

Sanghavi & Co.

chartered accountants

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LIMITED REVIEW REPORT

To
The Board of Directors
ASHAPURA MINECHEM LIMITED

We have reviewed the accompanying Statement of standalone unaudited financial results of ASHAPURA MINECHEM LIMITED ("the Company") for the quarter ended 31st December 2014 ("the Statement") being submitted by the Company pursuant to the requirements of Clause 41 of the Listing Agreement with the Stock Exchanges, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from the disclosures made by the management and have not been reviewed or audited by us. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of the Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the applicable Accounting Standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 211 (3C) of the Companies Act, 1956 [which continue to be applicable as per Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014] and other recognized accounting practices and policies principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Bhuj
23rd January 2015



For SANGHAVI & COMPANY
Chartered Accountants
FRN: 109099W

Manoj Ganatra
MANOJ GANATRA
Partner
Membership No. 043485

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PARTICULARS	ASHAPURA MINECHEM LIMITED											
	Quarter Ended			Nine Months Ended			Year Ended			Quarter Ended		
	31-12-2014	30-09-2014	31-12-2014	31-12-2013	31-12-2014	31-12-2013	31-03-2014	31-03-2014	31-12-2014	30-09-2014	31-12-2013	31-12-2013
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Audited	Unaudited	Unaudited	Unaudited	Audited
1 Income from Operations												
(a) Net Sale/Income from Operations (Net of Excise Duty)	15,666.82	15,478.41	10,284.04	59,834.50	50,516.25	63,153.32	45,185.00	41,221.20	21,516.14	1,28,410.02	80,862.62	1,05,451.63
(b) Other Operating Income	728.51	259.61	165.67	1,114.81	2,574.39	3,210.28	1,695.04	3,925.12	561.58	4,032.12	4,869.44	4,869.44
Total Income from Operations	16,395.33	15,738.03	10,449.71	60,949.31	53,090.65	66,363.60	46,880.04	45,146.33	22,077.72	1,32,442.14	85,732.07	1,10,321.07
2 Expenses												
(a) Cost of materials consumed	2,513.86	1,703.56	1,748.06	6,796.26	5,654.08	8,517.92	6,090.52	4,779.37	3,964.04	17,135.96	12,940.29	17,132.41
(b) Purchase of Stock-in-trade	448.54	2,770.28	1,028.56	5,090.32	6,330.62	7,384.01	6,130.49	5,883.48	3,874.65	13,695.26	7,468.37	10,628.29
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	1,407.35	(366.21)	(157.74)	3,636.02	1,742.06	715.19	(191.14)	863.33	(1,326.57)	2,355.35	1,769.70	442.04
(d) Employee benefits expenses	565.95	684.39	631.01	1,904.82	1,876.86	2,489.70	1,514.01	1,422.87	1,314.49	4,389.92	3,880.77	5,542.94
(e) Depreciation and amortisation expenses	419.53	409.60	297.73	1,244.18	852.37	1,116.44	902.62	862.30	661.12	2,630.21	1,921.85	2,968.09
(f) Other expenses	8,889.05	9,065.66	5,174.81	33,330.67	28,911.33	36,023.58	25,668.33	22,039.68	11,151.86	71,420.82	44,053.22	55,767.81
Total Expenses	14,246.31	14,267.28	7,742.43	51,702.47	45,367.32	56,246.83	40,114.83	35,872.02	19,671.60	1,11,627.52	72,034.19	93,081.59
Profit/(Loss) from operations before other income, finance costs and exceptional items (1-2)	2,349.12	1,470.74	1,707.28	9,246.83	8,323.33	10,116.77	6,735.21	6,268.21	2,806.92	20,607.62	12,926.40	15,240.48
4 Other Income	181.68	311.82	226.94	708.51	579.21	830.78	160.48	207.61	200.88	530.07	495.77	566.02
5 Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4)	2,530.80	1,782.56	1,934.11	9,955.34	8,902.54	10,947.54	6,895.69	6,495.82	3,016.80	21,137.69	13,422.17	15,806.50
6 Finance Cost	216.61	257.29	350.69	780.61	1,405.69	1,642.82	483.27	476.32	514.13	1,487.70	2,061.25	2,359.34
7 Exchange Fluctuation (Gain)/ Loss	(10.32)	10.87	(30.86)	(6.80)	291.65	296.92	(3.15)	7.38	(312.4)	(2.97)	384.71	453.26
8 Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-7)	2,324.32	1,514.40	1,614.08	9,181.54	7,206.21	9,007.80	6,415.67	6,012.12	2,657.42	19,652.96	10,976.22	12,863.90
9 Exceptional items (Gain)/ Loss (Refer Note 9)	21,101.37	(326.93)	21,256.37	(4,213.77)	(5,116.88)	(11,011.37)	21,101.37	(326.93)	21,256.37	(6,063.77)	(5,453.15)	(5,453.15)
10 Profit/(Loss) from ordinary activities before tax (8-9)	(18,777.05)	1,514.40	1,941.01	(12,074.84)	11,418.98	14,126.69	(14,685.50)	1,022.52	2,955.55	(1,603.41)	17,039.99	18,407.04
11 Tax Expenses	(18,777.05)	1,514.40	1,941.01	(12,074.84)	11,418.98	14,126.69	(15,492.37)	4,989.60	2,825.88	(4,102.35)	15,984.40	17,417.41
12 Net Profit/(Loss) from ordinary activities (10-11)	(18,777.05)	1,514.40	1,941.01	(12,074.84)	11,418.98	14,126.69	(15,492.37)	4,989.60	2,825.88	(4,102.35)	15,984.40	17,417.41
13 Extraordinary items												
14 Net Profit/(Loss) for the period (12-13)	(18,777.05)	1,514.40	1,941.01	(12,074.84)	11,418.98	14,126.69	(15,492.37)	4,989.60	2,825.88	(4,102.35)	15,984.40	17,417.41
15 Share of profit/(loss) of associates												
16 Minority Interest												
17 Net Profit/(Loss) (14+15+16)	(18,777.05)	1,514.40	1,941.01	(12,074.84)	11,418.98	14,126.69	(15,492.37)	4,989.60	2,825.88	(4,102.35)	15,984.40	17,417.41
18 Paid-up Equity Share Capital (88,985,008 Shares of Rs. 2/- each)												
19 Reserve excluding Revaluation Reserve	1,739.72	1,739.72	1,659.72	1,739.72	1,659.72	1,739.72	(16,169.25)	1,739.72	1,659.72	1,739.72	1,659.72	(11,735.64)
20 Earnings Per Share (Before Exceptional and Extraordinary Items) Basic	2.67	1.74	1.95	10.56	8.68	10.84	6.58	5.83	2.95	20.10	12.19	14.41
21 Earnings Per Share (After Exceptional and Extraordinary Items) Diluted	2.67	1.74	1.93	10.56	8.60	10.84	6.58	5.83	2.93	20.10	12.08	14.41
22 Particulars of Shareholding												
i) Public Shareholding	4,44,29,317	4,44,29,317	4,44,29,317	4,44,29,317	4,44,29,317	4,44,29,317	4,44,29,317	4,44,29,317	4,44,29,317	4,44,29,317	4,44,29,317	4,44,29,317
- Number of Shares	51.08	51.08	53.54	51.08	53.54	51.08	51.08	51.08	53.54	51.08	53.54	51.08
- Percentage to Paid-up Capital												
ii) Promoters and promoter group shareholding												
a) Pledged/ Encumbered	2,97,14,725	2,97,14,725	2,97,14,725	2,97,14,725	2,97,14,725	2,97,14,725	2,97,14,725	2,97,14,725	2,97,14,725	2,97,14,725	2,97,14,725	2,97,14,725
- Number of shares (as a % of the total shareholding of promoter and promoter group)	69.82	69.82	77.07	69.82	77.07	69.82	69.82	69.82	77.07	69.82	77.07	69.82
- Percentage of shares (as a % of the total share capital of the Company)	34.16	34.16	35.81	34.16	35.81	34.16	34.16	34.16	35.81	34.16	35.81	34.16
b) Non-encumbered												
- Number of shares	1,28,42,056	1,28,42,056	88,42,056	1,28,42,056	88,42,056	1,28,42,056	1,28,42,056	1,28,42,056	88,42,056	1,28,42,056	88,42,056	1,28,42,056
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	30.18	30.18	22.93	30.18	22.93	30.18	30.18	30.18	22.93	30.18	22.93	30.18
- Percentage of shares (as a % of the total share capital of the Company)	14.76	14.76	10.65	14.76	10.65	14.76	14.76	14.76	10.65	14.76	10.65	14.76

(₹ in Lacs)

Notes to Accounts:

- 1) The above financial results as reviewed by the Audit Committee, were taken on record at the meeting of the Board of Directors held on 23rd January, 2015.
- 2) The results for the quarter ended 31st December, 2014 for the parent Company, Ashapura Minechem Ltd. have undergone "Limited Review" by Statutory Auditors of the Company.
- 3) The Securities and Exchange Board of India (SEBI) vide its letter no CF/DIL/HB/QW/3705/2014 dated December 12, 2014 has directed the Company to make the necessary provisions of unprovided disputed liabilities in respect of foreign currency derivative contracts, which were the subject matter of the qualification in the Auditors' Report. Accordingly, the Company has during the quarter, provided for such disputed liabilities aggregating to ₹ 211.01 crores under exceptional items. The said provision is without prejudice to company's stand based on a legal opinion that the said foreign currency derivatives contracts are void & unenforceable.
- 4) Depreciation for the quarter as well as nine months ended 31st December, has been aligned to comply with the requirements of Part C of Schedule II to the Companies Act, 2013. Consequently, depreciation change for the quarter is higher by ₹ 135.65 lacs (for the nine months ended ₹ 402.30 lacs) in Standardisation results and ₹ 217.18 lacs (for the nine months ended ₹ 635.07 lacs) in consolidated results. Further ₹ 347.09 lacs (net of deferred tax ₹ 103.83 lacs) in Standalone & consolidated results respectively in respect of the fixed assets where the useful lives as specified Schedule II is already expired, has been adjusted to the opening balance of the retained earnings.
- 5) Based on the audited annual accounts for the year ended 31st March 2011, the Board for Industrial & Financial Reconstruction (BIFR) declared the company as a sick company vide its order dated 20th March 2012. Further, in terms of the guidelines for preparation of Rehabilitation Scheme the company has submitted the Draft Rehabilitation Scheme to Bank of India (Operating Agency) which is under consideration and discussion.
- 6) In accordance with the provision of AS-17, the Company has one reportable primary segment consisting of processed minerals and other activities incidental thereto. Hence, segment reporting as defined is not applicable.
- 7) The complaints received from investors/shareholders for the quarter ended on 31st December, 2014: Received - 5, Disposed off - 5, Unresolved - Nil.
- 8) The Consolidated Financial Results for the quarter ended on 31st December, 2014 have been prepared in accordance with AS-21, AS-23 and AS-27 as per Companies (Accounting Standards) Rules, 2006. It includes the results of its Subsidiaries, Joint Venture Companies and Associate Companies.
- 9) Exceptional items for the Quarter/Nine months ended, Consist of:

	ASHAPURA MINECHEM LTD.					CONSOLIDATED				
	Quarter Ended	Quarter Ended	Nine Months Ended	Quarter Ended	Quarter Ended	Nine Months Ended	Quarter Ended	Quarter Ended	Year Ended	Year Ended
	31.12.2014	30.09.2014	31.12.2013	31.12.2014	31.12.2013	31.12.2014	30.09.2014	31.12.2013	31.12.2014	31.03.2014
Unprovided/disputed loss/liabilities in respect of foreign currency derivatives contracts as per Note No.3 of Notes to Accounts	21,101.37	-	-	21,101.37	-	21,101.37	-	-	-	-
Net liabilities in respect of certain secured loans as well as disputed and unprovided foreign currency derivative contracts upon settlement with some of the banks and financial institutions, with certain terms and conditions.	-	-	(326.93)	155.00	(6,063.77)	155.00	-	(326.93)	(6,063.77)	(6,988.89)
Provision for impairment of loans to a subsidiary company	-	-	-	-	1,850.00	-	-	-	-	-
Pre-operative Expenses Written Off	-	-	-	-	-	-	-	-	-	-
	21,101.37	0.00	-326.93	21,256.37	-4,213.77	21,256.37	0.00	-326.93	-6,063.77	-5,453.15

10) Previous periods' figures have been regrouped, wherever necessary, to confirm to current period's classification.

PLACE : BHUJ
DATE : 23rd January, 2015

RAJNIKANT PAUWANI
WHOLE TIME DIRECTOR & CHIEF EXECUTIVE OFFICER (CEO)