

COMPANY UNDER  
CORPORATE INSOLVENCY RESOLUTION PROCESS  
(CIRP)



Ref No.: AML/IBC/CIRP/21

1<sup>st</sup> August, 2019

The Dy. General Manager,  
Bombay Stock Exchange Limited  
Corporate Relations & Services Dept.,  
P.J. 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,

**Subject: Audited Financial Results (Consolidated) for quarter and year ended 31<sup>st</sup> March, 2019**

As required under Regulation 30 & 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the following documents in relation to Audited Financial Results:

1. Audited Financial Results (Consolidated) for the quarter and year ended 31<sup>st</sup> March, 2019.
2. Audit Report on Financial Results (Consolidated) for the year ended 31<sup>st</sup> March, 2019, issued by the Statutory Auditors of the Company viz. M/s. P A R K & Co.
3. Statement on Impact of Audit Qualifications (Consolidated) for the year ended 31<sup>st</sup> March, 2019.

This is to further inform you that the Company has amended its existing Code of Conduct for Prevention of Insider Trading and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information to bring it in conformity with the SEBI (Prohibition of Insider Trading) Amendment Regulations, 2018. The aforesaid amended code will be effective from 1<sup>st</sup> April, 2019.

Kindly take the above on record.

Yours Faithfully,

  
Arun Chadha

Interim Resolution Professional

IP Registration No. IBBI/IPA-001/IP-P00165/2017-18/10334

Address: 727, Brahmpuri, Meerut-250002, Uttar Pradesh

Email Id – [cirp.ashapura@gmail.com](mailto:cirp.ashapura@gmail.com)

Regd. Office :

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

Tel. : +91-22 6665 1700 Email : [info@ashapura.com](mailto:info@ashapura.com) [www.ashapura.com](http://www.ashapura.com)

CIN No. L14108MH1982PLC026396

ASHAPURA MINECHEM LIMITED

[CIN : 114108MH1982PLC026396]

[Company under Corporate Insolvency Resolution Process (CIRP)]

[Company under Corporate Insolvency Resolution Process (CIRP)]

REGD. OFFICE : JEEVAN UDYOG BUILDING, 3RD FLOOR, 278, D.N.ROAD, MUMBAI 400 001.

(₹ In Lacs)

STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31st MARCH, 2019

PARTICULARS	Consolidated			
	Quarter ended		Year ended	
	31.03.2019 Refer Note No. 10	31.12.2018 Unaudited	31.03.2018 Refer Note No. 10	31.03.2019 Audited
1 Income				
(a) Income from operations	15,963.90	8,777.19	22,396.70	62,136.58
(b) Other income	430.82	23.31	679.71	2,191.86
Total Income	16,394.72	8,800.50	23,076.41	64,328.44
2 Expenses				
(a) Cost of materials consumed	6,163.95	584.83	7,757.91	19,377.97
(b) Purchase of stock-in-trade	993.41	3,465.85	2,150.92	6,985.90
(c) Changes in inventories	448.82	435.24	(602.02)	(487.82)
(d) Employee benefits expenses	1,051.62	1,064.73	1,678.12	5,913.59
(e) Finance costs	644.01	305.89	595.39	1,928.22
(f) Depreciation and amortisation expenses	705.54	761.21	960.51	3,251.73
(g) Foreign currency fluctuation (Gain)/Loss on Shipping Claims	(324.37)	(2,343.05)	814.42	3,596.14
(h) Other expenses	6,671.97	3,848.82	12,419.85	28,073.61
Total Expenses	16,354.94	8,123.52	25,775.09	68,639.34
3 Profit/(Loss) before exceptional items & tax (1-2)	39.78	676.98	(2,698.69)	(4,310.89)
4 Exceptional Items Gain/(Loss)	(3.38)	(2,500.00)	(1,121.26)	(29,074.60)
5 Profit/(Loss) before tax (3+4)	36.40	(1,823.02)	(3,819.95)	(33,385.50)
6 Tax Expenses				
(a) Current tax	-	-	104.51	730.00
(b) Earlier years' tax	4.49	-	-	4.49
(c) Deferred tax	(351.33)	101.01	94.69	(216.47)
7 Profit/(Loss) for the period (5-6)	383.24	(1,924.03)	(4,019.15)	(33,903.51)
8 Share of Profit/(Loss) of joint ventures and associates (net)	186.70	106.49	592.50	1,213.97
9 Profit/(Loss) for the period before non-controlling interests (7+8)	569.94	(1,817.54)	(3,426.65)	(32,689.54)
10 Non-controlling interests	438.01	(28.07)	(0.04)	412.45
11 Profit/(Loss) for the period after non-controlling interests (9-10)	131.93	(1,789.47)	(3,426.61)	(33,101.99)
12 Other Comprehensive Income/(Loss)				
A Items that will not be reclassified to profit or loss				
(i) Remeasurements of defined benefit plans	(112.99)	31.15	187.32	(19.21)
(ii) Gains on Investments in equity instruments classified as FVOCI	(3.05)	-	-	(32.92)
(iii) Income tax on above	2.00	(1.36)	(43.94)	(1.83)
B Items That will be reclassified to profit or loss				
(i) Exchange differences on foreign currency translation	34.36	353.62	(85.17)	(197.50)
Total Other Comprehensive income (net of tax)	(109.67)	383.41	58.22	(251.46)
13 Total Comprehensive Income for the period (net of tax)	22.25	(1,406.06)	(3,368.39)	(33,353.45)
14 Attributable to:				
(a) Shareholders of the Company	460.26	(1,434.13)	(3,368.43)	(32,941.00)
(b) Non-controlling interests	(438.01)	28.07	0.04	(412.45)
15 Paid-up Equity Share Capital (86,986,098 Shares of ₹ 2 each)	1,739.72	1,739.72	1,739.72	1,739.72
16 Earnings Per Share				
Basic	0.15	(2.06)	(3.94)	(38.05)
Diluted	0.15	(2.06)	(3.94)	(38.05)

Notes to Accounts:

- 1) The Company, on 12th December 2018, moved to the Hon. National Company Law Tribunal (NCLT) - Mumbai Bench, under appropriate and relevant provisions of the Insolvency and Bankruptcy Code, 2016. The said petition is admitted by the Hon. NCLT by its order dated 15th March 2019 and the Company is, therefore, now under Corporate Insolvency Resolution Process (CIRP). Consequently, The Board of the Directors of the Company stands suspended and Mr. Arun Chaddha has been appointed by the Hon. NCLT as Interim Resolution Professional.
- 2) Some of the creditors have moved to the Hon. National Company Law Appellate Tribunal (NCLAT) against the aforesaid order passed by the Hon. National Company Law Tribunal (NCLT) - Mumbai Bench. The order passed by the Hon. NCLT has been stayed and is pending for disposal by the Hon. NCLAT.
- 3) Further to the standalone financial results for the quarter and year ended 31st March, 2019 submitted to the stock exchanges on 30th May, 2019, these consolidated financial results as prepared by the management of the Company and certified by the Designate Chief Executive Officer (CEO) and Chief Financial Officer of the Company in accordance with Regulation 33(2) of the SEBI (Listing Obligations and Disclosure Requirements) Rules, 2015, were approved by the Interim Resolution Professional (IRP) and the management committee consisting of the Designate CEO, the Chief Financial Officer and the Company Secretary & Vice President in their meeting held on 1st August, 2019. The IRP, in reliance of such representation, clarifications and explanations provided by the management committee, has approved the same. To the extent these financial results indicate or confirm the events prior to the appointment of the IRP, the confirmation is being provided only by the management committee. The IRP is relying on the management representation for all the information and explanations in relation to day to day functioning of the Company. The IRP has approved these financial results only to the limited extent of discharging the powers of the Board of Directors of the Company (suspended during CIRP) which has been conferred upon him in terms of provisions of the Section 17 of the Insolvency and Bankruptcy Code, 2016.
- 4) By virtue of a decree execution order passed by the Hon. Bombay High court on 31st October 2018, a shipping company has taken symbolic possession of certain unencumbered assets of the Company.
- 5) One of the creditors, with whom the Company had entered into settlement agreement, terminated the settlement agreement of US \$ 45 million payable over 25 years and invoked pledge of shares of two subsidiary companies and a joint venture company on 19th September 2018 and 4th October 2018. Accordingly, 100% shares of a wholly-owned subsidiary, Ashapura International Limited; 47.86% shares of a subsidiary company, Bombay Minerals Limited; and entire holding of 50% in a joint venture company, Ashapura Perfoloclay Limited has been taken over by the said creditor due to trigger of these pledged shares. This has been intimated by the Company to the stock exchanges on 24th September 2018 and 11th October 2018. The Company is in the process of defending the said invocation of pledge by the creditor. The financial statements for the quarter and year ended 31st March, 2019 have, however, been prepared on the basis of the aforesaid change in the investments of the Company. In absence of any consensus between the Company and the said creditor, transfer of the aforesaid investments is accounted for on the book value of the respective companies as on the date of the transfer. This may undergo a change upon settlement on valuation of the respective transferee companies.
- 6) One of the overseas step-down subsidiary has ceased to be a subsidiary during the year upon issue of fresh capital to the other party.
- 7) As stated in (5) and (6) above, there have been changes in the status of three subsidiaries and one company has ceased to be a joint venture company. The consolidated financial results for the earlier periods are, therefore, not comparable with the current quarter and the year to that extent.
- 8) Total amount payable in respect of the shipping claim as stated in (4) above, along with another claim payable to a creditor (net of invocation of pledge shares) as stated in (5) above, is ₹ 56,116.55 lacs which have been duly provided for. The Company has, however not provided ₹ 417.04 lacs towards interest for the quarter on these claims along with exchange rate difference thereon (cumulative till 31.03.2019 ₹ 35,415.44 lacs).
- 9) Exceptional items consist of:

Particulars	Consolidated	
	Quarter ended	Year ended
	31.03.2019	31.03.2019
Net liabilities in respect of exchange rate differences on a disputed shipping claim and differences and gain on account of fair valuation of long term liabilities		(11,535.53)
Additional liabilities in respect of termination of a settlement agreement by a creditor as stated in (5) above	(3.38)	(15,008.51)
Profit/(Loss) on transfer of the pledged shares as stated in (5) above		(30.56)
Additional Liability on one time settlement with a bank	(3.38)	(2,500.00)
		(29,074.60)



ASHAPURA MINECHEM LIMITED

[Company under Corporate Insolvency Resolution Process (CIRP)]

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

[CIN : L14108MH1982PLC026396]

Statement of Assets & Liabilities

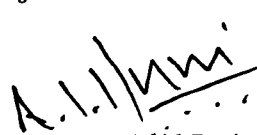
( ₹ in Lacs )

Particulars	Consolidated	
	As at 31.03.2019	As at 31.03.2018
<b>ASSETS:</b>		
Non-Current Assets		
Property, plant and equipment	22,013.45	29,361.55
Capital work-in-progress	888.13	2,141.62
Investment property	2,322.99	251.64
Intangible assets	72.54	117.22
Goodwill	1,023.30	1,050.57
Financial assets		
Investments	17,596.65	26,609.74
Loans	2,602.12	1,127.82
Other financial assets	427.98	741.89
Deferred tax asset (net)	1,062.60	934.05
Other non-current assets	1,536.76	2,413.00
	49,546.52	64,749.10
Current Assets		
Inventories	16,054.80	24,503.61
Financial assets		
Investments	378.71	125.50
Trade receivables	10,420.06	20,590.13
Cash and cash equivalents	4,962.53	3,867.25
Other bank balances	1,133.78	313.24
Loans	10.46	22.44
Other financial assets	26.39	0.27
Other current assets	16,613.63	14,424.43
	49,600.35	63,846.88
<b>Total Assets</b>	<b>99,146.87</b>	<b>128,595.98</b>
<b>EQUITY AND LIABILITIES:</b>		
Equity share capital	1,739.72	1,739.72
Other equity	(37,845.67)	(6,455.38)
Non-controlling interest	6,219.12	0.28
	(29,886.84)	(4,715.37)
Liabilities		
Non-current liabilities		
Financial Liabilities		
Borrowings	15,317.16	10,635.50
Other financial liabilities	-	-
Provisions	1,306.65	2,441.01
Other non-current liabilities	372.51	14,036.13
	16,996.32	27,112.64
Current liabilities		
Financial Liabilities		
Borrowings	4,697.21	6,909.89
Trade payables	11,708.32	16,045.44
Other financial liabilities	26,919.21	24,203.86
Other current liabilities	66,770.00	56,431.00
Provisions	1,942.64	2,608.52
	112,037.38	106,198.72
<b>Total Liabilities</b>	<b>99,146.87</b>	<b>128,595.98</b>

For Ashapura Minechem Limited

  
Ajay Phalod  
Designate Chief Executive Officer

  
Arun Chadha  
Interim Resolution Professional  
IP Registration No. IBB/IFA-001/IP-P00165/2017-18/10334

  
Ashish Desai  
Chief Financial Officer

Mumbai  
August 1, 2019

**Auditor's Report on Consolidated Financial Results pursuant to  
Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To  
The Interim Resolution Professional  
Ashapura Minechem Limited  
[Company under Corporate Insolvency Resolution Process (CIRP)]

1. We have audited the accompanying statement of consolidated financial results of Ashapura Minechem Limited [Company under Corporate Insolvency Resolution Process (CIRP)] ("the Parent Company") and its subsidiaries (the Parent Company and its subsidiaries together referred to as "the Group") and its joint venture companies and associates for the quarter and year ended 31<sup>st</sup> March 2019 ("the Statement") being submitted by the Parent Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Regulation") read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 ("the Circular").
2. The Hon. National Company Law Tribunal - Mumbai Bench, ("NCLT") admitted an insolvency and bankruptcy petition filed by the Parent Company vide its order dated 15<sup>th</sup> March, 2019 under the Insolvency and Bankruptcy Code, 2016 ("the Code") and the Parent Company is, therefore, now under Corporate Insolvency Resolution Process (CIRP). Consequently, The Board of the Directors of the Parent Company stands suspended and Mr. Arun Chadda has been appointed by the NCLT as Interim Resolution Professional ("IRP"). Some of the creditors have, however, moved to the Hon. National Company Law Appellate Tribunal (NCLAT) against the aforesaid order passed by the NCLT. The order passed by the Hon. NCLT has been stayed and is pending for disposal by the Hon. NCLAT.
3. As per Regulation 33 and Regulation 52 read with Regulation 63(2) of the Regulation, the financial results of the Group and its joint venture companies and associates submitted to the stock exchanges are required to be signed by the Chairperson or Managing Director or Whole-time Director or in absence of all of them, by any Director of the Parent Company who is duly authorized by the Board of directors to sign the financial results. In view of the ongoing Corporate Insolvency Resolution Process, the power of the Board is vested with the IRP. The Statement is, therefore, signed by the IRP of the Parent Company as per provisions of the Code.
4. This Statement, which is prepared on the basis of the annual Ind AS financial statements, is the responsibility of the Parent Company's management and is approved by the Designate Chief Executive Officer (CEO), Chief Financial Officer and the IRP of the Parent Company. This Statement has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) prescribed under Section 133 of the Companies Act ("the Act") read with the relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of the annual consolidated financial statements.
5. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed in the Statement. An audit also includes assessing the accounting principles used and significant estimates made by the management. We believe that the audit provides a reasonable basis for our opinion.



6. The figures for the quarter ended 31<sup>st</sup> March, 2019 represent the derived figures between the audited figures in respect of the financial year ended 31<sup>st</sup> March, 2019 and the published year-to-date figures up to 31<sup>st</sup> December, 2018, being the date of the end of the third quarter of the current financial year, which were subjected to a limited review as required under the Regulation and the Circular.
7. Other Matters:
- 7.1 As stated in Note no. 11 of the Statement, the Parent Company has incurred losses, its liabilities exceeded total assets and its net worth has been fully eroded. Since the Parent Company is under Corporate Insolvency Resolution Process (CIRP) and also in view of the continuing operations of the Parent Company, the financial results have been prepared on a going concern basis.
- 7.2 We did not audit the financial statements of fifteen subsidiaries, whose financial statements reflect total assets of ₹ 44,801.19 lacs as at 31<sup>st</sup> March 2019 and total revenues of ₹ 35,585.37 lacs and net loss after tax (including other comprehensive income) ₹ 496.92 for the year then ended, and of three associates and three joint ventures, whose financial statements reflect the Parent Company's share of net profit of ₹ 959.67 lacs as considered in the consolidated financial statements. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us by the management, and our opinion on consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, is based solely on the report of such other auditors.
- 7.3 One of the overseas subsidiaries, Ashapura Maritime UAE FZE has not carried out any commercial activities for past few years and has accumulated loss of ₹ 2,770.41 lacs as on 31<sup>st</sup> March, 2019. This condition indicates the existence of material uncertainty that may cast significant doubts over this subsidiary's ability to continue as a going concern. However, since the management is hopeful of providing necessary financial support and resuming activities in near future, these financial statements have been prepared on a going concern basis.

Our opinion is not modified in respect of these matters.

8. Basis for Qualified Opinion:

Attention is invited to note no. 8 of the Statement regarding non provision of the additional liability aggregating to ₹ 417.04 lacs during the quarter (cumulative till 31<sup>st</sup> March 2019 ₹ 35,415.44 lacs) towards interest on the shipping claims and along with exchange rate difference thereon. The profit for the quarter is, therefore, overstated by ₹ 417.04 lacs; loss the year is understated by ₹ 18,056.67 lacs and other equity as at the balance sheet date is overstated to that extent.

- 9 In our opinion and to the best of our information and according to the explanations given to us and based on consideration of reports of other auditors on separate financial statements of the subsidiaries, associates and joint ventures as foresaid, the statement:

(i) includes year to date financial results of the following entities:

- ↓ Ashapura Minechem Limited
- ↓ Ashapura Aluminum Limited
- ↓ Ashapura Arcadia Logistics Pvt Limited
- ↓ Ashapura Claytech Limited
- ↓ Ashapura Consultancy Services Pvt Limited
- ↓ Ashapura Dhofar Resources LLC

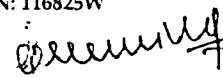


- ↓ Ashapura Fareast MPA Sdn Bhd - Malaysia
- ↓ Ashapura Guinea Resources SARL - Guinea (till 16<sup>th</sup> August 2018)
- ↓ Ashapura Holdings (UAE) FZE - UAE
- ↓ Ashapura International Limited (till 18<sup>th</sup> September 2018)
- ↓ Ashapura Maritime FZE - UAE
- ↓ Ashapura Midgulf NV - Belgium
- ↓ Ashapura Minechem (UAE) FZE - UAE
- ↓ Ashapura Perfoclay Limited (till 18<sup>th</sup> September 2018)
- ↓ Ashapura Resources Private Limited
- ↓ APL Valueclay Private Limited
- ↓ Bombay Minerals Limited
- ↓ Orient Abrasives Limited
- ↓ Peninsula Property Developers Pvt Limited
- ↓ Prashansa Ceramics Limited
- ↓ PT Ashapura Bentoclay Fareast - Indonesia
- ↓ PT Ashapura Resources
- ↓ Sharda Consultancy Pvt Limited
- ↓ Sohar Ashapura Chemicals LLC - Oman

- (ii) is presented in accordance with the requirements of the Regulation read with the Circular; and
- (iii) *except for the effects of the matter described in paragraph (8) above in the basis for qualified opinion, gives a true and fair view of the net profit/loss, other comprehensive income and other financial information of the Company for the quarter and year ended 31<sup>st</sup> March 2019.*

Mumbai  
August 1, 2019

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





PRASHANT VORA  
Partner  
Membership No. 034514  
UDIN: 19034514AAAAAA1255



Statement on Impact of Audit Qualifications (for audit report with modified opinion)  
submitted along-with Consolidated Annual Audited Financial Results

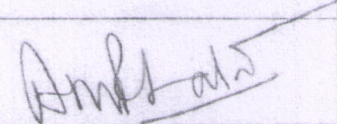
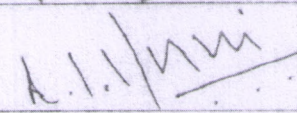
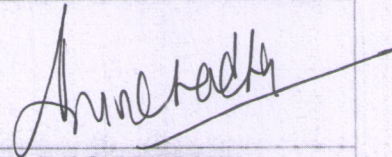

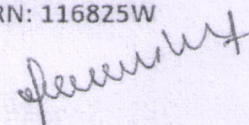
Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2019 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) (` in lacs)	Adjusted Figures (audited figures after adjusting for qualifications) (` in lacs)
	1	Total income	64,328.44	64,328.44
	2	Total Expenditure	97,713.94	1,15,770.61
	3	Net Profit/(Loss)	(33,101.99)	(51,158.66)
	4	Earnings Per Share	(38.05)	(58.82)
	5	Total Assets	99,146.87	99,146.87
	6	Total Liabilities	1,29,034.20	164,449.64
	7	Net Worth	(36,105.95)	(71,521.39)
	8	Any other financial item(s) (as felt appropriate by the Management)	-	-
<b>II. Audit Qualification (each audit qualification separately):</b>				
<b>a. Details of Audit Qualification:</b>				
Non provision of the additional liability aggregating to ₹ 417.04lacs during the quarter (cumulative till 31 <sup>st</sup> March 2019 ₹ 35,415.44 lacs) towards interest on the shipping claims and along with exchange rate difference thereon. The profit for the quarter is, therefore, overstated by ₹ 417.04 lacs, loss for the year is understated by ₹ 18,056.67 lacs and other equity as at the balance sheet date is overstated to that extent.				
<b>b. Type of Audit Qualification : Qualified Opinion</b>				
<b>c. Frequency of qualification: Third Time</b>				

Regd. Office :

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

Tel. : +91-22 6665 1700 Email : info@ashapura.com www.ashapura.com

CIN No. L14108MH1982PLC026396

<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</p> <p>The Company, without prejudice to the other available options and having moved the Hon'ble National Company Law Tribunal (NCLT), has been admitted by its Order dated 15<sup>th</sup> March, 2019 and the said order is sub-judice. The Company is now under Corporate Insolvency Resolution Process (CIRP) and is managed by Interim Resolution Professional (IRP).</p>	
<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p>	
<p>(i) Management's estimation on the impact of audit qualification: N.A</p>	
<p>(ii) If management is unable to estimate the impact, reasons for the same: N.A</p>	
<p>(iii) Auditors' Comments on (i) or (ii) above: N.A</p>	
<p>III Signatories:</p>	
<ul style="list-style-type: none"> <li>CEO/Managing Director</li> </ul>	
<ul style="list-style-type: none"> <li>CFO</li> </ul>	
<ul style="list-style-type: none"> <li>Audit Committee Chairman</li> <li>Interim Resolution Professional</li> </ul>	
<ul style="list-style-type: none"> <li>Statutory Auditor</li> </ul>	 <p>P A R K &amp; COMPANY Chartered Accountants FRN: 116825W</p>  <p>PRASHANT VORA Partner Membership No. 034514</p>
<p>Place: Mumbai</p>	
<p>Date: 1<sup>st</sup> August, 2019</p>	