ASHAPURA
MINECHEM LIMITED

Ref. No. Shares/Nse 1/6537/05

September 25, 2010

To,
The Dy. General Manager,
National Stock Exchange of India Limited
Corporate Relationship Department
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra-Kurla Complex, Bandra (E),
Mumbai – 400 051

Dear Sir,

Sub: Proceedings of the ANNUAL GENERAL MEETING of the Shareholders of the Company held on 24th September, 2010.

In terms of clause 31 (d) and other applicable provisions, if any, of the Listing Agreement, we send herewith in brief, the proceedings of the Annual General Meeting of the Company which was held on Friday, 24th September, 2010 at 11.30 a.m. at Walchand Hirachand Hall, 4th Floor, Indian Merchants' Chambers, Mumbai – 400 020.

Kindly take the above on record.

Thank you.

Yours faithfully,
For **ASHAPURA MINECHEM LIMITED**

SACHIN POLKE
COMPANY SECRETARY

Encl.: As above

CC: 1. The Ahmedabad Stock Exchange Ltd
2. Bombay Stock Exchange Ltd

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ASHAPURA
MINECHEM LIMITED

RECORD IN BRIEF OF THE PROCEEDINGS OF THE ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF THE COMPANY HELD ON FRIDAY, 24TH SEPTEMBER, 2010, AT 11.30 A.M. AT WALCHAND HIRACHAND HALL, 4TH FLOOR, INDIAN MERCHANTS CHAMER, MUMBAI – 400020

Shri Navnitlal R. Shah, the Chairman, welcomed the Shareholders at the 29th 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 during the Meeting.

He informed the Members that the Company had received 37 proxies representing 3,56,34,615 Equity Shares i.e. 45.12 % of the voting power.

The Chairman thereafter introduced his colleagues on the Board and the Management team present on the dais.

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

Then, Shri Sachin Polke, the Company Secretary, on the request of the Chairman read the Auditors' Report on the Accounts of the Company for the year ended 31st March, 2010.

Shri Navnitlal R. Shah thereafter addressed the Shareholders (copy of the said speech is attached herewith) and expressed his appreciation to the members for showing loyalty and support towards the Company.

ORDINARY BUSINESS:

ITEM NO. 1

The Chairman moved Resolution No. 1 for adoption of the Accounts and Reports of the Directors' and Auditors' thereon and Shri Shailesh Mahadevia seconded the same.

The Chairman then invited questions/comments from the members of the Company on the Annual Accounts and Reports of the Directors' and Auditors' thereon.

There was a general discussion in which the members, particularly Shri Zahur Maniyar, Shri Prakash Tamhane, Shri Shailesh Mahadevia, Shri Yusuf Rangwalla, Shri Kirti Shah and Ms. Homa Pouredehi participated.

Shri Zahur Maniyar enquired on the total staff strength and the attrition rate of the employees, the capex plan for the year 2010-2011, the amount spent by the Company on Research & Development activities and the future export plans of the Company. He also suggested that the Company, in its Annual Report should include the financial highlights of the last ten years for ready reference of the Shareholders.

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Shri Shailesh Mahadevia, another member made some observations in respect of reasons for reduction in turnover, the increase in the expenditure of legal and professional fees, Mining Policy in the States of Gujarat and Maharashtra. He suggested that the Chairman's Statement and the Managing Director's address should be included in the Annual Report alongwith a Corporate Social Responsibility Report on the various Social Activities undertaken by the Company.

Shri Yusuf Rangwalla, another member suggested that Company should organize a plant visit for the Shareholders of the Company.

Shri Prakash Tamhane inquired about the borrowings, investments made and increase in the interest burden by the Company, its diversification plans, status of the Alumina Project. He was of the opinion that in spite of the losses suffered, the Management should have declared certain percentage of dividend in order to maintain the dividend paying status of the Company. He further stated that the Company in addition to the other Reports should also publish its Vision, Mission & Value Statements in the Annual Reports.

Ms. Homa Pouredehi inquired about the mining problems faced by the Company.

Shri Kirti Shah inquired on the reasons for increase in investment in Mutual Funds. He also suggested that as the proportion of Paid Up Capital to the profits earned by the Company's Subsidiaries - Bombay Minerals Ltd. & Ashapura International Ltd. was much less, the said Companies should strengthen their capital base by coming out with an IPO or QIP.

All the above observations and questions were noted by the Company Secretary who then requested the Managing Director and the Chief Financial Officer to give their respective reactions/comments thereon.

Shri Rajiv Gandhi, the Chief Financial Officer, then replied to the major observations made by the aforesaid members on Accounts, Finance, Capital and Legal Expenditure. He clarified on the turnover during the year under review. He informed that the Company had during the year under review, capitalized its Kaolin Plant at Trivendrum and does not have any major capex plans for the year 2010-2011. He further elucidated that the legal expenses had increased as the Company was in process of contesting the various claims within and outside India. He further clarified that Company had borrowed loans from Banks and its profit making subsidiaries. He also stated that the attrition rate was minimum despite the difficult situation.

Shri Chetan Shah, the Managing Director, brief the member on the status of various projects undertaken by the Company. He informed the Members that the Company had approached the Gujarat High Court in respect of the restrictions imposed by the Gujarat Government and that he was hopeful of a positive outcome. He also highlighted that commercial production had commenced at the Company's Kaolin Plat at Trivendrum and the product was receiving good response from the customers. He also informed that the Company was expecting good business in respect of Calcined Bauxite as the domestic and international demand for the said product was increasing.

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He thereafter expressed his sincere appreciation to the Members for showing undeterred faith and support to the Company even during the troubled times and it is this trust and faith that empowers him and his team to face all the challenges that have been thrown at him & the company.

The members noted the same and with their permission, the Chairman put the resolution to vote and declared the same to have been carried unanimously by show of hands.

ITEM NO. 2

Shri Shailesh Mahadevia proposed and Shri Zahur Maniyar seconded Resolution No. 2, relating to the re-appointment of Shri Piyush Vora 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 Prakash Tamhane proposed and Shri Hemul Shah seconded Resolution No. 3, relating to the re-appointment of Shri Harish Motiwalla 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 Kirti Shah proposed and Shri Prasad Manjrekar 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.

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

ITEM NO. 5

Shri Dipak Vora proposed and Shri Prakash Tamhane seconded Resolution No. 5, relating to the appointment of Branch Auditors of the Company.

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

Shri Shailesh Mahadevia 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.

For ASHAPURA MINECHEM LIMITED

for

SACHIN POLKE
COMPANY SECRETARY

Place: Mumbai
Date : 24/09/2010