ASHAPURA
MINECHEM LIMITED

RECORD IN BRIEF OF THE PROCEEDINGS OF THE ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF THE COMPANY HELD ON WEDNESDAY, 28th SEPTEMBER, 2011, AT 11.30 A.M. AT THE K. R. CAMA ORIENTAL INSTITUTE HALL, 136, MUMBAI SAMACHAR MARG, OPP. LION GATE, FORT, MUMBAI – 400 023

Shri Navnitlal R. Shah, the Chairman, welcomed the Shareholders at the 30th Annual General Meeting of the Company.

Stating that the required quorum was present, he commenced the proceedings of the Meeting and announced that the Register of Directors' Shareholding and Register of Proxies were kept open for inspection at the Meeting.

He informed the Members that the Company has received 29 proxies representing 5,16,36,010 Equity Shares i.e. 65.37% of the voting power.

The Chairman thereafter introduced his colleagues on the Board and the Management team on the dais. Leave of absence was granted to Mr. Piyush Vora, Director and Mr. Rajendra Khanna, Nominee Director of the Company.

With the permission of Members present, the Notice convening the Annual General Meeting was taken as read.

The Chairman then requested Shri Sachin Polke, the Company Secretary, to read the Auditors' Report on the Accounts of the Company for the year ended 31st March, 2011.

ORDINARY BUSINESS:

ITEM NO. 1

The Chairman moved Resolution No. 1 for adoption of the Annual Accounts for the year ended 31st March, 2011 and Reports of the Auditors' and Directors' thereon and Shri Zahur Maniyar seconded the same.

One of the Members suggested that the Chairman or the Managing Director of the Company may brief the Members present at the meeting on the current state of the Affairs of the Company and the future outlook before taking the regular business of the Annual General Meeting.

Shri Chetan Shah, Managing Director, then briefed the Members, that the Company was finding it difficult to carry on its regular Bauxite business from the State of Gujarat due to Government Policies in this regard and the steps that Company had taken in the past to find a workable solution so that the business is regularized. He also briefed the Members on the legal status in this regard and assured that some positive development is on the horizon and Bauxite business from Gujarat can be revived.

He further clarified the Members on Provisions for Shipping claims being accounted for by the Company and informed that the said decision has been taken as per the stand and suggestion of Auditors and Board Members and thereby making of reference to Board for Industrial & Financial Restructuring (BIFR).

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He further expressed that the Company is doing good business for the minerals like Bentonite, Kaolin, Barytes, etc and is hopeful of favorable response from the market in future years.

There was a general discussion in which the members, particularly Shri Zahur Maniyar, Shri Shailesh Mahadevia and Shri Yusuf Rangwala participated.

Shri Zahur Maniyar appreciated the Management efforts in such difficult times and the approach to reach out even small shareholders. He also expressed and wished that the Company will overcome the bad patch and that there shall be full support from the Members of the Company enabling the Management of the Company to make a come back.

Shri Shailesh Mahadevia, another member made some observations in respect of increase in Salary & Remuneration overheads inspite of receding bottom lines. He also enquired on the absence of M/s. Volclay Corporation International's Nominee, both from the Annual General Meeting and the Board of Directors of the Company. He further expressed his interest in knowing the status of the Subsidiary (ies) and if they are doing good business as usual or if they are also facing problems and whether the Company is looking out for other options of having processing activities elsewhere in India.

Shri Yusuf Rangwala, another member suggested to hold the Annual General Meeting in early days of September.

Shri Chetan Shah, then clarified that there was a casual vacancy caused by Shri Larry Washow's resignation from the Board of the Company and that M/s. Volclay Corporation International was in the process of nominating his successor on the Board of the Company.

He also briefed the Members on other areas of business development & expansion activities carried on by the Company and informed that the Company is expanding its Bleaching Clay plant capacity to 1,00,000 MT which will make it the largest single location facility at Bhuj, India. The Company is also setting up parallel facility for Kaolin in Kutch, Gujarat as it has in Kerala, so as to meet the increasing demand for Kaolin in industries like paints, rubber, paper, etc. Also, the Company is setting up 30,000 tonnes Clay unit for refining Palm Oil, for which the demand is constantly rising.

He thereafter expressed his sincere appreciation to the Members for their understanding and continued support to Company and assured them that they are very much hopeful of turning around in the near future.

The Company Secretary then requested the Chairman to share his views or give his reactions on the occasion.

The Chairman stated that since Chairman's Statement was circulated amongst Members present, the same was considered as read. The Chairman then briefed the members on the various Corporate Social Responsibility (CSR) activities undertaken by the Ashapura Group under the able guidance of Smt. Dina C. Shah. He also conveyed that the Members of the Company should come forward & support such activities enabling each & every person an opportunity to serve the Society for good.

The members noted the same and with their permission, the Chairman put the aforesaid resolution to vote. The said resolution was opposed by Shri Dhirendra Gandhi who held 25 Equity Shares in the Company.

Being put to vote on show of hands, the resolution was passed with requisite majority.

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ITEM NO. 2

Shri Zahur Maniyar proposed and Shri Shailesh Mahadevia seconded Resolution No. 2, relating to the re-appointment of Shri Abhilash Munsif as a Director of the Company.

Thereafter, the Chairman put the said resolution to vote and declared the same to have been carried unanimously by show of hands.

ITEM NO. 3

Shri Dinesh Bhatia proposed and Shri Bharat Shah seconded Resolution No. 3, relating to the re-appointment of Shri Ashok Kadakia as a Director of the Company.

The Chairman thereafter, put the said resolution to vote and declared the same to have been carried unanimously by show of hands.

ITEM NO. 4

Shri Suryakant Shah proposed and Shri Hiten Talati seconded Resolution No. 4, relating to the re-appointment of M/s. Sanghavi and Co., Chartered Accountants, as Statutory Auditors of the Company to hold office from conclusion of this meeting upto the conclusion of the next Annual General Meeting.

The Chairman thereafter, put the said resolution to vote and declared the same to have been carried unanimously by show of hands

Shri Chandi Ramani proposed and Shri Yusuf Rangwala seconded Resolution No. 5, relating to the appointment of Branch Auditors of the Company.

The Chairman thereafter, put the said resolution to vote and declared the same to have been carried unanimously by show of hands.

SPECIAL BUSINESS

ITEM NO. 6

In view of the fact that the Chairman being directly interested in resolution nos. 6 & 7 referred to in the Notice of the Annual General Meeting, Shri Harish Motiwalla was requested to take the Chair and carry forward the proceedings of the meeting.

Shri Zahur Maniyar proposed and Shri Suryakant Shah seconded Resolution No. 6 as a Special resolution, for re-appointment of Shri Manubhai D. Patel

Thereafter, Shri Harish Motiwalla, Chairman put the said resolution to vote and declared the same to have been carried unanimously by show of hands and also confirmed that voting included affirmative vote from the representative of M/s. Volclay International Corporation.

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ITEM NO. 7

Shri Shailesh Mahadevia proposed and Shri Rajnikant Pajwani seconded Resolution No. 7 as a Special Resolution, for re-appointment of Shri Chetan Shah as the Managing Director and to fix his remuneration.

Thereafter, the Chairman put the said resolution to vote and declared the same to have been carried unanimously by show of hands and also confirmed that voting included affirmative vote from the representative of M/s. Volclay International Corporation.

Thereafter, Shri Harish Motiwalla requested Shri Navnitlal Shah to reoccupy the Chair as the Chairman and carry forward the proceedings of the meeting

ITEM NO. 8

Shri H. N. Makhijani proposed and Shri Bharat Shah seconded Resolution No. 8 as a Special Resolution, for giving loan or making investment in Subsidiaries / Joint Ventures as per provisions of Section 372A of the Companies Act, 1956.

Thereafter, the Chairman put the said resolution to vote. The said resolution was opposed by Shri Dhirendra Gandhi who held 25 Equity Shares in the Company.

Being put to vote on show of hands, the resolution was passed with requisite majority and includes affirmative vote from representative of M/s. Volclay International Corporation.

ITEM NO. 9

Shri Hasmukh Shah proposed and Shri Zahur Maniyar seconded Resolution No. 9 as an Ordinary Resolution, for ratifying the Donation given by the Company in excess of the limits as specified under Section 372A of the Companies Act, 1956 for the financial year 2010-2011.

Thereafter, the Chairman put the said resolution to vote and declared the same to have been carried unanimously by show of hands and also confirmed that voting included affirmative vote from representative of M/s. Volclay International Corporation.

Shri Zahur Maniyar duly represented by the attending Members then proposed a Vote of Thanks to the Chairman.

There being no other business, the Chairman declared the Meeting as concluded with all the resolutions passed successfully.

For **ASHAPURA MINECHEM LIMITED**

Sd/-
SACHIN POLKE
COMPANY SECRETARY

Place: Mumbai
Date: 28/09/2011