

## 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
<b>Profit/(Loss) before Tax</b>	<b>19,790.99</b>
<b>Net Profit/(Loss)</b>	<b>15,302.08</b>
Share of Profit/(Loss) in Associate Company	930.17
<b>Net Profit/ (Loss) of the Group</b>	<b>16,233.41</b>

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

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 31<sup>ST</sup> 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., 3<sup>rd</sup> Floor,  
278, D.N.Road, Fort,  
Mumbai - 400 001.  
Tel No. : +91-22-66221700  
Fax No. : +91-22-22079395  
Website : [www.ashapura.com](http://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](mailto: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. 9<sup>th</sup> 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 30<sup>th</sup> June, 2015
- **Shri Sachin Polke** Company Secretary & Vice President
- **M/s. Sanghavi & Company** Auditors  
Chartered Accountants
- **Bank of India & other Banks in the Consortium** Bankers

## CONTENTS

## Page Nos.

Notice	01-07
Directors' Report	08-38
Corporate Governance Report	39-54
Management Discussion & Analysis	55-58
Auditors' Report	60-65
Balance Sheet	66
Statement of Profit & Loss	67
Cash Flow Statement	68-69
Notes 1 to 44	70-90
Consolidated Financial Statements	91-121
Financial details of the Subsidiary Companies	122-124



## NOTICE

NOTICE is hereby given that the 35<sup>th</sup> **Annual General Meeting** of the Members of **ASHAPURA MINECHEM LIMITED** will be held on Thursday, 29<sup>th</sup> September, 2016 at 3.00 p.m. at Walchand Hirachand Hall, 4<sup>th</sup> 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 31<sup>st</sup> 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. 9<sup>th</sup> 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. 9<sup>th</sup> February, 2016."

**By Order of the Board of Directors**

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

**Place:** Mumbai

**Date:** 10<sup>th</sup> 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, 21<sup>st</sup> September, 2016 to Thursday, 29<sup>th</sup> 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](http://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 35<sup>th</sup> 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, 26<sup>th</sup> September, 2016 at 9.00 a.m.** and ends on **Wednesday, 28<sup>th</sup> 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, 22<sup>nd</sup> 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](mailto:bhattvirendra1945@yahoo.co.in), with a copy marked to [evoting@nsdl.co.in](mailto: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](http://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, 22<sup>nd</sup> 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. 22<sup>nd</sup> September, 2016, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [cosec@ashapura.com](mailto: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](http://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](http://www.ashapura.com) and on the website of NSDL [www.evoting.nsdl.com](http://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, 10<sup>th</sup> August, 2016

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

CIN : L14108MH1982PLC026396.

E. & O.E. are regretted