,000*
(10,495,308)	(17,630,997)	4,924,289	(52,609,125)*	70,827,676*	(289,077,635)*	(35,449,646)*
3,645,467	5,515,849	5,462,639	637,577,280*	222,199,784*	4,224,431*	30,946,104*
14,040,775	23,046,846	38,350	506,098,193*	148,664,338*	290,594,296*	145,750*
—	—	—	213,365,479*	17,291,250*	—	—
241,396	575,640	—	16,034,332**	50,962,469**	2,852,328**	—
205,116	537,018	(723,294)	(23,147,769)**	49,822,903**	2,281,064**	(241,342)**
(2,200)	(3,120)	—	—	—	—	—
207,316	540,138	(723,294)	(23,147,769)**	49,822,903**	2,281,064**	(241,342)**
—	—	—	—	—	—	—
100%	100%	100%	100%	100%	100%	99%

** Revenue Items are converted at an average Exchange Rate of USD 1 = ₹ 64.375 (As on 31/03/2016) (rounded off to the nearest Rupee)

Face Value	No. of Shares	Amount in ₹.
₹. 10/-	750,000	7,500,000/-
AED 150000	1	2,707,770/-*
AED 150000	1	2,707,770/-*
USD 1/-	1,000,000	66,250,000/-*

For and on behalf of the Board of Directors

Sd/-
CHETAN SHAH
Chairman (Non-Executive)

Sd/-
RAJNIKANT PAJWANI
Whole Time Director
& CEO

Sd/-
HARISH MOTIWALLA
Audit Committee Chairman &
Independent Director

Sd/-
SACHIN POLKE
Company Secretary &
Vice President

Sd/-
ASHISH DESAI
S.G.M.-Accounts

Part "B": Associates and Joint Ventures
Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates/ Joint Ventures	Ashapura Perfoclay Ltd (Formerly known as Ashapura Volclay Ltd)	Ashapura Midgulf NV – Antwerp @	Sohar Ashapura Chemicals LLC- Oman*	Ashapura Fareast- SDN-BHD- Malaysia** (Formerly known as Hudson MPA SDN BHD)	Orient Abrasives Limited #	Ashapura Arcadia Logistic Pvt. Ltd.	Emo Ashapura Energy and Mining Ltd- Nigeria
1.Latest audited Balance Sheet Date	31 st March, 2016	31 st March, 2016	31 st December, 2015	31 st December, 2015	31 st March, 2016	31 st March, 2016	
2.Shares of Associates/ Joint Ventures held by the Company on the year end							
No. of Shares	8,966,590	1,500,000	100,000	1,700,000	46,782,953	55,000	6,720,000
Amount of Investment in Associates/ Joint Venture	89,665,900	134,973,067	16,312,500	48,012,010	1,296,612,386	550,000	213,984,000
Extent of Holding %	50%	50%	40%	25%	39.10%	50%	48%
3.Description of how there is significant influence	By Board & Equity Holding	By Board & Equity Holding	By Equity Holding/ Voting Power	By Equity Holding/ Voting Power	By Equity Holding/ Voting Power	By Board & Equity Holding	By Equity Holding/ Voting Power
4.Reason why the associates / joint venture not consolidated	N.A	N.A	N.A	N.A	N.A	N.A	The Investment in the said Company impaired during Financial Year 2011-2012.
5.Networth attributable to Shareholding as per latest audited Balance Sheet	595,866,809	121,964,111	150,396,143	12,924,567	685,575,099	69,829,308	N.A
6.Profit/Loss for the year							
i. Considered in Consolidation	104,716,928	12,482,237	74,731,306	(9,457,780)	73,109,067	29,365,773	N.A
ii. Not considered in Consolidation	N.A	N.A	N.A	N.A	N.A	N.A	N.A

Notes:- @ The partly Shares held directly and partly through Company's Wholly Owned Subsidiary Company Viz. Ashapura Minechem (UAE) FZE.

* The Shares held through Company's step down Subsidiary Company Viz. Ashapura Holding (UAE) FZE.

** The Shares held through Company's Wholly Owned Subsidiary Company Viz. Ashapura Minechem (UAE) FZE.

The Shares held through Company's Wholly Owned Subsidiary Company Viz. Bombay Minerals Limited

NOTES



ASHAPURA MINECHEM LIMITED

CIN: L14108MH1982PLC026396

Regd. Office: Jeevan Udyog Building, 3rd Floor, 278,

D.N. Road, Fort, Mumbai – 400001

Tel. No. : +91-22 66651700 Fax : +91-22 22079395

Website: www.ashapura.com

E-mail ID : cosec@ashapura.com

FORM NO. MGT-11

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013
and Rule 19(3) of the Companies
(Management and Administration) Rules, 2014)

35th Annual General Meeting – 29th September, 2016

Name of the Member (s) : _____

Registered address: _____

E-mail Id: _____

Folio No. / Client Id / DP ID: _____

I / We, being the member(s) of _____ shares of the above mentioned Company, hereby appoint -

1. Name: _____ Address: _____

E-mail Id: _____ Signature: _____, or failing him/her

2. Name: _____ Address: _____

E-mail Id: _____ Signature: _____, or failing him/her

3. Name: _____ Address: _____

E-mail Id: _____ Signature: _____

As my / our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 35th Annual General Meeting of the Company, to be held on Thursday, 29th September, 2016 at 3.00 p.m. at Walchand Hirachand Hall, 4th Floor, Indian Merchants' Chamber, Mumbai – 400 020 and at any adjournment thereof, in respect of such resolution as are indicated below:

Resolution No.	Ordinary Resolutions	Optional*	
		For	Against
1.	Adoption of Audited Standalone/Consolidated Financial Statements for the year ended 31 st March, 2016 and Reports of the Directors and Auditors thereon.		
2.	Appointment of Shri Rajnikant Pajwani, who retires by rotation.		
3.	Ratification of Appointment and remuneration of M/s. Sanghavi & Co., Chartered Accountants, as Statutory Auditors of the Company for the FY 2016-2017.		
4.	Appointment of M/s. B. Purushottam & Co., Chartered Accountants, as Branch Auditors of the Company for the FY 2016-2017.		
5.	Ratification of appointment and remuneration payable to M/s. S. K. Rajani & Co., Cost Accountants, as Cost Auditors for the FY 2016-2017.		
6.	Appointment of Shri Pundarik Sanyal (DIN: 01773295) as a Non-Executive, Independent Director of the Company (Special Business)		

Signed this _____ day of _____, 2016

Signature of Shareholder

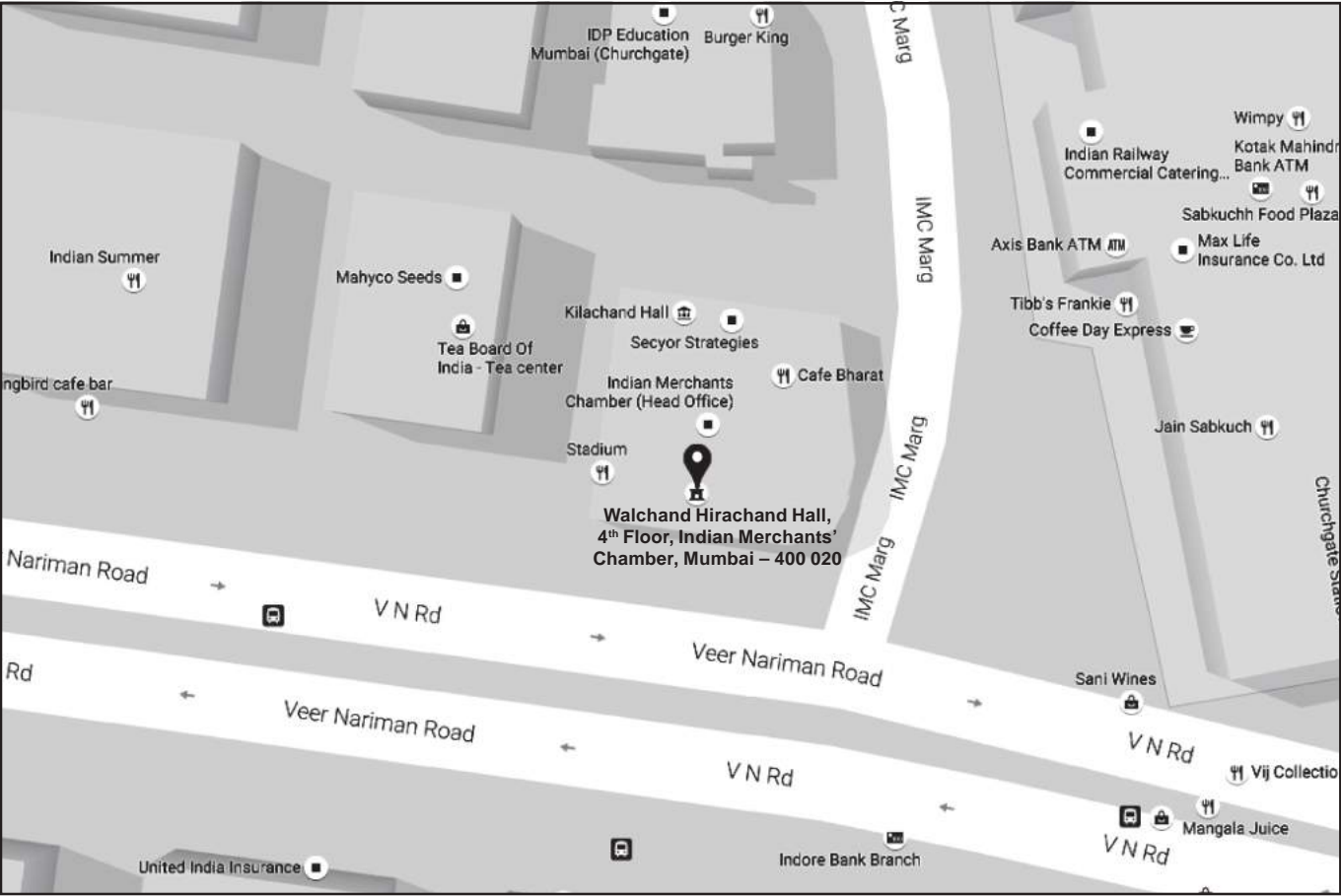
Signature of Proxy Holder (s)

Affix
Revenue
Stamp

Notes:

- * It is optional to put a (tick) '✓' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the Meeting.

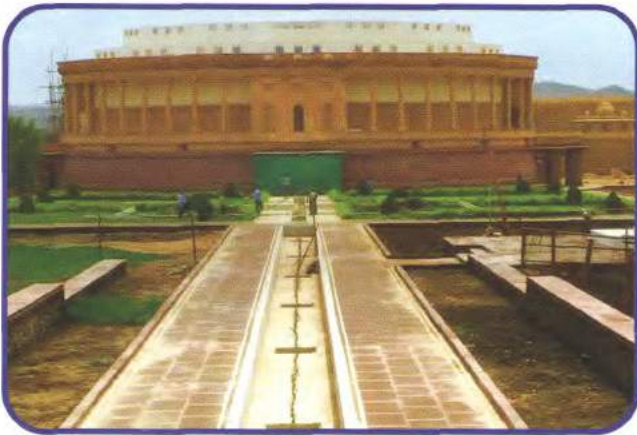
ROUTE MAP OF VENUE OF ANNUAL
GENERAL MEETING



PAYING BACK TO SOCIETY ...

Being a part of the society, we understand our responsibilities and strive to fulfill them. At Ashapura, while we are known to have won the trust and faith of our shareholders, the stakeholders are never left behind. We aim to fulfill our social responsibilities by contributing towards a sustainable and beneficial growth for the society. By conducting business in a fair and transparent manner, we look beyond the financial aspects and extend ourselves to the betterment of humanity and the environment.

Ashapura Foundation goes beyond the requisite Corporate Social Responsibilities by following an ethical and sound path; be it business, economics, environment and the society.



Vande Mataram
(A museum of Indian's freedom struggle)



Construction of Check Dams



Promotion of Handicrafts



Ashapura Womens Academy



Mobile Clinic & Medical Camps



Ashapura Primary School



ASHAPURA
Group of Industries

Jeevan Udyog Building,
3rd Floor, 278, D. N. Road,
Fort, Mumbai - 400 001, India.

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Fax. +91 22 22079395
Website: www.ashapura.com