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**ASHAPURA  
GROUP**

*Annual Report*



## CONTENTS

## Page Nos.

Notice	01-07
Directors' Report	08-17
Corporate Governance Report	18-31
Management Discussion & Analysis	32-34
Auditors' Report	36-39
Balance Sheet	40
Statement of Profit & Loss	41
Cash Flow Statement	42-43
Notes 1 to 44	44-63
Statement u/s. 212 of the Companies Act, 1956	64-65
Consolidated Financial Statements	66-92
Financial details of the Subsidiary Companies	93-95
Consolidated Financial Highlights	96

# ASHAPURA MINECHEM LIMITED

## BOARD OF DIRECTORS

- **Executive Directors**

**Shri Navnitlal Shah**  
(Executive Chairman)

**Shri Chetan Shah**  
(Managing Director)

- **Non-Executive Directors**

**Shri Ashok Kadakia**

**Shri Harish Motiwalla**

**Shri Abhilash Munsif**

**Shri Arun Chadha**  
(Appointed by BIFR)

**Shri Rajendra Khanna**  
(Nomination Withdrawn  
by EXIM Bank w.e.f. 31/12/2013)

- **Company Secretary  
& Vice President**

**Shri Sachin Polke**

- **Auditors**

**M/s. Sanghavi & Company**  
Chartered Accountants

- **Bankers**

**Bank of India &  
other Banks in the Consortium**



● **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 / +91-22-22074452  
Website : [www.ashapura.com](http://www.ashapura.com)

● **REGISTERED & 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](mailto:rnt.helpdesk@linkintime.co.in)

● **PLANT LOCATIONS**

1. Plot No. 256/3, Village Baraya,  
Bhuj-Mundra Highway, Tal. Mundra,  
Kutch (Gujarat) - 370 415.
2. Survey No. 328/2, KINFRA Apparel Park,  
Menamkulam, Thiruvananthapuram,  
Kerala - 695 586.
3. Plot No. 182, Baikampady Industrial Area,  
Baikampady, New Mangalore - 575 011.
4. Jamnagar - Dwarka Highway, Khambhaliya,  
Dist. Jamnagar, Gujarat - 361 305.

● **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.



## NOTICE

**NOTICE** is hereby given that the Thirty Third **Annual General Meeting** of the Members of **ASHAPURA MINECHEM LIMITED** will be held on Thursday, 25<sup>th</sup> September, 2014 at 3.30 p.m. at Babasaheb Dahanukar Sabhagriha, Maharashtra Chamber of Commerce, Oricon House, 6<sup>th</sup> Floor, 12, K. Dubhash Marg, Kala Ghoda, Fort, Mumbai – 400 001 to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2014 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Shri Chetan Shah (DIN 00018960) who retires by rotation and being eligible, offers himself for re-appointment
3. To appoint M/s. Sanghavi & Co., Chartered Accountants, as Auditors of the Company and to fix their remuneration and to pass the following resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/s. Sanghavi & Co., Chartered Accountants (Registration No – 109099W), be and is hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the Thirty Sixth Annual General Meeting of the Company to be held in the year 2017 (subject to ratification of their appointment at every Annual General Meeting), at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

#### 4. Appointment of Branch Auditors:

“**RESOLVED THAT** pursuant to the provisions of Section 143(8) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, M/s. B. Purushottam & Co., Chartered Accountants, Chennai, be and is hereby re-appointed as Branch Auditors for Company's Branches at Chennai, Kodur & Trivendrum, for carrying out the audit of the books of accounts for the financial year 2014-2015 and to hold their office until the conclusion of next Annual General Meeting, at such remuneration as may be decided by the Board of Directors in consultation with the Branch Auditors.”

### SPECIAL BUSINESS:

#### 5. Appointment of Shri Ashok Kadakia as an 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 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Shri Ashok Kadakia (DIN 00317237), a Non-Executive Independent Director of the Company, whose period of office is liable to retire by rotation, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and who shall hold office for five consecutive years from the conclusion of this Annual General Meeting.”

#### 6. Appointment of Shri Harish Motiwalla as an 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 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Shri Harish Motiwalla (DIN 00029835), a Non-Executive Independent Director of the Company, whose period of office is liable to retire by rotation, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and who shall hold office for five consecutive years from the conclusion of this Annual General Meeting.”

**7. Appointment of Shri Abhilash Munsif as an 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 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Shri Abhilash Munsif (DIN 02773542), a Non-Executive Independent Director of the Company, whose period of office is liable to retire by rotation, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and who shall hold office for five consecutive years from the conclusion of this Annual General Meeting.”

**8. Appointment and Payment of Remuneration to Cost Auditors for FY 2014-2015:**

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 Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and subject to such guidelines and approval as may be required, appointment of M/s. S.K. Rajani & Co., Cost Accountants as Cost Auditors of the Company for conducting audit of the cost accounting records relating to Bentonite & Allied Minerals, Kaolin and Bauxite (CETA CH. 25 and CETA CH. 38) for the financial year 2014-2015 and the remuneration of ₹ 2,00,000 (Rupees Two Lacs only) per annum and reimbursement of actual travel and out of pocket expenses, to be paid, as approved by the Board of Directors of the Company, be and is hereby ratified.”

**By Order of the Board of Directors**

Sd/-

**SACHIN POLKE**  
**COMPANY SECRETARY &**  
**VICE PRESIDENT**

**Place:** Mumbai

**Date:** 13<sup>th</sup> August, 2014



#### NOTES :

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (Act) in respect of the business under Item Nos. 5 to 8 of the Notice, 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 duly filled Attendance Slip for attending the Meeting.
6. 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.
7. 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.
8. Members, holding shares in physical form, may avail of the facility of nomination in terms of Section 72 of the Companies Act, 2013 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).
9. The Company's Transfer Books will remain closed from 15<sup>th</sup> September, 2014 to 25<sup>th</sup> September, 2014 (both days inclusive).
10. The relevant details of the retiring director seeking, reappointment and appointment of the Independent Directors proposed at Item Nos. 2 and 5 to 7 of the Notice respectively, as required under clause 49 of the Listing Agreement entered into with the Stock Exchanges, have been given in the Annexure attached hereto.
11. Members wishing to claim dividends, which remain unclaimed and has not been transferred to the Investor Education and Protection Fund (IEPF), are requested to correspond with Company Secretary at the Company's Registered Office by sending letter in original duly signed by the registered shareholder. Members are requested to note that dividends not encashed or claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will, as per Section 125 of the Act, be transferred to the Investor Education and Protection Fund of the Central Government. The last date for claiming unclaimed dividend declared for the financial year 2006-2007 expires on 25<sup>th</sup> October, 2014. Therefore, the shareholders are requested to claim the said unclaimed dividend before the expiry of the said period.
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 taken a "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 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. Members may please note that notices, annual reports, etc. will also be available on the Company's

website viz. [www.ashapura.com](http://www.ashapura.com).

14. The Notice of the Meeting along with the Annual Report 2013-2014 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.

15. E-Voting Facility :

- (I) In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility to the members, holding shares in demat form and in physical form, to vote by way of electronic voting/e-voting to enable members to cast their vote electronically on all resolutions set forth in this Notice of the 33<sup>rd</sup> Annual General Meeting of the Company.

The Company has engaged the services of National Securities Depository Limited (NSDL) to provide e-voting facility to its members. The voting period starts on Tuesday, 16<sup>th</sup> September, 2014 at 10 a.m. and ends on Wednesday, 17<sup>th</sup> September, 2014 at 6.00 p.m. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote is casted by the shareholder, the shareholder shall not be allowed to change it subsequently.

The cut-off date for shareholders eligible to vote electronically is 22<sup>nd</sup> August, 2014.

- (II) Shri Virendra Bhatt, Practicing Company Secretary, has been appointed as Scrutinizer for conducting the e-voting process in a fair and transparent manner.
- (III) You are requested to carefully read the e-Voting instructions as below, before casting your vote on e-Voting site : <https://www.evoting.nsdl.com>

The Instructions to the Members for e-voting are as under:

(a) In case of Members receiving e-mail from NSDL:

- (i) Open the e-mail and open PDF file viz. "AML Info e-Voting.pdf" with your Client ID or Folio Number as Password. The said PDF file contains your User ID and Password for e-voting. Please note that the password is an initial password.
- (ii) Open the internet browser and type the following URL: <https://www.evoting.nsdl.com>
- (iii) Click on Shareholder – Login
- (iv) Put User ID and Password as initial password noted in step (i) above and Click Login
- (v) Password change menu will appear. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Kindly keep note of the 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 e-Voting will open. Click on e-Voting : Active Voting Cycles
- (vii) Select "EVEN" (E-Voting Event Number) of Ashapura Minechem Limited
- (viii) Now you are ready for e-Voting as 'Cast Vote' page opens
- (ix) Cast your vote by selecting appropriate option and click on "Submit". Click on "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 at e-mail : [bhattvirendra1945@yahoo.co.in](mailto:bhattvirendra1945@yahoo.co.in), with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

- (b) In case of Members receiving physical copy of Notice of AGM:

- (i) Initial password, as follows, is provided at the bottom of the Attendance Slip:

Electronic Voting Event Number (EVEN)	USER ID	PASSWORD / PIN
—	—	—

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

- (c) In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for Members and the e-voting user manual for Members available at the 'Downloads' section of <https://www.evoting.nsdl.com> or contact NSDL by email at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- (d) If you are already registered with NSDL for e-voting then you can use your existing user ID and password for casting your vote
- (e) 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)
- (IV) The Scrutinizer shall within a period of not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- (V) The results declared along with the Scrutinizer's Report shall be placed on the Company's website within two days of the passing of the resolutions at the 33<sup>rd</sup> Annual General Meeting of the Company on 25<sup>th</sup> September, 2014.

**By Order of the Board of Directors**

Sd/-

**SACHIN POLKE**  
**COMPANY SECRETARY & VICE PRESIDENT**

Mumbai, 13<sup>th</sup> August, 2014

**Registered Office:**

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

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

### Item Nos. 5, 6 & 7:

#### **Appointment of Shri Ashok Kadakia, Shri Harish Motiwalla and Shri Abhilash Munsif as Independent Directors of the Company:**

Pursuant to Clause 49 of the Listing Agreement entered into with the Stock Exchanges, Shri Ashok Kadakia, Shri Harish Motiwalla and Shri Abhilash Munsif were appointed as Non-Executive Independent Directors on the Board of Directors of the Company. These Directors hold office for more than 5 years and whose period is liable to determination by retirement of Directors by rotation.

Pursuant to the provisions of Section 149 of the Companies Act, 2013 (Act) which came into effect from 1<sup>st</sup> April, 2014, every listed public company is required to have at least one-third of the total number of directors as independent directors, who are not liable to retire by rotation.

Shri Ashok Kadakia, Shri Harish Motiwalla and Shri Abhilash Munsif, non-executive directors of the Company, have given a declaration to the Board that they meet the criteria of independence as provided under Section 149(6) of the Act.

In the opinion of the Board, these Directors fulfil the conditions specified in the Act and Rules made thereunder for their appointment as Independent Directors of the Company and are independent of the management.

The Board considers that their continued association would be of immense benefit to the Company and it is desirable to continue to avail their services as Independent Directors.

The relevant details of the Independent Directors whose appointment is proposed at Item Nos.5 to 7 of the Notice, as required under Clause 49 of the Listing Agreement entered into with the Stock Exchanges, have been given in the Annexure attached hereto.

Copies of the draft letters of their appointment as Independent Directors and Consent letters received from these Directors 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.

Accordingly, the Board recommends resolutions at Item nos. 5, 6 and 7 in relation to their appointment as Independent Directors for a period of five (5) consecutive years, for the approval by the members of the Company.

Except the concerned Directors, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolutions.

### Item No.8

#### **Appointment and Payment of Remuneration to Cost Auditors for FY 2014-2015:**

Pursuant to Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint a Cost Auditor to audit the cost records of the applicable products of the Company.

On the recommendation of the Audit Committee at its meeting held on 29<sup>th</sup> May, 2014, the Board has, considered and approved the appointment of M/s. S. K. Rajani & Co., Cost Accountants as the Cost Auditors for the financial year 2014-2015 at a remuneration of ₹ 2,00,000 (Rupees Two Lacs) per annum and reimbursement of actual travel and out of pocket expenses.

The Board recommends this resolution for approval of the Members.

None of the Directors/Key Managerial Personnel of the Company/their relatives is in any way, concerned or interested, financially or otherwise, in the resolution.

**By Order of the Board of Directors**

Sd/-

**SACHIN POLKE**

**COMPANY SECRETARY & VICE PRESIDENT**

Mumbai, 13<sup>th</sup> August, 2014

#### **Registered Office:**

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