



**ALIROX ABRASIVES LTD.**

REGISTERED OFFICE : 4, SCINDIA HOUSE, NEW DELHI-110 001  
PHONE : 011-45685625, 011-41070069  
E-mail: snccil@dalmiarf.com, scml@dalmiadelhi.com  
CIN : L74899DL1944PLC000759

AAL/SEC/SE/22-23/21

05<sup>th</sup> September, 2022

The Head – Listing & Compliance,  
Metropolitan Stock Exchange of India Limited  
Vibgyor Tower, 4<sup>th</sup> Floor,  
Plot No.C 62, G-Block,  
Opp. Trident Hotel, Bandra Kurla Complex,  
Bandra (East), Mumbai-400098

Dear Sir,

**Re: Annual Report for the Financial Year 2021-22**

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the copy of Annual Report of the Company for the financial year 2021-22.

The said Annual Report is also available on the website of the Company at [www.alirox.com](http://www.alirox.com)

You are kindly requested to acknowledge the receipt.

Thanking you,

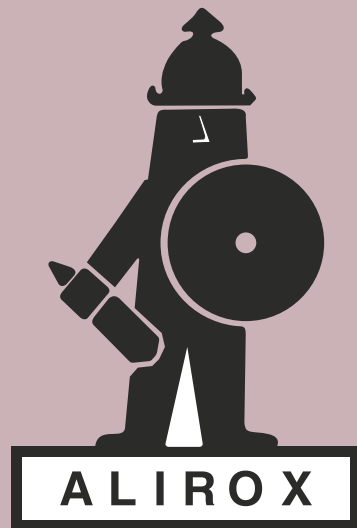
Yours faithfully,  
For **ALIROX ABRASIVES LIMITED**

**(Sonal Popli)**  
**Company Secretary & Compliance Officer**

Encl: As above

# ALIROX ABRASIVES LIMITED

NEW DELHI



78<sup>th</sup> ANNUAL REPORT  
2021 - 2022

**ALIROX ABRASIVES LIMITED**  
**CIN: L74899DL1944PLC000759**

**REGISTERED OFFICE**

4- Scindia House,  
New Delhi-110001

**CORPORATE OFFICE**

6G (6th Floor) & 7A (7th Floor), Hansalaya Building,  
15, Barakhamba Road, New Delhi 110001

**Telephone:** 011-45685625, 011-41070069

**Website:** [www.alirox.com](http://www.alirox.com)

**Email id:** [scml@dalmiadelhi.com](mailto:scml@dalmiadelhi.com), [sncil@dalmiarf.com](mailto:sncil@dalmiarf.com)

**DIRECTORS**

Dr. C.N. Maheshwari  
Shri M.L. Dujari  
Shri. L.N. Goyal  
Smt. Leena Rawal

**REGISTRAR & SHARE TRANSFER AGENT**

KFin Technologies Ltd.  
Selenium Tower B, Plot 31-32,  
Gachibowli Financial District, Nanakramguda, Hyderabad – 500 032  
E-Mail: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) Website [www.kfintech.com](http://www.kfintech.com)

**STATUTORY AUDITORS**

M/s Mathur Gupta & Associates.  
Chartered Accountants

**ALIROX ABRASIVES LIMITED**  
**CIN NO: L74899DL1944PLC000759**

**DIRECTORS' REPORT**

**For the year ended 31<sup>st</sup> March, 2022**

Your Directors hereby present the Seventy Eighth Annual Report on the Standalone and Consolidated Audited Financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2022.

**FINANCIAL RESULTS:**

The Company's financial performance for the year ended 31<sup>st</sup> March, 2022 is summarized below:

PARTICULARS	2021-22		2020-21	
	Standalone	Consolidated	Standalone	Consolidated
<b>GROSS REVENUE</b>	<b>74.92</b>	<b>74.97</b>	<b>53.73</b>	<b>62.77</b>
<b>Profit/(Loss) before interest, Depreciation and Tax (EBITDA)</b>	<b>25.24</b>	<b>24.84</b>	<b>11.23</b>	<b>19.74</b>
Interest	-	3.88	-	6.88
Depreciation	14.28	14.28	18.14	18.14
<b>Profit/(Loss) before Tax (PBT)</b>	<b>10.96</b>	<b>6.68</b>	<b>(6.91)</b>	<b>(5.28)</b>
Provision for Current tax	5.40	5.40	2.32	2.75
Provision for deferred tax (Net of due to change in Depreciation as per Companies Act, 2013)	(3.63)	(3.63)	(4.61)	(4.61)
Income tax pertaining to earlier years	(0.74)	(0.90)	-	(0.05)
<b>Profit/(Loss) after tax</b>	<b>9.93</b>	<b>5.81</b>	<b>(4.62)</b>	<b>(3.36)</b>
Add: Surplus brought forward from last year	-	-	-	-
<b>Profit available for appropriation</b>	<b>9.93</b>	<b>5.81</b>	<b>(4.62)</b>	<b>(3.36)</b>
<b>Appropriations:</b>				
General Reserve	-	-	-	-
Dividend	-	-	-	-
Dividend Distribution tax	-	-	-	-
<b>Balance Carried Forward</b>	<b>9.93</b>	<b>5.81</b>	<b>(4.62)</b>	<b>(3.36)</b>

**OPERATIONS**

The Company continues to be engaged in the same line of business during the financial year 2021-22 and has earned income mainly from service charges.

**DIVIDEND**

Your Directors do not recommend any payment of dividend for the year under review in order to conserve the resources of the Company.

**TRANSFER TO RESERVE**

Your directors do not propose to transfer any amount to reserves during the year under review.

## **ANNUAL RETURN**

In terms of the provisions of Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the annual return of your Company for the financial year ended 31<sup>st</sup> March, 2022 will be uploaded at the Company's website <https://www.alirox.com>.

## **CHANGE OF PLACE OF KEEPING BOOKS OF ACCOUNTS OF THE COMPANY**

During the year under review, the Company has shifted the place of keeping the Books of Accounts and other relevant books, papers and financial Statements of the Company from registered office situated at 4, Scindia House, New Delhi- 110001 to the Corporate Office situated at 6G (6th Floor) & 7A (7th Floor), Hansalaya Building, 15, Barakhamba Road, New Delhi 110001, with effect from 01<sup>st</sup> October, 2021.

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

During the year under review, Shri Jai Hari Dalmia, Promoter Director of the Company passed away on 8th July, 2021. He has been the guiding light for the Company and played a crucial leadership role for over a period of four decades. The Board places on record its sincere appreciation for the valuable contribution of Late Shri Jai Hari Dalmia.

Dr. C. N. Maheshwari was appointed as an Additional Director of the Company with effect from 13th August, 2021 whose appointment was approved by the shareholders at the last Annual General Meeting held on 30<sup>th</sup> September, 2021.

As on 31<sup>st</sup> March 2022, the Board of Directors of the Company comprises of four Directors namely Dr. C. N. Maheshwari, Shri Mohan Lal Dujari, Shri Laxmi Niwas Goyal and Smt. Leena Rawal.

The independent Directors namely, Shri L. N. Goyal and Shri M.L. Dujari have given their declaration of independence in terms of Section 149(6) of the Companies Act, 2013.

Pursuant to the provisions of Section 152(6)(c) of the Companies Act, 2013 Dr. C. N. Maheshwari, Non-Executive Director is liable to retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. He has given his declaration in Form DIR-8 in terms of Section 164(2) of the Companies Act, 2013 to the effect that he is not disqualified from being appointed as a Director of the Company.

The Key Managerial Personnel, namely, Smt. Leena Rawal, Whole Time Director and Chief Executive Officer and Smt. Shweta Chadha, Chief Financial Officer and Ms. Sonal Popli, Company Secretary continue to hold their respective offices during the year under review.

The Nomination and Remuneration Policy of the Company on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of Directors and other matters provided in section 178(3) of the Companies Act, 2013 as approved by the Board of Directors is available on <https://www.alirox.com>

The Board of Directors has conducted a formal evaluation of its own performance and of its committees and individual directors in accordance with norms laid down in the Nomination and Remuneration Policy.

## **MEETINGS OF THE BOARD & COMMITTEES**

During the year, five Meetings of the Board were convened and held on 16<sup>th</sup> April, 2021, 30<sup>th</sup> June, 2021, 13<sup>th</sup> August, 2021, 01<sup>st</sup> October, 2021, 12<sup>th</sup> November, 2021 and 14<sup>th</sup> February, 2022. The time gap between two consecutive meetings of the Board did not exceed one hundred and twenty days during the financial year 2021-22.

In terms of the provisions of Schedule IV to the Companies Act, 2013 a separate meeting of the Independent Directors was also held during the year without the attendance of non-independent Directors and members of the management.

During the Financial Year 2021-22, the Audit Committee and Nomination and Remuneration Committee were reconstituted by the Board pursuant to change in the composition of the Board of Directors.

The composition of Audit Committee meets the requirement of Section 177 of the Companies Act, 2013. As on 31<sup>st</sup> March, 2022, the Audit Committee comprises of three Non-executive members namely Dr. C. N. Maheshwari, Shri M.L. Dujari and Shri L.N. Goyal, with Independent Directors forming a majority. The Board has accepted all recommendations made by the Audit Committee.

### **VIGIL MECHANISM**

The Company has in place the whistle Blower policy and the Vigil Mechanism with a view to provide for adequate safeguards against victimization of stakeholders who use such mechanism and provide for direct access to the Chairperson of the Audit Committee in appropriate cases.

The policy can be accessed at the website of the Company at <https://www.alirox.com>.

### **DEPOSITS**

During the year under review, the Company has not accepted any deposits from public.

### **CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

The provisions of the Companies Act, 2013, regarding the Corporate Social Responsibility were not applicable to the Company for the financial year 2021-2022.

### **AUDITORS**

#### **Statutory Auditors**

In terms of the provisions of Section 139 of the Companies Act, 2013 M/s Mathur Gupta & Associates, Chartered Accountants, was appointed as Statutory Auditors of the Company to hold office for a period of five years effective from the conclusion of Annual General Meeting of the Company (AGM) held on 29th September, 2017 till the conclusion of 78<sup>th</sup> AGM.

M/s Mathur Gupta & Associates, Chartered Accountants, have consented to the said appointment and confirmed that they are not disqualified from continuing to act as Statutory Auditors of the Company and their appointment, if made would be in conformity with the limits specified under the provisions of section 141 of the companies Act, 2013.

As per the provisions of Section 139 of the Act, the Board has recommended re-appointment for second term of M/s Mathur Gupta & Associates as auditors of the Company from the conclusion of the 78th AGM till the conclusion of 83rd AGM for approval of the members.

#### **Secretarial Auditor**

The Board had appointed, Shri N.C. Khanna, Practicing Company Secretary as Secretarial Auditor of the Company, to conduct the Secretarial Audit for the financial year 2021-22, in terms of Section 204 of the Companies Act, 2013. The Secretarial Audit Report for the financial year ended 31st March, 2022 is annexed as 'Annexure I' of this Report.

## **COMMENTS ON AUDITORS REPORT**

The Reports submitted by the Statutory Auditor and Secretarial Auditor of the Company do not contain any qualification, reservation and adverse remark.

During the year under review, the Auditors have not reported any matter of fraud under Section 143(12) of the Companies Act, 2013.

## **LISTING OF SECURITIES**

The Company's shares continue to remain listed on the Metropolitan Stock Exchange of India (MSEI) and the listing fees for the financial year 2021-22 has been paid to MSEI.

## **CORPORATE GOVERNANCE**

In terms of Regulation 15(2) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 the Corporate Governance provisions are not applicable to the Company.

## **MANAGEMENT DISCUSSION & ANALYSIS**

The Company has only one segment and is engaged in the business of rendering advisory, consultancy and management services. Hence segment/ product wise performance is not provided. During the year under review, the Company has earned income from operations mainly from service Charges. The Company has earned a profit of Rs.9.93 Lakhs (previous year loss of Rs.4.62 Lakhs), the Board of Directors remains optimistic about future performance of the Company. Through its approach it strives to identify opportunities that enhance organizational values while managing or mitigating risks that can adversely impact the Company's future performance.

There has been no material development on the Human Resource / Industrial relations front during the year.

The Company's business, results of operations and financial condition are affected by number of risks such as unfavorable economic development, competitive market conditions, compliance and regulatory pressures including changes to tax laws. The Company has a team of experienced management and employees who possess significant experiences in various fields which will enable to sustain the profits of the Company.

## **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The Company has adequate system of internal control commensurate with size of the Company and nature of its business which are reviewed periodically.

## **PATICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

The Company has not given any loans, directly or indirectly, to any person or to other body corporates or given any guarantee or provided any security in connection with a loan to any other body corporate or person in terms of Section 186 of Companies Act, 2013. During the financial year under review, the details of Investments made by the Company are given in Note 4 of the Standalone Financial Statements.

## **RISK MANAGEMENT**

The Company has in place a risk management framework wherein the management identifies and monitors business risks on a continuous basis, and initiates appropriate risk mitigation steps as and when deemed necessary.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO.**

As the Company has no activities relating to conservation of energy, technology absorption and foreign exchange earnings and outgo, the Directors have nothing to report on information falling under sub-section (m) of Section 134(3) of the Companies Act, 2013.

## **DEMATERIALIZATION**

The equity shares of the Company have been admitted with both the depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) under the **ISIN No.INE143F01019** to facilitate the trading of shares of the Company in dematerialized form.

## **REGISTRAR AND TRANSFER AGENT**

Shareholders seeking information related to their shareholding may contact the Company directly or through the Companies Registrar and transfer agent, details of whom are given below:

M/s. KFin Technologies Limited (Formerly Known as KFin Technologies Pvt. Ltd.),  
Selenium Tower B, Plot 31-32, Gachibowli Financial District,  
Nanakramguda, Hyderabad, Telangana– 500 032  
Tel. No. 040-67162222; Fax: 040-23001153;  
E-mail: einward.ris@kfintech.com;  
Website: www.kfintech.com

## **CONSOLIDATED FINANCIAL STATEMENTS**

In accordance with the provisions of the Companies Act, 2013, and the Securities and Exchange Board of India (“Listing Obligations and Disclosure Requirements”) Regulations, 2015 the consolidated financial statements of the Company and of its subsidiary have been prepared as per applicable Indian Accounting Standards (Ind-AS) issued by Institute of Chartered Accountants of India, and form an integral part of this Annual Report.

## **SUBSIDIARY COMPANY, ASSOCIATE & JOINT VENTURE COMPANIES**

During the year there was no change in the subsidiaries of the Company. As on 31<sup>st</sup> March, 2022, the Company has only one Wholly Owned Subsidiary Company namely, Adhirath Power and Holdings Private Limited. A statement containing the salient features of the Financial Statements of the Company’s subsidiary for the financial year ended on 31<sup>st</sup> March, 2022 is attached in the prescribed Form AOC-1 and forms part of this report as **Annexure -II**.

Any member desirous of obtaining a copy of the detailed Annual Report of the Subsidiary Company may write to the registered office/corporate office of the Company or download the same from the Company’s website [www.alirox.com](http://www.alirox.com).

Apart from above, the Company’s Subsidiary Adhirath Power and Holdings Private Limited has one joint venture Company, Hareon Dalmia Solar Private Limited (“Hareon”).

As on 31<sup>st</sup> March 2022, Adhirath Power and Holdings Private Limited is holding 19.99% of equity share capital of Hareon pursuant to a joint venture agreement. Keshav Power Limited one of the party to the said agreement has given a legal notice for breach of joint venture agreement on 26<sup>th</sup> March, 2018 to Hareon Solar Singapore Private Limited, also party to the agreement, for delay / failure on account of non-



fulfillment of its obligations under the joint venture agreement and claimed damages of various losses incurred under the joint venture.

### **PARTICULARS OF EMPLOYEES**

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the annual report as **Annexure-III**.

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, there are no employees drawing remuneration in excess of the limits set out in the said rules.

A statement showing the names and other particulars of the employee in terms of the provisions of Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are provided in **Annexure-IV**.

### **CONTRACT AND ARRANGEMENT**

The related party transactions have been duly given in Note no. 22 to the attached Financial Statements for the year ended on 31st March, 2022. During the year the Company has not entered into any contract/arrangements with related parties which could be considered material.

### **OTHER DISCLOSURES**

1. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
2. Pursuant to the sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013 No complaints have been reported during the year under review, with the internal complaints committee constituted in terms of the policy on sexual harassment, in line with the policy of its Group.
3. Maintenance of Cost Records and requirement of cost audit as prescribed under Section 148(1) of Companies Act, 2013 are not applicable to the Company.
4. The Company has complied with the applicable Secretarial Standards issued by Institute of Company Secretaries of India during the year.
5. There was no application made or proceeding pending under the Insolvency and Bankruptcy Code, 2016.
6. There was no one time settlement entered into with the Banks or Financial Institutions.

### **DIRECTORS RESPONSIBILITY STATEMENT:**

In terms of the provisions of Section 134(5) of the Companies Act, 2013, your Directors declare that:

- a) In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- b) The Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;

- d) The Directors had prepared the annual accounts on a going concern basis.
- e) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**ACKNOWLEDGEMENT**

The Directors also take this opportunity to place on record their sincere thanks and appreciation to the Bankers and various State and Central Government agencies for their co-operation and continued support to the Company.

**For and on behalf of Board of Directors**

**Place: New Delhi  
Dated: 30.05.2022**

**M. L. DUJARI  
DIRECTOR  
(DIN: 00010043)**

**LEENA RAWAL  
WHOLE TIME DIRECTOR & CEO  
(DIN: 03575675)**

**ANNEXURE-I**  
**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2022

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]*

To

The Members  
ALIROX ABRASIVES LIMITED  
CIN- L74899DL1944PLC000759  
4 SCINDIA HOUSE  
NEW DELHI 110001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ALIROX ABRASIVES LIMITED (hereinafter called the 'Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter,

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on 31<sup>st</sup> March, 2022, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings\*;
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') which includes the following:-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018\*
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014\*;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008\*;

- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client ***Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review;***
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009\*;
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018\*;

*\*[There was no reportable event held during the financial year under review];*

(VI) Other Laws specifically applicable to the Company:-

There are no laws which specifically apply to the type of activities undertaken by the Company.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI).
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR Regulations) and The Listing Agreements entered into by the Company with The Metropolitan Stock Exchange of India Limited (MSEI).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

#### **We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes (if any) in the composition of the Board of Directors that took place during the period under review are carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board and Committee Meetings and the agenda & detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.

All decisions at Board and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Date: 27.05.2022

Place: New Delhi

N. C. Khanna  
Company Secretaries in practice  
CP No. 5143  
UDIN: F004268D000413842

This Report is to be read with our letter of even date which is annexed as Annexure A to this Report and forms an integral part of this Report.

**Annexure A to the Secretarial Audit Report**

To

The Members  
ALIROX ABRASIVES LIMITED  
CIN: L74899DL1944PLC000759  
4 SCINDIA HOUSE  
NEW DELHI 110001

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For N C Khanna Company Secretaries

Place: New Delhi  
Date: 27.05.2022

N C Khanna  
FCS No. 4268  
CP No. 5143

**ANNEXURE-II  
Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures**

**Part "A": Subsidiaries**

(Rs.in lakhs)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	<b>Adhirath Power and Holdings Pvt. Ltd.</b>
2.	The date since when subsidiary was acquired	12.05.2016
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.
5.	Share capital	1.00
6.	Reserves & surplus	(8.54)
7.	Total assets	92.75
8.	Total Liabilities	100.29
9.	Investments	85.50
10.	Turnover	0.00
11.	Profit before taxation	(4.28)
12.	Provision for taxation	(0.16)
13.	Profit after taxation	(4.12)
14.	Proposed Dividend	-
15.	Extent of shareholding (In percentage)	100%

- Names of subsidiaries which are yet to commence operations-NIL
- Names of subsidiaries which have been liquidated or sold during the year-NIL

**Part "B": Associates and Joint Ventures**

**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Joint Ventures**

(Rs.in Lakhs)

Name of Joint Ventures of Subsidiary of the Company	Hareon Dalmia Solar Private Limited
1. Latest audited Balance Sheet Date	31.03.2022
2. Date on which the Associate or Joint Venture was associated or Acquired	16.06.2016
3. Shares of Joint Ventures held by the Subsidiary of the company on the year ended 31 <sup>st</sup> March, 2021	
➤ No.	8,54,988
➤ Amount of Investment in Joint Venture (Rs. in Lakhs)	85.50
➤ Extent of Holding (In percentage)	19.99%
4. Description of how there is significant influence	--
5. Reason why the joint venture is not consolidated	Due to non-availability of financial statements of Hareon Dalmia Solar Private Limited, Adhirath Power & Holdings Private Limited is unable to consolidate the accounts in terms of Ind - AS 31.
6. Net worth attributable to shareholding as per latest audited Balance Sheet	--
7. Profit/Loss for the year:	
Considered in Consolidation	--
Not Considered in Consolidation	--

- Names of associates or joint ventures which are yet to commence operations-NIL
- Names of associates or joint ventures which have been liquidated or sold during the year-NIL

**For and on behalf of Board of Directors**

**SHWETA CHADHA  
CHIEF FINANCIAL OFFICER**

**SONAL POPLI  
COMPANY SECRETARY**

**M. L. DUJARI  
DIRECTOR  
(DIN: 00010043)**

**LEENA RAWAL  
WHOLE TIME DIRECTOR & CEO  
(DIN: 03575675)**

Place: New Delhi  
Dated: 30.05.2022

### ANNEXURE – III

#### DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- (i) Details of ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-22 and percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary during the financial year 2021-22 are as follows:

Sr.No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for Financial year 2021-22 (Rs.in lakhs)	Ratio of remuneration of each Director/to median remuneration of Employees	% increase in Remuneration in the Financial Year 2021-22
1.	Shri Jai Hari Dalmia (Non-Executive Director)	0.01	0.00	^
2.	Shri Laxmi Niwas Goyal (Independent Director)	0.24	0.02	9.09
3	Shri Mohan Lal Dujari (Independent Director)	0.24	0.02	9.09
4.	Dr. C. N. Maheshwari (Non-Executive Director)	0.07	N.A.	#
5.	Smt. Leena Rawal (Whole-time Director and Chief Executive Officer)	19.63	N.A.	14.00
6.	Smt. Shweta Chadha (Chief Financial Officer)	11.60	N.A.	25.00
7.	Ms. Sonal Popli (Company Secretary)	6.16	N.A.	12.00

**Notes:** Other than sitting fees, no other remuneration is being paid to non-executive and independent directors and sitting fees is within the limits prescribed under the provisions of Companies Act, 2013.

^ % increase in remuneration of Late Shri Jai Hari Dalmia is not comparable as he ceased to be Director pursuant to his demise on 08.07.2021.

# % increase in remuneration of Dr. C. N. Maheshwari is not comparable as he was appointed w.e.f. 13.08.2021.

- (ii) The percentage increase in the median remuneration of employees in Financial Year is 25%
- (iii) As on 31<sup>st</sup> March, 2022, there are only three Key Managerial Personnel on the roll of Company. Apart from them there are no other employees.
- (iv) Average percentile increase in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration- During the Financial year 2021-22, the percentage increase in remuneration of Whole Time Director designated as Chief Executive officer was 14% and percentage increase in remuneration of Chief Financial officer and Company Secretary was 25% and 12% respectively. Other than these there are no employees in the Company.
- (v) It is hereby affirmed that the remuneration paid during the financial year ended March 31, 2022 is as per the Nomination & Remuneration Policy of the Company.

**ANNEXURE-IV**

**Statement of particulars of Employees pursuant to Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the Financial Year 2021-22**

S.no	Name	Age (Years)	Designation	Qualifications	Experience (Years)	Date of commencement of Employment	Last Employment held	Remuneration received (in Lakhs)	Whether related to a Director
1	Leena Rawal	41	Whole time director designated as CEO	Company Secretary, LL.B	16	01.07.2014	Keshav Power Limited	20.02	No
2	Shweta Chadha	46	Chief Financial Officer	M.COM, C.S.(Inter)	21	26.08.2014	Ankita Pratisthan Limited	10.98	No
3	Sonal Popli	31	Company Secretary	Company Secretary	6 years	01.11.2019	Shree Nirman Limited	6.04	No

Notes:

- 1 None of the above employees held 2% or above of the equity share capital of the Company as on March 31, 2022 either himself and/or alongwith his spouse and dependent children.
- 2 Remuneration, shown above, inter-alia, includes value of perquisites, all other allowances and all retiral benefits (excluding gratuity).



## INDEPENDENT AUDITORS' REPORT

To The Members of Alirox Abrasives Limited

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the standalone financial statements of **Alirox Abrasives Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profits (loss after including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters	How audit addressed the key audit matter
<b>Fair Valuation of Investments</b>	
The company's investments include the amount invested in mutual fund and various quoted/unquoted shares.	During audit, following procedures was adopted to ensure the fair valuation of investments: <ul style="list-style-type: none"><li>➤ In case of quoted shares, the value was verified from the quotes of stock exchange;</li><li>➤ In case of unquoted shares, the value was verified from their book value.;</li><li>➤ Declared NAV of respective fund was considered to verify the fair value of mutual fund investments.</li></ul>

#### Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our auditors' report thereon. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Management's Responsibility for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs,

profit / loss (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors is also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanation given to us, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act, read with relevant rules made thereunder.
- (e) On the basis of written representations received from the directors as on March 31, 2022, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, from being appointed as a director in terms of section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**" to this report;
- (g) With respect to the other matters to be included in the auditors reports in accordance with Rule 11 of the companies (Audit and Auditor's) Rules 2014 , in our opinion and to the best of our information and according to the explanations given to us :
  - i. The company does not have any pending litigations on its financial position.
  - ii. The company did not have any material foreseeable losses on long term contracts including derivative contract for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection fund by the company.

3. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

For **Mathur Gupta & Associates**  
**Chartered Accountants**  
**FRN: 003962N**

**Place:** New Delhi  
**Date:** 30.05.2022

**(Pradeep Dayal Mathur)**  
**Partner**  
**Membership No. 082990**  
**UDIN: 22082990AKEAYP2652**

**"Annexure A" to the Independent Auditor's Report**

**(Referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date to the members of the Alirox Abrasives Limited on the standalone financial statements for the year ended March 31, 2022) we report that :**

- i. In respect of the Property, Plant & equipment and Intangible Assets of the company:-
  - a.
    - (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
    - (ii) The Company do not have any Intangible Assets and, accordingly, the requirements under paragraph 3(i)(a)(ii) of the Order are not applicable to the Company.
  - (b) During the year the management has physically verified all the Fixed Assets and no material discrepancies have been noticed on such verification.
  - (c) With respect to immovable property disclosed in the Standalone Financial Statements included in property plant & equipment, according to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed | transfer deed | conveyance deed provided to us, we report that, the title deeds of such immovable property is held in the name of the Company as at the Balance Sheet date.
  - (d) The Company has not revalued any of its Property, Plant and Equipment or Intangible Assets or both during the year.
  - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31,2022, for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii)
  - (a) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii)(a) of the Order are not applicable to the Company.
  - (b) The Company has not been sanctioned working capital limits in excess of Rs.5 crore, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- (iii) The Company has made investment in, its Wholly Owned Subsidiary- Adhirath Power & Holdings Private Limited but has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties, during the year, in respect of which:

- (a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3(iii)(a) of the Order is not applicable.
- (b) In our opinion, the investments made, during the year are, prima facie, not prejudicial to the Company's interest.
- (c) Since the Company has not provided any loans and advances, and hence reporting under clause 3(iii)(c), (d), (e) and (f) of the Order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Act in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and guarantees and securities given have been complied with by the Company.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and rules framed there under to the extent notified.
- (vi) The company is not required to maintain any cost records as per section 148(1) of the companies Act, 2013. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- (vii)
  - a. The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, service tax, value added tax, goods and services tax, cess and other statutory dues applicable to it.
  - b. According to the information and explanations given to us, no undisputed amounts payable in respect of such statutory dues were outstanding as at 31<sup>st</sup> March, 2022 for a period of more than six months from the date they become payable.
- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (ix)
  - (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.
  - (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
  - (c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
  - (d) On an overall examination of the financial statements of the Company, there are no funds raised on short-term basis that have been used during the year for long-term purposes by the Company.
  - (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
  - (f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- (x)
  - a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
  - (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

- (xi)
- (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
  - (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
  - (c) There are no whistle-blower complaints received during the year by the Company and hence reporting under clause 3(xi)(c) of the Order is not applicable.
- (xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required under Ind AS-24 Related Party disclosures specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under section 133 of the Act.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013. Therefore provisions of 3(xv) are not applicable.
- (xvi) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (d) In our opinion and according to the information and explanation provided to us, read with Core Investment Companies (Reserve Bank) Directions, 2016 as amended from time to time, the Group has three CICs of which two are unregistered CICs. The third CIC is presently registered as NBFC and approval for its recognition as CIC is awaited from RBI.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) The company does not satisfy any of the criteria provided in Section 135 of the Companies Act, 2013, the Company is not required to spend any amount for CSR activities and hence the requirements of reporting under clause (xx) (a) and (b) of the order is not applicable.

For **Mathur Gupta & Associates**  
**Chartered Accountants**  
**FRN: 003962N**

**Place:** New Delhi  
**Date:** 30.05.2022

**(Pradeep Dayal Mathur)**  
**Partner**  
**Membership No. 082990**  
**UDIN: 22082990AKEAYP2652**

**“ANNEXURE B” TO THE INDEPENDENT AUDITORS’ REPORT ON THE  
STANDALONE FINANCIAL STATEMENTS OF ALIROX ABRASIVES LIMITED**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of Alirox Abrasives Limited (“the Company”) as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The Company’s Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Mathur Gupta & Associates**  
**Chartered Accountants**  
**FRN: 003962N**

**Place:** New Delhi  
**Date:** 30.05.2022

**(Pradeep Dayal Mathur)**  
**Partner**  
**Membership No. 082990**  
**UDIN: 22082990AKEAYP2652**



**ALIROX ABRASIVES LIMITED**  
**Standalone Balance Sheet as at March 31, 2022**

Particulars	Note	(Amount in Lacs.)	
		As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>Non - current assets</b>			
(a) Property, plant and equipment	3	53.47	67.75
(b) Financial Assets			
(i) Investment	4	6,002.70	5,757.92
(c) Other Non Current Asset	5	0.26	0.26
<b>Total non current assets</b>		<b>6,056.43</b>	<b>5,825.93</b>
<b>Current assets</b>			
(a) Financial assets	6		
(i) Investments	6.1	42.14	40.10
(ii) Cash and cash equivalents	6.2	1.62	88.25
(iii) Other Financial Assets	6.3	2.22	-
(b) Current Tax Asset	7	12.83	10.05
(c) Other current assets	8	10.91	12.10
<b>Total current assets</b>		<b>69.72</b>	<b>150.50</b>
<b>Total assets</b>		<b>6,126.15</b>	<b>5,976.43</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	9.1	24.00	24.00
(b) Other equity	9.2	6,078.49	5,923.79
<b>Total equity</b>		<b>6,102.49</b>	<b>5,947.79</b>
<b>LIABILITIES</b>			
<b>Non - current liabilities</b>			
(a) Deferred tax liabilities (net)	10	13.75	17.38
<b>Total non current liabilities</b>		<b>13.75</b>	<b>17.38</b>
<b>Current liabilities</b>			
(a) Other current liabilities	11	2.18	5.49
(b) Current Tax Liability	12	7.72	5.77
<b>Total current liabilities</b>		<b>9.90</b>	<b>11.26</b>
<b>Total Equity &amp; Liabilities</b>		<b>6,126.15</b>	<b>5,976.43</b>
Notes to Accounts	1,2 & 21 to 26		

As per our report of even date  
**For Mathur Gupta & Associates**  
Chartered Accountants  
Firm Regn.No. 003962N

**For and on behalf of the Board of Directors**

**Shweta Chadha**  
**Chief Financial Officer**

**Sonal Popli**  
**Company Secretary**  
**M.No.A44167**

**Pradeep Dayal Mathur**  
**Partner**  
M.No. 082990  
Date:30.05.2022

**M.L.Dujari**  
**Director**  
**DIN: 00010043**

**Leena Rawal**  
**Whole Time Director &**  
**Chief Executive Officer**  
**DIN: 03575675**

**ALIROX ABRASIVES LIMITED**
**Standalone Statement of Profit & Loss for the year ended March 31, 2022**
**(Amount in Lacs.)**

Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
I Revenue from operations	13	45.60	45.60
II Other income	14	29.32	8.13
<b>III Total income (I + II)</b>		<b>74.92</b>	<b>53.73</b>
IV Expenses			
Employee benefits expense	15	37.67	31.03
Depreciation and amortization expense	16	14.28	18.14
Other expenses	17	12.02	11.47
<b>Total expenses</b>		<b>63.96</b>	<b>60.64</b>
V Profit / (loss) for the year before tax (III-IV)		10.96	(6.91)
VI Tax expense	18		
(1) Current tax		5.40	2.32
(2) Deferred tax		(3.63)	(4.61)
(3) Income tax pertaining to earlier years		(0.74)	-
		<b>1.03</b>	<b>(2.29)</b>
VII Net Profit/(Loss) for the year after tax (V - VI)		9.93	(4.62)
VIII Other comprehensive income			
A Items that will not be reclassified to profit or loss	19		
Re-measurement gains/(losses) on Investment		144.78	2,826.00
Income tax relating to items that will not be reclassified to profit or loss		-	-
B Items that will be reclassified to profit or loss			
Re-measurement gains/(losses) on investment		-	-
Income tax relating to items that will be reclassified to profit or loss		-	-
		<b>144.78</b>	<b>2,826.00</b>
IX Total comprehensive income for the period (VI + VIII)		<b>154.71</b>	<b>2,821.38</b>
X Earnings per equity share	20		
Nominal value of equity shares ( Rs 10.00 each)			
(1) Basic		4.14	(1.92)
(2) Diluted		4.14	(1.92)
Notes to Accounts	1,2 & 21 to 26		

As per our report of even date  
**For Mathur Gupta & Associates**  
Chartered Accountants  
Firm Regn.No. 003962N

**For and on behalf of the Board of Directors**

**Shweta Chadha**  
Chief Financial Officer

**Sonal Popli**  
Company Secretary  
M.No.A44167

**Pradeep Dayal Mathur**  
Partner  
M.No. 082990  
Date: 30.05.2022

**M.L.Dujari**  
Director  
DIN: 00010043

**Leena Rawal**  
Whole Time Director &  
Chief Executive Officer  
DIN: 03575675

**ALIROX ABRASIVES LIMITED**
**Standalone Cash Flow Statement for the year ended March 31, 2022**
**(Amount in Lacs.)**

Particulars	2021-22	2020-21
<b>A. Cash Flow from Operating Activities</b>		
Net Profit before tax	10.96	(6.91)
Adjustments		
Depreciation / Amortization	14.28	18.14
Net Gain on Value of Mutual Fund	(2.04)	(3.31)
Amount Written Back	-	-
Amount Written Off	-	-
Dividend Income	(22.65)	(0.06)
Interest Income	(4.62)	(4.76)
(Profit)/Loss on sale of Investments	-	-
(Profit)/Loss on sale of PPE	-	-
<b>Operating Profit before working Capital Changes</b>	<b>(4.09)</b>	<b>3.10</b>
<u>Adjustments for working Capital changes :</u>		
Inventories	-	-
Trade and Other Payables	(3.31)	0.26
Trade and Other Receivables	(1.03)	(14.32)
<b>Cash Generated from Operations</b>	<b>(8.42)</b>	<b>(10.96)</b>
Net Direct Taxes Paid/Refund	(5.49)	(2.00)
<b>Net Cash from Operating activities</b>	<b>(13.91)</b>	<b>(12.96)</b>
<b>B Cash Flow from Investing Activities</b>		
Purchase of Fixed Asset	-	(0.42)
Purchase of Investments	(100.00)	-
Sale of Investments	-	-
Interest Received	4.62	4.76
Dividend Received	22.65	0.06
<b>Net Cash used in Investing Activities</b>	<b>(72.72)</b>	<b>4.40</b>
<b>C Cash Flow from Financing Activities</b>		
Proceeds/(Repayment) of Short term Borrowings	-	-
<b>Net cash from / ( used in) financing activities</b>	<b>-</b>	<b>-</b>
<b>Net increase in cash and cash equivalents ( A+B+C)</b>	<b>(86.63)</b>	<b>(8.55)</b>
<b>Cash and cash equivalents ( Opening Balance)</b>	<b>88.25</b>	<b>96.80</b>
<b>Cash and cash equivalents ( Closing Balance)*</b>	<b>1.62</b>	<b>88.25</b>
<b>Change in Cash &amp; Cash Equivalents</b>	<b>(86.63)</b>	<b>(8.54)</b>

**Components of Cash & Cash Equivalents**
**As at 31 March 2022**
**As at 31 March 2021**
**Balances with banks**

- in Current Accounts	1.49	3.11
- Deposits with original maturity of less than 3 months	-	84.90
Cash on hand	0.13	0.25
Cheques in hand	-	-

**Net Cash & Cash Equivalents**
**1.62**
**88.25**

Note:

Cash &amp; cash equivalents components are as per Note 9.2

Notes to Accounts

1,2 &amp; 21 to 26

As per our report of even date

**For and on behalf of the Board of Directors**
**For Mathur Gupta & Associates**

Chartered Accountants

Firm Regn.No. 003962N

**Shweta Chadha**  
**Chief Financial Officer**
**Sonal Popli**  
**Company Secretary**  
**M.No.A44167**
**Pradeep Dayal Mathur**
**Partner**

M.No. 082990

Date: 30.05.2022

**M.L.Dujari**  
**Director**  
**DIN: 00010043**
**Leena Rawal**  
**Whole Time Director &**  
**Chief Executive Officer**  
**DIN: 03575675**

**A Equity Share Capital**

Balance of Equity Share Capital	As at 31 March 2020	Changes during the year	As at 31 March 2021	Changes during the year	As at 31 Mar 2022
	24.00	-	24.00	-	24.00

**B. Other equity**

Particulars					Items of Other Comprehensive Income		Total
	Capital Reserve	Reserve Fund	General Reserve	Retained Earnings	Equity instruments through other comprehensive income	Revaluation Surplus	
<b>As at 31.03.2020</b>	<b>2.47</b>	<b>0.33</b>	<b>2.00</b>	<b>52.49</b>	<b>2,834.26</b>	<b>210.86</b>	<b>3,102.41</b>
Movement During FY 20-21							
Profit of the year	-	-	-	(4.62)	-	-	(4.62)
Other comprehensive income	-	-	-	-	2,826.00	-	2,826.00
Dividend and CDT Payment	-	-	-	-	-	-	-
Employees Stock Options Expense	-	-	-	-	-	-	-
<b>As at 31.03.2021</b>	<b>2.47</b>	<b>0.33</b>	<b>2.00</b>	<b>47.88</b>	<b>5,660.26</b>	<b>210.86</b>	<b>5,923.79</b>
Movement During FY 21-22							
Profit of the year	-	-	-	9.93	-	-	9.93
Other comprehensive income	-	-	-	-	144.78	-	144.78
Dividend and CDT Payment	-	-	-	-	-	-	-
Employees Stock Options Expense	-	-	-	-	-	-	-
<b>As at 31.03.2022</b>	<b>2.47</b>	<b>0.33</b>	<b>2.00</b>	<b>57.80</b>	<b>5,805.04</b>	<b>210.86</b>	<b>6,078.49</b>

As per our report of even date  
For **Mathur Gupta & Associates**  
Chartered Accountants  
Firm Regn.No. 003962N

For and on behalf of the Board of Directors

**Shweta Chadha**  
Chief Financial Officer

**Sonal Popli**  
Company Secretary  
M.No.A44167

**Pradeep Dayal Mathur**  
Partner  
M.No. 082990  
Date: 30.05.2022

**M.L.Dujari**  
Director  
DIN: 00010043

**Leena Rawal**  
Whole Time Director &  
Chief Executive Officer  
DIN: 03575675

## **Alirox Abrasives Limited**

### **Notes to Standalone Financial Statements for year ended March 31, 2022**

#### **Note 1 Corporate Information**

The Alirox Abrasives Limited is a public Company domiciled in India and incorporated under the provision of the erstwhile Indian Companies Act, 1913.

#### **Note 2 Significant accounting policies and critical accounting estimate and judgments:**

##### **Basis of preparation, measurement and significant accounting policies**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Compliance with Ind AS**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and relevant provisions of the Companies Act, 2013 ("the Act"). The policies set out below have been consistently applied during the years presented.

##### **Historical cost convention**

The financial statements have been prepared under the historical cost convention, except for the assets and liabilities which have been measured at fair value/amortised cost:

##### **Functional and Preparation Currency**

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in 'Indian Rupees', which is the Company's functional and presentation currency.

##### **Current vis-à-vis non-current classification**

"The Company presents assets and liabilities in statement of financial position based on current/non-current classification.

The Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by MCA."

"An asset is classified as current when it is:

- a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
- b) Held primarily for the purpose of trading,
- c) Expected to be realised within twelve months after the reporting period, or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current."

"A liability is classified as current when it is:

- a) Expected to be settled in normal operating cycle,
- b) Held primarily for the purpose of trading,
- c) Due to be settled within twelve months after the reporting period, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current."

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Deferred tax assets and liabilities are classified as non-current assets and liabilities. The Company has identified twelve months as its normal operating cycle.

##### **(b) Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. The Company uses valuation techniques that are appropriate in the circumstances for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

## **Alirox Abrasives Limited**

### **Notes to Standalone Financial Statements for year ended March 31, 2022**

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable."

#### **(c)Critical accounting estimates and Judgments**

The presentation of financial statements under Ind AS requires management to take decisions and make estimates and assumptions that may impact the value of revenues, costs, assets and liabilities and the related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

#### **Significant Accounting policies**

##### **a) Property, plant and equipment**

All items of Property, plant and equipment are stated at historical cost. Historical cost includes expenditure that is directly attributable to the acquisition of the items. On transition to Ind AS, the Company has elected to adopt the fair value of all of its property, plant and equipment as at April 01, 2016 as deemed cost. The useful life and residual value of plant, property equipment and intangible assets are determined based on technical evaluation made by the management of the expected usage of the asset, the physical wear and tear and technical or commercial obsolescence of the asset. Due to the judgments involved in such estimations, the useful life and residual value are sensitive to the actual usage in future period.

##### **Depreciation methods, estimated useful lives and residual value:**

Depreciation on Property, Plant and Equipment (PPE) is provided over the useful life of assets as specified in schedule II to the Companies Act 2013. Property, Plant and Equipment which are added / disposed off during the year, depreciation is provided pro-rata basis with reference to the month of addition / deletion. PPE is depreciated on Written Down Value method. Estimated useful lives, residual values and depreciation methods are reviewed annually, taking into account commercial and technological obsolescence as well as normal wear and tear and adjusted prospectively, if appropriate.

##### **b) Employee Benefit Expenses**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized as an expense during the period when the employees render the services.

##### **c) Fair value measurement of financial instruments**

When the fair value of the financial assets and liabilities recorded in the balance sheet cannot be measured based on the quoted market price in activate markets, their fair value is measures using valuation technique. The input to these models is taken from the observable market where possible, but this is not feasible, a review of judgment is required in establishing fair values. Changes in assumption relating to this assumption could affect the fair value of financial instrument.

##### **d) Impairment of Financial and Non-Financial Asset**

"The impairment provision for financial assets is based on assumptions about risk of default and expected losses. The company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

The Company assesses at each reporting date whether there is an indication that a Non-financial asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount which is higher of an asset's or CGU's fair value less costs of disposal and its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount."

**e) Revenue recognition and other income:**

Service Charges

Revenue from management services are recognized as and when services are rendered.

Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend Income:

Dividend Income is recognised when the right to receive the payment is established.

**f) Taxes**

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-Tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

**Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current income tax relating to items recognized directly in equity is recognised in equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**Minimum alternate tax**

Minimum Alternative Tax (MAT) is applicable to the Company. Credit of MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

**Deferred tax**

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at reporting date. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

The carrying amount of deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. Unrecognized deferred tax assets are reassessed at each reporting

date and are recognized to the extent that it has become probable that future taxable profits will allow deferred tax assets to be recovered.

The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

**g) Provisions, contingent liabilities and contingent assets**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that the outflow of resources embodying economic benefits will be required to settle the obligation in respect of which reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the expense relating to provision presented in the statement of profit & loss is net of any reimbursement.

If the effect of the time value of money is material, provisions are disclosed using a current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as finance cost.

Contingent liability is disclosed in the notes in case of:

- There is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.
  - A present obligation arising from past event, when it is not probable that an outflow of resources will be required to settle the obligation.
  - A present obligation arises from the past event, when no reliable estimate is possible.
  - A present obligation arises from the past event, unless the probability of outflow is remote.
- Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

**Contingent assets**

A contingent asset is disclosed, where an inflow of economic benefits is probable.

**h) Cash & Cash Equivalents**

Cash and cash equivalents include cash in hand and balance at bank, deposits held with banks. For the purpose of the Statement of Cash Flows, cash and cash equivalents consists of cash and short term deposits, as defined above, net of outstanding bank overdraft as they being considered as integral part of the Company's cash management.

**Cash flow statement**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**i) Segment Reporting**

The Company has no segment reporting during the year.



**Alirox Abrasives Limited**  
**Notes to Standalone financial statements as on March 31, 2022**

**Non-Current Assets:**

**3. Property, Plant and Equipment**

(Amount in Lacs.)

<b>Particulars</b>	<b>Buildings</b>	<b>Computers</b>	<b>Total Assets</b>
Gross block			
Balance as at 31 March 2020	214.90	1.43	216.33
Additions	-	0.42	0.42
Disposals/Adjustment	-	-	-
Balance as at 31 March 2021	214.90	1.85	216.75
Additions	-	-	-
Disposals/Adjustment	-	-	-
<b>Balance as at 31 March 2022</b>	<b>214.90</b>	<b>1.85</b>	<b>216.75</b>
Accumulated Depreciation			
Balance as at 31 March 2020	130.10	0.77	130.86
Depreciation for the year	17.60	0.54	18.14
Accumulated depreciation on disposals	-	-	-
Balance as at 31 March 2021	147.69	1.30	149.00
Depreciation for the year	13.95	0.33	14.28
Accumulated depreciation on disposals	-	-	-
<b>Balance as at 31 March 2022</b>	<b>161.64</b>	<b>1.64</b>	<b>163.27</b>
<b>Net block</b>			
<b>As at 31 March 2021</b>	<b>67.21</b>	<b>0.54</b>	<b>67.75</b>
<b>As at 31 March 2022</b>	<b>53.26</b>	<b>0.21</b>	<b>53.47</b>

Note:- No acquisition under business combination and revaluation was made during the financial year.

**ALIROX ABRASIVES LIMITED**

Notes to Standalone financial statements as on March 31, 2022

**Non- Current Assets: Financial Assets**
**(Amount in Lacs.)**

4 Investments	No. of Shares	As at 31st March, 2022	No. of Shares	As at 31st March, 2021
<b>Non Current Investments:</b>				
<b>a) Investments in Equity Instruments (fully paid up) - Quoted:(At FVTOCI)</b>				
Carborundum Universal Limited	5,340	42.60	5,340	27.21
Dalmia Bharat Limited	2,40,720	3,600.21	2,40,720	3,825.04
Dalmia Bharat Sugar & Industries Limited	1,20,360	578.93	1,20,360	224.71
Dalmia Refractories Limited*	2,47,187	1,679.86	2,47,187	1,679.86
<b>Investments in Equity Instruments (fully paid up) - Unquoted:</b>		-		-
Eduwizards Infosolution Pvt. Ltd.	10,000	0.10	10,000	0.10
Adhirath Power & Holdings Pvt. Ltd.	10,000	1.00	10,000	1.00
<b>Investments in Optionally Convertible Debentures - Unquoted:</b>		-		-
Adhirath Power & Holdings Pvt. Ltd.		100.00	-	-
<b>Total</b>		<b>6,002.70</b>		<b>5,757.92</b>
<b>Aggregate amount of Non-Current Investments</b>				
<b>Particulars</b>				
Aggregate amount of quoted investments		5,901.60		5,756.82
Market value of quoted investments		5,901.60		5,756.82
Aggregate amount of unquoted investments		101.10		1.10
*Pursuant to the Scheme of Amalgamation of Dalmia Refractories Limited (DRL) with Dalmia Bharat Refractories Limited (DBRL) as approved by the NCLT Chennai vide its Order dated 3rd February 2022, made effective from 1st March 2022, 18,98,397 number of equity shares have been credited to the Company post closure of financial year in the ratio of 768 equity shares of Rs. 10/- each of DBRL for every 100 equity shares of Rs. 10/- each held in DRL				
<b>5 Other Non Current Asset</b>				
Security Deposit		0.26		0.26
		<u>0.26</u>		<u>0.26</u>
<b>6 Current financial assets</b>				
<b>6.1 Current Investments</b>				
<b>Mutual Funds (At FVTPL)</b>				
HDFC Short Term Debt Fund		42.14		40.10
		<u>42.14</u>		<u>40.10</u>
Aggregate amount of quoted investments		42.14		40.10
Fair value of quoted investments		42.14		40.10
<b>6.2 Cash &amp; Cash Equivalent</b>				
Balances with banks				
- in Current Accounts		1.49		3.11
Cash on hand		0.13		0.25
Cheques in hand		-		-
Fixed deposits		-		84.90
		<u>1.62</u>		<u>88.25</u>
<b>6.3 Other Financial Assets</b>				
Notional Interest Accrued on OCDs		2.22		-
		<u>2.22</u>		<u>-</u>
		<u>As at 31st March, 2022</u>		<u>As at 31st March, 2021</u>
<b>7 Current Tax Asset</b>				
- TDS Receivable/Advance Tax		12.83		10.05
		<u>12.83</u>		<u>10.05</u>
<b>8 Other Current Assets:</b>				
Balance with statutory authorities		0.11		0.27
Prepaid Expenses		-		0.11
Other Receivable		10.80		11.71
		<u>10.91</u>		<u>12.10</u>

## 9 Equity

### 9.1 Share Capital

#### Authorised

1,000,000' Equity Shares of Rs 10 each	100.00	100.00
<b>Total</b>	<b>100.00</b>	<b>100.00</b>

#### Issued, Subscribed & fully paid up

240000 Equity shares of Rs 10 each	24.00	24.00
<b>Total</b>	<b>24.00</b>	<b>24.00</b>

#### (i) Reconciliation of number and amount of equity shares outstanding:

	As at March 31,2022		As at March 31,2021	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the year	2.40	24.00	2.40	24.00
Movement for the year	-	-	-	-
Outstanding at the end of year	<b>2.40</b>	<b>24.00</b>	<b>2.40</b>	<b>24.00</b>

#### Rights, restrictions and preferences attached to each class of shares

The Company has only one class of equity shares having par value of Rs 10/- per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the company, the holder of equity shares will be entitled to receive the assets of the company. The distribution will be in proportion to the number of equity shares held by the shareholders.

#### (ii) Details of shareholders holding more than 5% shares in the company

	As at March 31, 2022		As at March 31, 2021	
	Number	% Holding	Number	% Holding
<b>Equity shares of ₹ 10 each fully paid</b>				
J.H.Dalmia Trust (Through its Trustees)	21,925	9.12	-	-
Kavita Dalmia Parivar Trust (through its Trustee)	16,175	6.74	-	-
Rama Investment Co. Private Limited*	82,270	34.28	82,270	34.28
Sita Investment Co. Ltd.	22,800	9.50	22,800	9.50

Note: Pursuant to the order dated April 12, 2018, the National Company Law Tribunal approved a scheme of amalgamation and arrangement which provided for (a) merger of Ankita Pratishthan Limited, Mayuka Investment Limited, Puneet Trading and Investment Company Private Limited, Zipahead.Com Private Limited, Mahanadi Trading Private Limited and Shreevallabh Textile Private Limited with Rama Investment Company Private Limited; and (b) demerger of cement business of Keshav Power Limited and Shree Nirman Limited into Rama Investment Company Private Limited ("Scheme"). However, the aforesaid Scheme was set aside by the National Company Law Appellate Tribunal ("NCLAT") by its order dated November 29, 2019 ("NCLAT Order") and the miscellaneous application for modification of the said order has also been rejected vide order dated September 17, 2021. Further, an appeal has been filed with the Supreme Court on 23rd December 2021 against the NCLAT Orders. Hence, the above shareholding details of Rama has been provided basis the aforesaid scheme.

#### (iii) Shares held by promoters/promoter group at the end of the year

S.No.	Promoter Name	No of Shares	% of total Shares	% Change during the year
1	Shri Gautam Dalmia	325	0.14%	(2.86)
2	Shri Yadu Hari Dalmia	325	0.14%	(0.09)
3	Smt. Bela Dalmia	325	0.14%	(0.24)
4	Smt. Anupama Dalmia	325	0.14%	(1.78)
5	Rama Investment Co Pvt Ltd	82,270	34.28%	-
6	Sita Investment Co Ltd	22,800	9.50%	-
7	Shree Nirman Limited	11,950	4.98%	-
8	Kavita Dalmia Parivar Trust through its trustee	16,175	6.74%	1.78
9	Shri Brahma Creation Trust through its trustees	800	0.33%	0.33
10	J.H. Dalmia Trust through its trustees	21,925	9.12%	4.16

As per records of the company, including register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

### 9.2 Other Equity

	As at 31st March, 2022	As at 31st March, 2021
<b>a. Capital Reserves</b>		
Opening Balance	2.47	2.47
Transferred to Retained earnings	-	-
Closing Balance	<b>2.47</b>	<b>2.47</b>
<b>b. Reserve Fund</b>		
Opening Balance	0.33	0.33
Closing Balance	<b>0.33</b>	<b>0.33</b>
<b>c. General Reserve</b>		
Opening Balance	2.00	2.00
(+) Transfer from Debenture Redemption Reserve		
Closing Balance	<b>2.00</b>	<b>2.00</b>

	As at 31st March, 2022	As at 31st March, 2021
<b>d. Surplus/Retained Earnings</b>		
Opening balance	47.88	52.49
Add : Transfer From Capital Reserve		
(+) Net Profit/(Net Loss) For the current year	9.93	(4.62)
Remeasurement effect	-	-
Closing Balance	<u>57.80</u>	47.88
<b>e. Comprehensive Income</b>		
Income recognised on Equity instruments	5,871.12	3,045.12
Addition During The year	144.78	2,826.00
Total Income recognised on Equity instruments	<u>6,015.90</u>	5,871.12
Actuarial Gain & Losses on DBO	-	-
Closing Balance	<u>6,015.90</u>	<u>5,871.12</u>
<b>Grand Total</b>	<u>6,078.49</u>	<u>5,923.79</u>

#### Nature and Purpose Of Reserves

- Capital reserve represents funds to be utilised for specific purposes
- General Reserve is free reserve created by the Company by transfer from retained earnings.
- Reserve Fund is free reserve created by the Company
- Equity instruments through other comprehensive income - The Company has elected to recognise changes in the fair value of investment in equity instruments in other comprehensive income. The changes are accumulated with in Fair Value through Other Comprehensive Income equity instruments reserve with in equity. The Company will transfer the amount from this reserve to retained earnings when the relevant equity securities are derecognised.

#### Non - current liabilities

	As at 31st March, 2022	As at 31st March, 2021
<b>10 Deferred Tax Liability</b>		
On account of Property, Plant & Equipment	13.75	17.38
	<u>13.75</u>	<u>17.38</u>
Movement in deferred tax items	<b>Opening Balance</b>	<b>Closing Balance</b>
	<b>Recognised in Profit &amp; Loss Account</b>	
<b>FY 21-22</b>		
Deferred tax liability / (asset) on account of		
Difference in Book value of Tangible and Intangible assets	17.38	(3.63)
	<u>17.38</u>	<u>13.75</u>
	<u>17.38</u>	<u>13.75</u>
<b>FY 20-21</b>		
Deferred tax liability / (asset) on account of		
Difference in Book value of Tangible and Intangible assets	21.99	(4.61)
Net Deferred tax liability / (asset)	<u>21.99</u>	<u>17.38</u>
	<u>21.99</u>	<u>17.38</u>
<b>Current liabilities</b>		
<b>11 Other current liabilities</b>		
Statutory Liabilities	0.86	2.75
Other Payables	1.32	2.74
	<u>2.18</u>	<u>5.49</u>
<b>12 Current Tax Liability</b>		
Provision for Income Tax	2.32	5.77
	<u>2.32</u>	<u>5.77</u>

**ALIROX ABRASIVES LIMITED**
**Notes to Standalone financial statements as on March 31, 2022**

		(Amount in Lacs.)	
Note No	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>13</b>	<b>Revenue from operations</b>		
	Service Charges Received	45.60	45.60
		<u>45.60</u>	<u>45.60</u>
<b>14</b>	<b>Other income</b>		
	Interest income from bank/others	4.62	4.76
	Dividend income	22.65	0.06
	Net gain/loss on value of Mutual Funds	2.04	3.31
	Other non operating income	-	-
		<u>29.32</u>	<u>8.13</u>
<b>15</b>	<b>Employee benefits expense</b>		
	Salaries, wages, Allowances & Commission	36.71	30.53
	Staff welfare expenses	0.95	0.51
		<u>37.67</u>	<u>31.03</u>
<b>16</b>	<b>Depreciation and amortization expense</b>		
	Depreciation of tangible assets	14.28	18.14
		<u>14.28</u>	<u>18.14</u>
<b>17</b>	<b>Other expenses</b>		
i)	Printing & Stationery	0.14	0.14
ii)	Electricity and Water Charges	2.34	2.50
iii)	Advertisement & Publicity	0.47	0.53
iv)	Insurance	0.11	0.12
v)	Rates and taxes	0.76	0.76
vi)	Payment to the auditors	-	-
	- as auditor	1.45	1.45
	- for other services	-	-
vii)	Professional Charges	0.74	1.26
viii)	Listing & Processing Fees	0.55	0.55
ix)	Directors sitting fees	0.57	0.60
x)	General Maintenance	3.99	1.66
xi)	Service Charges	0.30	-
xii)	Depository Charges	0.18	0.20
xiii)	Filing Fees	0.11	0.07
xiv)	Miscellaneous expenses	0.28	0.78
xv)	Prior Period Expenses	0.01	0.85
xvi)	Amount Written Off	0.02	-
		<u>12.02</u>	<u>11.47</u>
<b>18</b>	<b>Tax expense</b>		
	Current tax	5.40	2.32
	<u>Deferred tax</u>		
	- Deferred tax (Asset)/Liability	(3.63)	(4.61)
	Income Tax pertaining to earlier years	-	-
		<u>1.77</u>	<u>(2.29)</u>
<b>19</b>	<b>Other Comprehensive Income</b>		
	<b>Item that will not be reclassified to profit or loss</b>		
	Re-measurement gains/(losses) on Investment	144.78	2,826.00
	<b>Items that will be reclassified to profit or loss</b>		
	- Fair valuation of equity instruments at FVTOCI	-	-
	<b>Total Other Comprehensive Income</b>	<u>144.78</u>	<u>2,826.00</u>
<b>20</b>	<b>Earning per Share</b>		
	Profit after tax	9.93	(4.62)
	Number of equity shares outstanding during the period (weighted average)	2.40	2.40
	Nominal value of equity shares ( Rs 10.00 each)	10.00	10.00
	Earning per share ( Rs.) Basic	4.14	(1.92)
	Earning per share ( Rs. Diluted)	4.14	(1.92)

**Note 21 Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instruments of another entity.

(a) Investment and other Financial Assets

Classification

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through Other Comprehensive Income or through profit or loss) and
- Those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the statement of profit and loss or Other Comprehensive Income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments in subsidiaries, the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at cost.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

**Measurement**

At initial recognition, the Company measures financial assets at its fair value plus, in the case of financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of profit and loss.

**Equity investments**

The Company subsequently measures all equity investments at fair value. The Company's management has elected to present fair value gains and losses on equity investments in OCI, and there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in the Statement of profit and loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

**Impairment of financial assets:**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109, 'Financial Instruments', which requires expected lifetime losses to be recognised from initial recognition of the receivables.

**Derecognition of financial assets**

A financial asset is derecognised only when:

- The Company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the entity has neither transferred a financial asset nor

retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

**Contributed equity:**

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax from the proceeds.

**(b) Financial Liabilities & Equity**

**Classification as debt or equity**

Equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

**Initial recognition and measurement:**

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

**Subsequent measurement:**

The measurement of financial liabilities depends on their classification, as described below:

**Trade and other payables:**

These amounts represent obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Those payable are classified as current liabilities if payment is due within one year or less otherwise they are presented as non-current liabilities. Trade and other payables are subsequently measured at amortised cost using the effective interest rate method.

**Offsetting of financial instrument**

Financial Assets and Financial Liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

**Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all potential dilutive equity shares.

**Note-22 Related Party Disclosures**

A) Relationships

(i) Subsidiary Company: - Adhirath Power and Holdings Pvt. Ltd.

(ii) Key Managerial Personnel

Smt. Leena Rawal

Whole Time Director/ Chief Executive Officer

Smt. Shweta Chadha

Chief Financial Officer

Ms. Sonal Popli

Company Secretary

(iii) Promoters of the Company:

Shri Jai Hari Dalmia (Since deceased on 08.07.2021) and Shri Yadu Hari Dalmia

## Alirox Abrasives Limited

### Notes to Standalone Financial Statements for year ended March 31, 2022

(iv) Enterprises having Promoters in common with the Company (including its subsidiaries) with which transaction has taken place during the year:

Adhirath Power and Holdings Private Limited, Dalmia Bharat Limited, Dalmia Refractories Limited, Dalmia Bharat Sugar and Industries Limited, Shri Chamundeswari Minerals Limited

**(B) The following transactions were carried out with the related parties in the ordinary course of business:**

Nature of Transaction	Key Management Personnel/Promoters		Enterprises having Common Promoters		Total	
	For the year ended 31st March, 2022	For the year ended 31st March, 2021	For the year ended 31st March, 2022	For the year ended 31st March, 2021	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>Management &amp; Administrative Services (Including GST)</b> Dalmia Bharat Ltd.	-	-	-	0.48	-	0.48
<b>Investment in Optionally Convertible Debentures:-</b> Adhirath Power & Holdings Private Limited	-	-	100	-	100	-
<b>Service Charges Paid:- (Including GST)</b> Shri Chamundeswari Minerals Ltd.	-	-	0.30	-	0.30	-
<b>Service Charges Received:- (Including GST)</b> Dalmia Refractories Ltd.	-	-	47.20	47.20	47.20	47.20
Shri Chamundeswari Minerals Ltd.	-	-	0.71	0.71	0.71	0.71
<b>Salary and Perquisites:</b> Smt. Leena Rawal	17.97	16.58	-	-	17.97	16.58
Smt. Shweta Chadha	10.78	8.87	-	-	10.78	8.87
Ms.SonalPopli	6.89	5.86	-	-	6.89	5.86
<b>Dividend Received</b> Dalmia Refractories Ltd.	-	-	2.47	-	2.47	-
Dalmia Bharat Ltd.	-	-	12.83	-	12.83	-
Dalmia Bharat Sugar and Industries Ltd.	-	-	7.22	-	7.22	-
<b>Reimbursement of Expenses</b> Shri Chamundeswari Minerals Ltd.	-	-	0.37	3.32	0.37	3.32
<b>Directors Sitting Fees</b> Shri J.H. Dalmia	0.02	0.16	-	-	0.02	0.16
Shri L.N. Goyal	0.24	0.22	-	-	0.24	0.22
Shri M.L. Dujari	0.24	0.22	-	-	0.24	0.22
Shri C N Maheshwari	0.07	-	-	-	0.07	-



**Alirox Abrasives Limited****Notes to Standalone Financial Statements for year ended March 31, 2022****(C). Balance Outstanding at year end:**

Nature of Transaction	Key Management Personnel/Promoters		Enterprises having Common Promoters		Total	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Amount Receivable/ Payable						
Payable-Leena Rawal	-	0.07	-	-	-	0.07
Payable-Shweta Chadha	0.01	0.08	-	-	0.01	0.08
Payable-Sonal Popli	-	0.59	-	-	-	0.59

**Note -23Events Occurring After the Balance Sheet Date**

No adjusting or significant non adjusting events have occurred between the reporting date and date of authorization of financial statements.

**Note -24Financial Risk Management Objectives and Policies****Financial Risk Factors**

The Company's operational activities expose to financial risks of liquidity. The Company realizes that risks are inherent and integral aspect of any business. The primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's senior management oversees the management of these risks and devise appropriate risk management framework for the Company. The senior management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

**A. Liquidity Risk**

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of cash credit facilities, short term loans and buyers credit. The table below summarizes the maturity profile of the Company's financial liabilities based on contracted undiscounted payments (excluding transaction cost on borrowings).

Table hereunder provides the current ratio of the Company as at the yearend:

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Total current Assets	69.72	150.50
Total Current Liabilities	9.90	11.26
Current Ratio	7.04	13.37

**Financial Instrument – Disclosure**

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are recognized and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

**Alirox Abrasives Limited**

**Notes to Standalone Financial Statements for year ended March 31, 2022**

S.No.	Particulars	Note	Fair Value Hierarchy	As at 31 <sup>st</sup> March,2022		As at 31 <sup>st</sup> March,2021	
				Carrying Value	Fair Value	Carrying Value	Fair Value
1	<b>Financial Assets designated at fair value through Profit &amp; Loss</b> <u>Current</u> -Investment	A	Level-1	42.14	42.14	40.10	40.10
2	<b>Financial Assets designated at fair value through other comprehensive income</b> <u>Non –Current</u> -Investment in Equity Shares	B	Level-1	5901.60	5901.60	5756.82	5756.82
3	<b>Financial Assets designated at amortised cost</b> <u>Current</u> -Cash & Cash Equivalents* -Loan* -Other Financial Assets*	C		1.62 - -	1.62 - -	88.25 - -	88.25 - -
4	<b>Investment in Subsidiary</b>			101.00	101.00	1.00	1.00

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

- A. Company has opted to fair value its mutual fund investment through profit & loss
- B. Company has opted to fair value its quoted investments in equity share through OCI
- C. As per Para D-15 of Appendix D of Ind AS 101, the first time adopter may choose to measure its investment in subsidiaries, JVs and Associates at cost or at fair value. Company has opted to value its investments in subsidiaries at cost.

\* The carrying amounts are considered to be the same as their fair values due to short term nature.

**Fair value hierarchy**

**Level 1** - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2** - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level 3** - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

**Alirox Abrasives Limited**

**Notes to Standalone Financial Statements for year ended March 31, 2022**

**Note -25 Disclosure of Ratios**

Ratio	Basis	Numerator	Denominator	FY 2021-22	FY 2020-21	% Variance	Reason for Variance
Current ratio	Times	Current Assets	Current Liabilities	7.04	13.37	-47.33%	Due to Funds invested in Non-Current Investment
Debt-equity ratio	Times	Total Debt	Shareholder's Equity	-	-	-	
Debt service coverage ratio	Times	Net Profit before taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.	Interest & Lease Payments + Principal Repayments	-	-	-	
Return on equity ratio	%	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	0.0016	(0.0010)	-261.92%	Due to increase in Other Income
Inventory turnover ratio	Times	Revenue from operations	Average Inventory	-	-	-	
Trade receivables turnover ratio	Times	Net Credit Sales	Average Accounts Receivable	-	-	-	
Trade payables turnover ratio	Times	Net Credit Purchases	Average Trade Payables	-	-	-	
Net capital turnover ratio	Times	Revenue from operations	Average Working Capital	0.46	0.34	35.64%	
Net profit ratio	%	Profit for the year	Revenue from operations	0.22	(0.10)	-315.03%	Due to increase in other income during the year
Return on capital employed	%	Earnings before interest and taxes	Capital Employed	0.0018	(0.0012)	-254.67%	Due to increase in profits during the year
Return on investment	%	Income generated from invested funds	Average invested funds in investments	0.0045	0.0008	4.91	Due to increase in investment income

## **Alirox Abrasives Limited**

### **Notes to Standalone Financial Statements for year ended March 31, 2022**

#### **Note 26 Additional Disclosure**

- a) The Company do not have any immovable properties where title deeds are not in the name of the company.
- b) Since, the Company has not revalued its Property, Plant and Equipment, the valuation by a registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017, is not required.
- c) The company has not made any Advances during the year under review in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person.
- d) The company has no Capital-Work-in Progress (CWIP) for disclosing its ageing.
- e) The company has no Intangible assets under development for disclosing its ageing.
- f) No proceeding has been initiated or pending against the company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder as at the end of the financial year.
- g) The Company has not made any borrowings from banks or financial institutions on the basis of security of current assets.
- h) The company was not declared as a wilful defaulter by any bank or financial Institution or other lender during the financial year.
- i) During the financial year ended 31 Mar 2022 and 31 Mar 2021 the Company does not have any relationship with Struck off Companies and the corresponding balances are Nil as at 31 Mar 2022 and 31 Mar 2021.
- j) No charges or satisfaction exists for Company which are required to be registered with Registrar within statutory period during the financial year.
- k) The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 during the financial year.
- l) The company has not applied for any Scheme of Arrangements to the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the year under review.
- m) The company has not received/advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) through Intermediaries during the financial year.
- n) The Company does not have any transaction that was not recorded in the books of accounts and has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- o) The provisions of Section 135 of the Companies Act, 2013, regarding the Corporate Social Responsibility are not applicable to the Company for the financial year 2021-22.
- p) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- q) The company has not taken any borrowings from banks and financial institutions for the specific purpose at the balance sheet date.

Previous year's figures have been regrouped and rearranged wherever necessary.

As per our report of even date  
**For Mathur Gupta & Associates**

Chartered Accountants  
Firm Regn.No. 003962N

**Pradeep Dayal Mathur**  
**Partner**  
M.No. 082990  
Date: 30.05.2022

**Shweta Chadha**  
**Chief Financial Officer**

**M.L.Dujari**  
**Director**  
**DIN: 00010043**

**For and on behalf of the Board of Directors**

**Sonal Popli**  
**Company Secretary**  
**M.No.A44167**

**Leena Rawal**  
**Whole Time Director &**  
**Chief Executive Officer**  
**DIN: 03575675**

## INDEPENDENT AUDITORS' REPORT

To The Members of Alirox Abrasives Limited

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of **Alirox Abrasives Limited** (hereinafter referred to as "the Holding Company") and its subsidiary "Adhirath Power & Holdings Private Limited"(Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated balance sheet as at March 31, 2022, and the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (here in after referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, of its consolidated profit (loss after including consolidated other comprehensive income), consolidated changes in equity and consolidated cash flows for the year then ended.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI'), and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of Matter

As explained in note 2, the Company's Subsidiary Adhirath Power & Holdings Private Limited had invested in Joint Venture Hareon Dalmia Solar Private Limited through associate Keshav Power Limited ("associate"). Dispute has arisen with JV partner and the company has lodged claim through the associate.

No provision for diminution in the value of investment in Hareon Dalmia Solar Private Limited has been made by the company, since in the opinion of the management, the realisable amount of investment is more than the carrying amount of investment.

Our opinion is not qualified in respect of this matter.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters	How audit addressed the key audit matter
<b>Fair Valuation of Investments</b>	
The Group's investments include the amount invested in mutual fund and various quoted/unquoted shares.	During audit, following procedures was adopted to ensure the fair valuation of investments: <ul style="list-style-type: none"><li>➤ In case of quoted shares, the value was verified from the quotes of stock exchange;</li><li>➤ In case of unquoted shares, the value was verified from their book value.;</li><li>➤ Declared NAV of respective fund was considered to verify the fair value of mutual fund investments.</li></ul>

**Other Information**

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's Annual Report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Other Matter**

We did not audit the Financial statements of a wholly owned subsidiary named Adhirath Power & Holdings Private Limited, whose financial statements reflect total assets of INR 92.75 lacs as at 31st March, 2022, total revenue of INR 0.05 lacs and net cash inflows amounting to INR (12.53) lacs. Moreover, the jointly controlled entity named Hareon Dalmia Solar Private Limited for the year ended on that date is not considered in the consolidated financials of Adhirath Power & Holdings Private Limited because of dispute. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of wholly owned subsidiary is based solely on the audited financial statements. Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of the above matters with respect to our reliance on audited financial statements made available to us by the management.

**Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Board of Directors of the entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each entity and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the entities included in the Group are responsible for assessing the ability of each entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the entities included in the Group is responsible for overseeing the financial reporting process of each entity.

**Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group (Holding company and subsidiary) to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on Other Legal and Regulatory Requirements

1. As required by section 143 (3) of the Act, based on our audit, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
  - (c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act, read with relevant rules made thereunder.
  - (e) On the basis of the written representations received from the directors of the Holding Company and its subsidiary which are incorporated in India, as on 31 March 2022 and taken on record by the Board of Directors of respective companies, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate report in **Annexure A**.
  - (g) With respect to the other matters to be included in the auditors reports in accordance with Rule 11 of the companies (Audit and Auditor's) Rules 2014 , in our opinion and to the best of our information and according to the explanations given to us :
    - i. The Group does not have any pending litigations on its financial position.
    - ii. The Group did not have any material foreseeable losses on long term contracts including derivative contract for which there were any material foreseeable losses.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection fund by the company.
3. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

For **Mathur Gupta & Associates**  
**Chartered Accountants**  
**FRN: 003962N**

**(Pradeep Dayal Mathur)**  
**Partner**

**Membership No. 082990**  
**UDIN: 22082990AKEBKG5717**

**Place:** New Delhi  
**Date:** 30.05.2022



**“ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT ON THE  
CONSOLIDATED FINANCIAL STATEMENTS OF ALIROX ABRASIVES LIMITED**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

In conjunction with our audit of the consolidated financial statements of Alirox Abrasives Limited (“the Holding Company”) as of March 31, 2022, we have audited the internal financial controls with reference to the financial statements of the Holding Company and its subsidiary, which are incorporated in India as of that date.

**Management’s Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding company and its subsidiary which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Holding company and its subsidiary, which are incorporated in India, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (“the Guidance Note”) issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective entity’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiaries which are incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial control system with reference to financial statements of the Holding Company and its subsidiaries which are incorporated in India.

**Meaning of Internal Financial Controls Over Financial Reporting**

A company’s internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; Consolidated Financial Statements and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Holding Company and its subsidiary which are incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control with reference to financial statements criteria established by the Holding Company and its subsidiaries which are incorporated in India, considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Mathur Gupta & Associates**  
**Chartered Accountants**  
**FRN: 003962N**

**Place:** New Delhi  
**Date:** 30.05.2022

**(Pradeep Dayal Mathur)**  
**Partner**  
**Membership No. 082990**  
**UDIN: 22082990AKEBKG5717**

**ALIROX ABRASIVES LIMITED**  
**Consolidated Balance Sheet as at March 31, 2022**

(Amount in Lacs.)

Particulars	Note	As at	As at
		March 31, 2022	March 31, 2021
<b>ASSETS</b>			
<b>Non - current assets</b>			
(a) Property, plant and equipment	3	53.47	67.75
(b) Financial Assets			
(i) Investment	4	5,987.20	5,842.42
(c) Other Non Current Asset	5	0.26	0.26
<b>Total non current assets</b>		<b>6,040.93</b>	<b>5,910.43</b>
<b>Current assets</b>			
(a) Financial assets	6		
(i) Investments	6.1	42.14	40.10
(ii) Cash and cash equivalents	6.2	8.62	93.78
(iii) Other Financial Assets		2.22	-
(b) Current Tax Asset	7	13.08	10.80
(c) Other current assets	8	10.91	16.26
<b>Total current assets</b>		<b>76.97</b>	<b>160.94</b>
<b>Total assets</b>		<b>6,117.90</b>	<b>6,071.37</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	9.1	24.00	24.00
(b) Other equity	9.2	6,069.95	5,919.36
<b>Total equity</b>		<b>6,093.95</b>	<b>5,943.36</b>
<b>LIABILITIES</b>			
<b>Non - current liabilities</b>			
(a) Deferred tax liabilities (net)	10	13.75	17.38
<b>Total non current liabilities</b>		<b>13.75</b>	<b>17.38</b>
<b>Current liabilities</b>			
(a) Financial Liabilities	11		
i Short Term Borrowings		-	86.00
ii Trade Payable			
(A) Total Outstanding dues to micro enterprises and small enterprises		-	-
(B) Total Outstanding dues to creditors other than micro enterprises and small enterprises		0.30	0.30
iii Other Financial Liabilities		-	12.38
(b) Other current liabilities	12	2.18	6.18
(c) Current Tax Liability	13	7.72	5.77
<b>Total current liabilities</b>		<b>10.20</b>	<b>110.62</b>
<b>Total Equity &amp; Liabilities</b>		<b>6,117.90</b>	<b>6,071.37</b>

Notes to Accounts

1 to 27

As per our report of even date

For and on behalf of the Board of Directors

**For Mathur Gupta & Associates**

Chartered Accountants  
Firm Regn.No. 003962N

**Shweta Chadha**  
**Chief Financial Officer**

**Sonal Popli**  
**Company Secretary**  
**M.No.A44167**

**Pradeep Dayal Mathur**

**Partner**  
M.No. 082990  
Date: 30.5.2022

**M.L.Dujari**  
**Director**  
**DIN: 00010043**

**Leena Rawal**  
**Whole Time Director &**  
**Chief Executive Officer**  
**DIN: 03575675**

**ALIROX ABRASIVES LIMITED**
**Consolidated Statement of Profit & Loss for the year ended March 31, 2022**
**(Amount in Lacs.)**

Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
I Revenue from operations	14	45.60	54.60
II Other income	15	29.37	8.17
<b>III Total income (I + II)</b>		<b>74.97</b>	<b>62.77</b>
IV Expenses			
Finance Cost	16	3.88	6.88
Employee benefits expense	17	37.67	31.03
Depreciation and amortization expense	18	14.28	18.14
Other expenses	19	12.47	12.00
<b>Total expenses</b>		<b>68.29</b>	<b>68.05</b>
V Profit / (loss) for the year before tax (III-IV)		6.68	(5.28)
VI Tax expense	20		
(1) Current tax		5.40	2.75
(2) Deferred tax		(3.63)	(4.61)
(3) Income tax pertaining to earlier years		(0.90)	(0.05)
		<b>0.87</b>	<b>(1.92)</b>
VII Net Profit/(Loss) for the year after tax (V - VI)		5.81	(3.36)
VIII Other comprehensive income			
A Items that will not be reclassified to profit or loss	21		
Re-measurement gains/(losses) on Investment		144.78	2,826.00
Income tax relating to items that will not be reclassified to profit or loss		-	-
B Items that will be reclassified to profit or loss			
Re-measurement gains/(losses) on investment		-	-
Income tax relating to items that will be reclassified to profit or loss			
		<b>144.78</b>	<b>2,826.00</b>
IX Total comprehensive income for the period (VI + VIII)		<b>150.59</b>	<b>2,822.64</b>
X Earnings per equity share	22		
Nominal value of equity shares ( Rs 10.00 each)			
(1) Basic		2.42	(1.40)
(2) Diluted		2.42	(1.40)
Notes to Accounts	1 to 27		

As per our report of even date  
**For Mathur Gupta & Associates**

Chartered Accountants  
 Firm Regn.No. 003962N

**Pradeep Dayal Mathur**  
 Partner  
 M.No. 082990  
 Date: 30.05.2022

**For and on behalf of the Board of Directors**

**Shweta Chadha**  
 Chief Financial Officer

**M.L.Dujari**  
 Director  
 DIN: 00010043

**Sonal Popli**  
 Company Secretary  
 M.No.A44167

**Leena Rawal**  
 Whole Time Director &  
 Chief Executive Officer  
 DIN: 03575675

**ALIROX ABRASIVES LIMITED**  
**Consolidated Cash Flow Statement for the year ended March 31, 2022**

(Amount in Lacs.)

Particulars	2021-22	2020-21
<b>A. Cash Flow from Operating Activities</b>		
<b>Net Profit before tax</b>	<b>6.68</b>	(5.28)
Adjustments		
Depreciation / Amortization	<b>14.28</b>	18.14
Net Gain on Value of Mutual Fund	<b>(2.04)</b>	(3.31)
Amount Written Back	-	-
Amount Written Off	-	-
Dividend Income	<b>(22.65)</b>	(0.06)
Interest Income	<b>(4.62)</b>	(4.76)
(Profit)/Loss on sale of Investments	-	-
(Profit)/Loss on sale of PPE	-	-
<b>Operating Profit before working Capital Changes</b>	<b>(8.37)</b>	4.72
<u>Adjustments for working Capital changes :</u>		
Inventories		
Trade and Other Payables	<b>(16.37)</b>	(0.51)
Trade and Other Receivables	<b>3.63</b>	(10.34)
<b>Cash Generated from Operations</b>	<b>(21.11)</b>	(6.13)
Net Direct Taxes Paid/Refund	<b>(5.33)</b>	(2.00)
<b>Net Cash from Operating activities</b>	<b>(26.43)</b>	(8.13)
<b>B Cash Flow from Investing Activities</b>		
Purchase of Fixed Asset	-	(0.42)
Purchase of Investments	-	-
Sale of Investments	-	-
Interest Received	<b>4.62</b>	4.76
Dividend Received	<b>22.65</b>	0.06
<b>Net Cash used in Investing Activities</b>	<b>27.28</b>	4.40
<b>C Cash Flow from Financing Activities</b>		
Inter Corporate Loan Repaid	<b>(86.00)</b>	-
<b>Net cash from / ( used in) financing activities</b>	<b>(86.00)</b>	-
<b>Net increase in cash and cash equivalents ( A+B+C)</b>	<b>(85.16)</b>	(3.72)
<b>Cash and cash equivalents ( Opening Balance)</b>	<b>93.78</b>	97.51
<b>Cash and cash equivalents ( Closing Balance)*</b>	<b>8.62</b>	93.78
<b>Change in Cash &amp; Cash Equivalents</b>	<b>(85.16)</b>	(3.72)

**Components of Cash & Cash Equivalents** As at 31 March 2022 As at 31 March 2021

<b>Balances with banks</b>		
- in Current Accounts	<b>8.46</b>	8.60
- Deposits with original maturity of less than 3 months	-	84.90
Cash on hand	<b>0.16</b>	0.29
Cheques in hand		
<b>Net Cash &amp; Cash Equivalents</b>	<b>8.62</b>	93.78

Note:  
Cash & cash equivalents components are as per Note 9.2  
Notes to Accounts

1 to 27

As per our report of even date  
**For Mathur Gupta & Associates**  
Chartered Accountants  
Firm Regn.No. 003962N

**For and on behalf of the Board of Directors**

**Shweta Chadha**  
**Chief Financial Officer**

**Sonal Popli**  
**Company Secretary**  
**M.No.A44167**

**Pradeep Dayal Mathur**  
**Partner**  
M.No. 082990  
Date: 30.05.2022

**M.L.Dujari**  
**Director**  
**DIN: 00010043**

**Leena Rawal**  
**Whole Time Director &**  
**Chief Executive Officer**  
**DIN: 03575675**

**Alirox Abrasives Limited**  
**Statement of Changes in Equity for the year March 31, 2022**

(Amount in Lacs.)

**A Equity Share Capital**

Balance of Equity Share Capital	As at 31 March 2020	Changes during the year	As at 31 March 2021	Changes during the year	As at 31 Mar 2022
	24.00	-	24.00	-	24.00

**B. Other equity**

Particulars					Items of Other Comprehensive Income		Total
	Capital Reserve	Reserve Fund	General Reserve	Retained Earnings	Equity instruments through other comprehensive income	Revaluation Surplus	
<b>As at 31.03.2020</b>	<b>2.47</b>	<b>0.33</b>	<b>2.00</b>	<b>46.81</b>	<b>2,834.26</b>	<b>210.86</b>	<b>3,096.72</b>
Movement During FY 20-21							
Profit of the year	-	-	-	(3.36)	-	-	(3.36)
Other comprehensive income	-	-	-	-	2,826.00	-	2,826.00
Dividend and CDT Payment	-	-	-	-	-	-	-
Employees Stock Options Expense	-	-	-	-	-	-	-
<b>As at 31.03.2021</b>	<b>2.47</b>	<b>0.33</b>	<b>2.00</b>	<b>43.45</b>	<b>5,660.26</b>	<b>210.86</b>	<b>5,919.36</b>
Movement During FY 21-22							
Profit of the year	-	-	-	5.81	-	-	5.81
Other comprehensive income	-	-	-	-	144.78	-	144.78
Dividend and CDT Payment	-	-	-	-	-	-	-
Employees Stock Options Expense	-	-	-	-	-	-	-
<b>As at 31.03.2022</b>	<b>2.47</b>	<b>0.33</b>	<b>2.00</b>	<b>49.26</b>	<b>5,805.04</b>	<b>210.86</b>	<b>6,069.95</b>

As per our report of even date  
**For Mathur Gupta & Associates**  
Chartered Accountants  
Firm Regn.No. 003962N

For and on behalf of the Board of Directors

**Shweta Chadha**  
Chief Financial Officer

**Sonal Popli**  
Company Secretary  
M.No.A44167

**Pradeep Dayal Mathur**  
Partner  
M.No. 082990  
Date: 30.05.2022

**M.L.Dujari**  
Director  
DIN: 00010043

**Leena Rawal**  
Whole Time Director &  
Chief Executive Officer  
DIN: 03575675

## **Alirox Abrasives Limited**

### **Notes to Consolidated Financial Statements for year ended March 31, 2022**

#### **Note 1 Corporate Information**

The Alirox Abrasives Limited is a public Company domiciled in India and incorporated under the provision of the erstwhile Indian Companies Act, 1913

#### **Note 2 Significant accounting policies and critical accounting estimate and judgments:**

##### **Basis of preparation, measurement and significant accounting policies**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Basis of Consolidation**

The Company consolidates all entities which are controlled by it. The Company establishes control when; it has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect the entity's returns by using its power over relevant activities of the entity. Entities controlled by the Company are consolidated from the date control commences until the date control ceases. All inter-company transactions, balances, income and expenses are eliminated in full on consolidation.

The Company's subsidiary Adhirath Power & Holdings Pvt. Ltd. is holding 20% equity stake in Hareon Dalmia Solar Private Limited (Joint Venture). During the year 2018 the Keshav Power Limited (Affiliate Co. and party to the JV agreement) has given notice for breach of the joint venture agreement for delay/ failure on account of non fulfilment of its obligations under the JV agreement. As per Ind AS-31, venture shall recognise investment in joint venture as per equity method, but due to non-availability of financial statements of Hareon Dalmia Solar Private Limited, the Company is unable to consolidate the accounts of above in terms of Ind AS-31. No provision for diminution in the value of investment in Hareon Dalmia Solar Private Limited is made at this stage by the Company, since the recoverable amount is more than the carrying amount.

##### **Compliance with Ind AS**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and relevant provisions of the Companies Act, 2013 ("the Act"). The policies set out below have been consistently applied during the years presented.

##### **Historical cost convention**

The financial statements have been prepared under the historical cost convention, except for the certain assets and liabilities which have been measured at fair value/amortised cost:

##### **Functional and Preparation Currency**

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in 'Indian Rupees', which is the Company's functional and presentation currency.

##### **Current vis-à-vis non-current classification**

"The Company presents assets and liabilities in statement of financial position based on current/non-current classification.

The Company has presented non-current assets and current assets before equity, non-current liabilities and current liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by MCA."

"An asset is classified as current when it is:

- a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
- b) Held primarily for the purpose of trading,
- c) Expected to be realised within twelve months after the reporting period, or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current."

"A liability is classified as current when it is:

- a) Expected to be settled in normal operating cycle,
- b) Held primarily for the purpose of trading,
- c) Due to be settled within twelve months after the reporting period, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current."

## **Alirox Abrasives Limited**

### **Notes to Consolidated Financial Statements for year ended March 31, 2022**

The operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. Deferred tax assets and liabilities are classified as non-current assets and liabilities. The Company has identified twelve months as its normal operating cycle.

#### **(b) Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. The Company uses valuation techniques that are appropriate in the circumstances for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable."

#### **(c) Critical accounting estimates and Judgments**

The presentation of financial statements under Ind AS requires management to take decisions and make estimates and assumptions that may impact the value of revenues, costs, assets and liabilities and the related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

#### **Significant Accounting policies**

##### **a) Property, plant and equipment**

All items of Property, plant and equipment are stated at historical cost. Historical cost includes expenditure that is directly attributable to the acquisition of the items. On transition to Ind AS, the Company has elected to adopt the fair value of all of its property, plant and equipment as at April 01, 2016 as deemed cost. The useful life and residual value of plant, property equipment and intangible assets are determined based on technical evaluation made by the management of the expected usage of the asset, the physical wear and tear and technical or commercial obsolescence of the asset. Due to the judgments involved in such estimations, the useful life and residual value are sensitive to the actual usage in future period.

##### **Depreciation methods, estimated useful lives and residual value:**

Depreciation on Property, Plant and Equipment (PPE) is provided over the useful life of assets as specified in schedule II to the Companies Act 2013. Property, Plant and Equipment which are added / disposed off during the year, depreciation is provided pro-rata basis with reference to the month of addition / deletion. PPE is depreciated on Written Down Value method. Estimated useful lives, residual values and depreciation methods are reviewed annually, taking into account commercial and technological obsolescence as well as normal wear and tear and adjusted prospectively, if appropriate.

##### **b) Employee Benefit Expenses**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized as an expense during the period when the employees render the services.

##### **c) Fair value measurement of financial instruments**

When the fair value of the financial assets and liabilities recorded in the balance sheet cannot be measured based on the quoted market price in activate markets, their fair value is measures using valuation technique. The input to these models is taken from the observable market where possible, but this is not feasible, a review of judgment is required in establishing fair values. Changes in assumption relating to this assumption could affect the fair value of financial instrument.

##### **d) Impairment of Financial and Non Financial Asset**

"The impairment provision for financial assets is based on assumptions about risk of default and expected losses. The company uses judgment in making these assumptions and selecting the inputs to the



## **Alirox Abrasives Limited**

### **Notes to Consolidated Financial Statements for year ended March 31, 2022**

impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

The Company assesses at each reporting date whether there is an indication that a Non-financial asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount which is higher of an asset's or CGU's fair value less costs of disposal and its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount."

#### **e) Revenue recognition and other income:**

##### Service Charges

Revenue from management services are recognized as and when services are rendered.

##### Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

##### Dividend Income:

Dividend Income is recognised when the right to receive the payment is established.

#### **f) Taxes**

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-Tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

##### **Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current income tax relating to items recognized directly in equity is recognised in equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

##### **Minimum alternate tax**

Minimum Alternative Tax (MAT) is applicable to the Company. Credit of MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

##### **Deferred tax**

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at reporting date. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

The carrying amount of deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow deferred tax assets to be recovered.

## **Alirox Abrasives Limited**

### **Notes to Consolidated Financial Statements for year ended March 31, 2022**

The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

#### **g) Provisions, contingent liabilities and contingent assets**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that the outflow of resources embodying economic benefits will be required to settle the obligation in respect of which reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the expense relating to provision presented in the statement of profit & loss is net of any reimbursement.

If the effect of the time value of money is material, provisions are disclosed using a current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as finance cost.

Contingent liability is disclosed in the notes in case of:

- There is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.
  - A present obligation arising from past event, when it is not probable that as outflow of resources will be required to settle the obligation.
  - A present obligation arises from the past event, when no reliable estimate is possible.
  - A present obligation arises from the past event, unless the probability of outflow is remote.
- Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.
- Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

#### **Contingent assets**

A contingent asset is disclosed, where an inflow of economic benefits is probable.

#### **h) Cash & Cash Equivalents**

Cash and cash equivalents includes cash on hand and at bank, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

For the purpose of the Statement of Cash Flows, cash and cash equivalents consists of cash and short term deposits, as defined above, net of outstanding bank overdraft as they being considered as integral part of the Company's cash management.

#### **Cash flow statement**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

#### **i) Borrowing Cost**

All borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

#### **j) Segment Reporting**

The Company has no segment reporting during the year.

**Non-Current Assets:****3. Property, Plant and Equipment**

<b>Particulars</b>	<b>Buildings</b>	<b>Computers</b>	<b>Total Assets</b>
<b>Gross block</b>			
<b>Balance as at 31 March 2020</b>	<b>214.90</b>	<b>1.43</b>	<b>216.33</b>
Additions	-	0.42	0.42
Disposals/Adjustment	-	-	-
Balance as at 31 March 2021	214.90	1.85	216.75
Additions	-	-	-
Disposals/Adjustment	-	-	-
<b>Balance as at 31 March 2022</b>	<b>214.90</b>	<b>1.85</b>	<b>216.75</b>
<b>Accumulated Depreciation</b>			
<b>Balance as at 31 March 2020</b>	<b>130.10</b>	<b>0.77</b>	<b>130.86</b>
Depreciation for the year	17.60	0.54	18.14
Accumulated depreciation on disposals	-	-	-
Balance as at 31 March 2021	147.69	1.30	149.00
Depreciation for the year	13.95	0.33	14.28
Accumulated depreciation on disposals	-	-	-
<b>Balance as at 31 March 2022</b>	<b>161.64</b>	<b>1.64</b>	<b>163.27</b>
<b>Net block</b>			
<b>As at 31 March 2021</b>	<b>67.21</b>	<b>0.54</b>	<b>67.75</b>
<b>As at 31 March 2022</b>	<b>53.26</b>	<b>0.21</b>	<b>53.47</b>

Note:- No acquisition under business combination and revaluation was made during the financials year.

**ALIROX ABRASIVES LIMITED**  
Notes to Consolidated financial statements as on March 31, 2022

<b>Non- Current Assets: Financial Assets</b>		<b>(Amount in Lacs.)</b>		
<b>4 Investments</b>	<b>No. of Shares</b>	<b>As at 31st March, 2022</b>	<b>No. of Shares</b>	<b>As at 31st March, 2021</b>
<b>Non Current Investments:</b>				
<b>a) Investments in Equity Instruments (fully paid up) - Quoted:(At FVTOCI)</b>				
Carborundum Universal Limited	5,340	42.60	5,340	27.21
Dalmia Bharat Limited	240,720	3,600.21	240,720	3,825.04
Dalmia Bharat Sugar & Industries Limited	120,360	578.93	120,360	224.71
Dalmia Refractories Limited*	247,187	1,679.86	247,187	1,679.86
<b>Investments in Equity Instruments (fully paid up) - Unquoted:</b>				
Eduwizards Infosolution Pvt. Ltd.	10,000	0.10	10,000	0.10
Hareon Dalmia Solar Private Limited	854,988	85.50	854,988	85.50
<b>Total</b>		<b>5,987.20</b>		<b>5,842.42</b>
<b>Aggregate amount of Non-Current Investments</b>				
<b>Particulars</b>				
Aggregate amount of quoted investments		5,901.60		5,756.82
Market value of quoted investments		5,901.60		5,756.82
Aggregate amount of unquoted investments		85.60		85.60
*Pursuant to the Scheme of Amalgamation of Dalmia Refractories Limited (DRL) with Dalmia Bharat Refractories Limited (DBRL) as approved by the NCLT Chennai vide its Order dated 3rd February 2022, made effective from 1st March 2022, 18,98,397 number of equity shares have been credited to the Company post closure of financial year in the ratio of 768 equity shares of Rs. 10/- each of DBRL for every 100 equity shares of Rs. 10/- each held in DRL				
<b>5 Other Non Current Asset</b>				
Security Deposit		0.26		0.26
		<b>0.26</b>		<b>0.26</b>
<b>6 Current financial assets</b>				
<b>6.1 Current Investments</b>				
<b>Mutual Funds (At FVTPL)</b>				
HDFC Short Term Debt Fund		42.14		40.10
		<b>42.14</b>		<b>40.10</b>
Aggregate amount of quoted investments		42.14		40.10
Fair value of quoted investments		42.14		40.10
<b>6.2 Cash &amp; Cash Equivalent</b>				
Balances with banks				
- in Current Accounts		8.46		8.60
Cash on hand		0.16		0.29
Cheques in hand		-		-
Fixed deposits		-		84.90
		<b>8.62</b>		<b>93.78</b>
		<b>As at 31st March, 2022</b>		<b>As at 31st March, 2021</b>
<b>7 Current Tax Asset</b>				
- TDS Receivable/Advance Tax		13.08		10.80
		<b>13.08</b>		<b>10.80</b>
<b>8 Other Current Assets:</b>				
Balance with statutory authorities		0.11		0.27
Prepaid Expenses		-		0.11
Other Receivable		10.80		15.88
		<b>10.91</b>		<b>16.26</b>

## 9 Equity

### 9.1 Share Capital

#### Authorised

1,000,000' Equity Shares of Rs 10 each	100.00	100.00
<b>Total</b>	<b>100.00</b>	<b>100.00</b>

#### Issued, Subscribed & fully paid up

240000 Equity shares of Rs 10 each	24.00	24.00
<b>Total</b>	<b>24.00</b>	<b>24.00</b>

#### (i) Reconciliation of number and amount of equity shares outstanding:

	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the year	2.40	24.00	2.40	24.00
Movement for the year	-	-	-	-
<b>Outstanding at the end of year</b>	<b>2.40</b>	<b>24.00</b>	<b>2.40</b>	<b>24.00</b>

#### Rights, restrictions and preferences attached to each class of shares

The Company has only one class of equity shares having par value of Rs 10/- per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the company, the holder of equity shares will be entitled to receive the assets of the company. The distribution will be in proportion to the number of equity shares held by the shareholders.

#### (ii) Details of shareholders holding more than 5% shares in the company

	As at March 31, 2022		As at March 31, 2021	
	Number	% Holding	Number	% Holding
Equity shares of ₹ 10 each fully paid				
J.H.Dalmia Trust (Through its Trustees)	21,925	9.12	-	-
Kavita Dalmia Parivar Trust (through its Trustee)	16,175	6.74	-	-
Rama Investment Co. Private Limited*	82,270	34.28	82,270	34.28
Sita Investment Co. Ltd.	22,800	9.50	22,800	9.50

Note: Pursuant to the order dated April 12, 2018, the National Company Law Tribunal approved a scheme of amalgamation and arrangement which provided for (a) merger of Ankita Pratisthan Limited, Mayuka Investment Limited, Puneet Trading and Investment Company Private Limited, Zipahead.Com Private Limited, Mahanadi Trading Private Limited and Shreevallabh Textile Private Limited with Rama Investment Company Private Limited; and (b) demerger of cement business of Keshav Power Limited and Shree Nirman Limited into Rama Investment Company Private Limited ("Scheme"). However, the aforesaid Scheme was set aside by the National Company Law Appellate Tribunal ("NCLAT") by its order dated November 29, 2019 ("NCLAT Order") and the miscellaneous application for modification of the said order has also been rejected vide order dated September 17, 2021. Further, an appeal has been filed with the Supreme Court on 23rd December 2021 against the NCLAT Orders. Hence, the above shareholding details of Rama has been provided basis the aforesaid scheme.

#### (iii) Shares held by promoters/promoter group at the end of the year

S.No.	Promoter Name	No of Shares	% of total Shares	% Change during the year
1	Shri Gautam Dalmia	325	0.14%	(2.86)
2	Shri Yadu Hari Dalmia	325	0.14%	(0.09)
3	Smt. Bela Dalmia	325	0.14%	(0.24)
4	Smt. Anupama Dalmia	325	0.14%	(1.78)
5	Rama Investment Co Pvt Ltd	82,270	34.28%	-
6	Sita Investment Co Ltd	22,800	9.50%	-
7	Shree Nirman Limited	11,950	4.98%	-
8	Kavita Dalmia Parivar Trust through its trustee	16,175	6.74%	1.78
9	Shri Brahma Creation Trust through its trustees	800	0.33%	0.33
10	J.H. Dalmia Trust through its trustees	21,925	9.12%	4.16

As per records of the company, including register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

### 9.2 Other Equity

	As at 31st March, 2022	As at 31st March, 2021
<b>a. Capital Reserves</b>		
Opening Balance	2.47	2.47
Transferred to Retained earnings	-	-
<b>Closing Balance</b>	<b>2.47</b>	<b>2.47</b>
<b>b. Reserve Fund</b>		
Opening Balance	0.33	0.33
<b>Closing Balance</b>	<b>0.33</b>	<b>0.33</b>
<b>c. General Reserve</b>		
Opening Balance	2.00	2.00
(+) Transfer from Debenture Redemption Reserve	-	-
<b>Closing Balance</b>	<b>2.00</b>	<b>2.00</b>

	As at 31st March, 2022	As at 31st March, 2021
<b>d. Surplus/Retained Earnings</b>		
Opening balance	43.45	46.81
Add : Transfer From Capital Reserve		-
(+) Net Profit/(Net Loss) For the current year	5.81	(3.36)
Remeasurement effect	-	-
Closing Balance	<u>49.26</u>	<u>43.45</u>
<b>e. Comprehensive Income</b>		
Income recognised on Equity instruments	5,871.12	3,045.12
Addition During The year	144.78	2,826.00
Total Income recognised on Equity instruments	<u>6,015.90</u>	5,871.12
Acturial Gain & Losses on DBO	-	-
Closing Balance	<u>6,015.90</u>	<u>5,871.12</u>
<b>Grand Total</b>	<u>6,069.95</u>	<u>5,919.36</u>

#### Nature and Purpose Of Reserves

- a. Capital reserve represents funds to be utilised for specific purposes
- b. General Reserve is free reserve created by the Company by transfer from retained earnings.
- c. Reserve Fund is free reserve created by the Company
- d. Equity instruments through other comprehensive income - The Company has elected to recognise changes in the fair value of investment in equity instruments in other comprehensive income. The changes are accumulated with in Fair Value through Other Comprehensive Income equity instruments reserve with in equity. The Company will transfer the amount from this reserve to retained earnings when the relevant equity securities are derecognised.

#### Non - current liabilities

	As at 31st March, 2022	As at 31st March, 2021
<b>10 Deferred Tax Liability</b>		
On account of Property, Plant & Equipment	13.75	17.38
	<u>13.75</u>	<u>17.38</u>

Movement in deferred tax items

#### FY 21-22

	Opening Balance	Recognised in Profit & Loss Account	Closing Balance
Deferred tax liability / (asset) on account of Difference in Book value of Tangible and Intangible assets	17.38	(3.62)	13.76
	<u>17.38</u>	<u>(3.62)</u>	<u>13.76</u>

#### FY 20-21

	Opening Balance	Recognised in Profit & Loss Account	Closing Balance
Deferred tax liability / (asset) on account of Difference in Book value of Tangible and Intangible assets	21.99	(4.61)	17.38
Net Deferred tax liability / (asset)	<u>21.99</u>	<u>(4.61)</u>	<u>17.38</u>

#### Current liabilities

<b>11 Financial Liabilities</b>			
Short Term Borrowings	-	-	86.00
Trade Payable	-	-	-
Total Outstanding dues to micro enterprises and small (A) enterprises	-	-	-
Total Outstanding dues to creditors other than micro enterprises (B) and small enterprises*	0.30	-	0.30
Other Financials Liabilities	-	-	12.38
	<u>0.30</u>	<u>-</u>	<u>98.68</u>

\* Provision for Audit Fees therefore no ageing required.

#### 12 Other current liabilities

Statutory Liabilities	0.86	-	3.44
Other Payables	1.32	-	2.74
	<u>2.18</u>	<u>-</u>	<u>6.18</u>

#### 13 Current Tax Liability

Provision for Income Tax	7.72	-	5.77
	<u>7.72</u>	<u>-</u>	<u>5.77</u>

**ALIROX ABRASIVES LIMITED**  
**Notes to Consolidated financial statements as on March 31, 2022**

		(Amount in Lacs.)	
Note No	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>14</b>	<b>Revenue from operations</b>		
	Service Charges Received	45.60	54.60
		<u>45.60</u>	<u>54.60</u>
<b>15</b>	<b>Other income</b>		
	Interest income from bank/others	4.62	4.76
	Dividend income	22.65	0.06
	Net gain/loss on value of Mutual Funds	2.04	3.31
	Interest on IT Refund	0.05	0.04
		<u>29.37</u>	<u>8.17</u>
<b>16</b>	<b>Finance Cost</b>		
	Interest on Borrowings	3.88	6.88
		<u>3.88</u>	<u>6.88</u>
<b>17</b>	<b>Employee benefits expense</b>		
	Salaries, wages, Allowances & Commission	36.71	30.53
	Staff welfare expenses	0.95	0.51
		<u>37.67</u>	<u>31.03</u>
<b>18</b>	<b>Depreciation and amortization expense</b>		
	Depreciation of tangible assets	14.28	18.14
		<u>14.28</u>	<u>18.14</u>
<b>19</b>	<b>Other expenses</b>		
i)	Printing & Stationery	0.14	0.14
ii)	Electricity and Water Charges	2.34	2.50
iii)	Advertisement & Publicity	0.47	0.53
iv)	Insurance	0.11	0.12
v)	Rates and taxes	0.76	0.76
vi)	Payment to the auditors	-	-
	- as auditor	1.75	1.75
	- for other services	-	-
vii)	Professional Charges	0.88	1.47
viii)	Listing & Processing Fees	0.55	0.55
ix)	Directors sitting fees	0.57	0.60
x)	General Maintainence	3.99	1.66
xi)	Service Charges	0.30	-
xii)	Depository Charges	0.18	0.20
xiii)	Filing Fees	0.11	0.07
xiv)	Miscellaneous expenses	0.30	0.80
xv)	Prior Period Expenses	0.01	0.85
xvi)	Amount Written Off	0.02	-
		<u>12.47</u>	<u>12.00</u>

**20 Tax expense**

Current tax	<b>5.40</b>	2.75
<u>Deferred tax</u>		
- Deferred tax (Asset)/Liability	<b>(3.63)</b>	(4.61)
Income Tax pertaining to earlier years	-	(0.05)
	<b>1.77</b>	<b>(1.92)</b>

**Reconciliation of income tax expense and the accounting profit multiplied by Company's tax rate:**

Profit / (loss) before tax	<b>6.68</b>	(5.28)
Income tax rate	<b>26%</b>	26%
Tax on Income	<b>1.74</b>	<b>(1.37)</b>

**Tax effect of items in reconciliations**

Effect of expenses that are non-deductible in determining taxable profit	<b>11.37</b>	6.33
Effect of expenses that are deductible in determining taxable profit	<b>(11.33)</b>	(6.88)

<b>Income Tax Expense</b>	<b>1.77</b>	<b>(1.92)</b>
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**21 Other Comprehensive Income****Item that will not be reclassified to profit or loss**

Re-measurement gains/(losses) on Investment	<b>144.78</b>	2,826.00
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**Items that will be reclassified to profit or loss**

- Fair valuation of equity instruments at FVTOCI	-	-
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<b>Total Other Comprehensive Income</b>	<b>144.78</b>	<b>2,826.00</b>
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**22 Earning per Share**

Profit after tax	<b>5.81</b>	(3.36)
Number of equity shares outstanding during the period (weighted average)	<b>2.40</b>	2.40
Nominal value of equity shares ( Rs 10.00 each)	<b>10.00</b>	10.00
Earning per share ( Rs.) Basic	<b>2.42</b>	(1.40)
Earning per share ( Rs. Diluted)	<b>2.42</b>	(1.40)



**Note 23 Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instruments of another entity.

**(a) Investment and other Financial Assets**

**Classification**

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through Other Comprehensive Income or through profit or loss) and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the statement of profit and loss or Other Comprehensive Income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments in subsidiaries, the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at cost.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

**Measurement**

At initial recognition, the Company measures financial assets at its fair value plus, in the case of financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of profit and loss.

**Equity investments**

The Company subsequently measures all equity investments at fair value. The Company's management has elected to present fair value gains and losses on equity investments in OCI, and there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in the Statement of profit and loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

**Impairment of financial assets:**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109, 'Financial Instruments', which requires expected lifetime losses to be recognised from initial recognition of the receivables.

**Derecognition of financial assets**

A financial asset is derecognised only when:

- The Company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains

## **Alirox Abrasives Limited**

### **Notes to Consolidated Financial Statements for year ended March 31, 2022**

control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

#### **Contributed equity:**

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax from the proceeds.

#### **(b) Financial Liabilities & Equity**

##### **Classification as debt or equity**

Equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

##### **Initial recognition and measurement:**

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

##### **Subsequent measurement:**

The measurement of financial liabilities depends on their classification, as described below:

##### **Trade and other payables:**

These amounts represent obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Those payable are classified as current liabilities if payment is due within one year or less otherwise they are presented as non-current liabilities. Trade and other payables are subsequently measured at amortised cost using the effective interest rate method.

##### **Offsetting of financial instrument**

Financial Assets and Financial Liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

##### **Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all potential dilutive equity shares.

#### **Note-24 Related Party Disclosures**

##### **A) Relationships**

(i) Subsidiary Company :-Adhirath Power and Holdings Pvt Ltd

(ii) Key Managerial Personnel

Smt. Leena Rawal	Whole Time Director/ Chief Executive Officer
Smt. Shweta Chadha	Chief Financial Officer
Ms. Sonal Popli	Company Secretary

(iii) Promoters of the Company:

Shri Jai Hari Dalmia (since deceased on 08.07.2021) and Shri Yadu Hari Dalmia

(iv) Enterprises having Promoters in common with the Company (including its subsidiaries) with which transaction has taken place during the year:

Keshav Power Limited, Dalmia Bharat Limited, Dalmia Refractories Limited, Dalmia Bharat Sugar and Industries Limited, Shri Chamundeswari Minerals Limited, Vanika Commercial and Holdings Pvt. Ltd, Shree Nirman Limited.

**Alirox Abrasives Limited**
**Notes to Consolidated Financial Statements for year ended March 31, 2022**

(B) The following transactions were carried out with the related parties in the ordinary course of business:

Nature of Transaction	Key Management Personnel/Promoters		Enterprises having Common Promoters		Total	
	For the year ended 31st March, 2022	For the year ended 31st March, 2021	For the year ended 31st March, 2022	For the year ended 31st March, 2021	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>Management &amp; Administrative Services (Including GST)</b>						
Dalmia Bharat Ltd.	-	-	-	0.48	-	0.48
<b>Investment in Optionally Convertible Debentures:-</b>						
Adhirath Power & Holdings Private Limited	-	-	100	-	100	-
<b>Service Charges Paid:- (Including GST)</b>						
Shri Chamundeswari Minerals Ltd			0.30	-	0.30	-
<b>Service Charges Received:- (Including GST)</b>						
Dalmia Refractories Ltd	-	-	47.20	47.20	47.20	47.20
Shri Chamundeswari Minerals Ltd	-	-	0.71	0.71	0.71	0.71
Vanika Commercial and Holdings Pvt Ltd	-	-	-	4.50	-	4.50
Shree Nirman Limited	-	-	-	4.50	-	4.50
<b>Salary and Perquisites:</b>						
Smt. Leena Rawal	17.97	16.58	-	-	17.97	16.58
Smt. Shweta Chadha	10.78	8.87	-	-	10.78	8.87
Ms. Sonal Popli	6.89	5.86	-	-	6.89	5.86
<b>Dividend Received</b>						
Dalmia Refractories Ltd.	-	-	2.47	-	2.47	-
Dalmia Bharat Ltd.	-	-	12.83	-	12.83	-
Dalmia Bharat Sugar and Industries Ltd.	-	-	7.22	-	7.22	-
<b>Reimbursement of Expenses</b>						
Shri Chamundeswari Minerals Ltd.	-	-	0.37	3.32	0.37	3.32
<b>Interest accrued and due on inter corporate deposit:</b>						
Keshav Power Limited	-	-	3.88	6.88	3.88	3.88
<b>Directors Sitting Fees</b>						
Shri J.H. Dalmia	0.02	0.16	-	-	0.02	0.16
Shri L.N. Goyal	0.24	0.22	-	-	0.24	0.22
Shri M.L. Dujari	0.24	0.22	-	-	0.24	0.22
Shri C N Maheshwari	0.07	-	-	-	0.07	-

**(C) Balance Outstanding at year end:**

Nature of Transaction	Key Management Personnel/Promoters		Enterprises having Common Promoters		Total	
	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Amount Receivable/ Payable						
Payable-LeenaRawal	-	0.07	-	-	-	0.07
Payable-Shweta Chadha	0.01	0.08	-	-	0.01	0.08
Payable-SonalPopli	-	0.59	-	-	-	0.59
Payable-Keshav Power Limited			-	98.38	-	98.38
Receivable- Shree Nirman Limited	-	-	-	4.16	-	4.16

**Note -25Events Occurring After the Balance Sheet Date**

No adjusting or significant non adjusting events have occurred between the reporting date and date of authorization of financial statements.

**Financial Risk Management Objectives and Policies**

**Financial Risk Factors**

The Company's operational activities expose to financial risks of liquidity. The Company realizes that risks are inherent and integral aspect of any business. The primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's senior management oversees the management of these risks and devise appropriate risk management framework for the Company. The senior management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

**A. Liquidity Risk**

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of cash credit facilities, short term loans and buyers credit. The table below summarizes the maturity profile of the Company's financial liabilities based on contracted undiscounted payments (excluding transaction cost on borrowings).

Table hereunder provides the current ratio of the Company as at the yearend:

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March,2021
Total current Assets	<b>76.97</b>	160.94
Total Current Liabilities	<b>10.20</b>	110.62
Current Ratio	<b>7.55</b>	1.46

## Alirox Abrasives Limited

### Notes to Consolidated Financial Statements for year ended March 31, 2022

#### Financial Instrument – Disclosure

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are recognized and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

S.No	Particulars	Note	Fair Value Hierarchy	As at 31 <sup>st</sup> March,2022		As at 31 <sup>st</sup> March,2021	
				Carrying Value	Fair Value	Carrying Value	Fair Value
1	<b><u>Financial Assets designated at fair value through Profit &amp; Loss</u></b> <u>Current</u> -Investment	A	Level-1				
				<b>42.41</b>	<b>42.41</b>	40.10	40.10
2	<b><u>Financial Assets designated at fair value through other comprehensive income</u></b> <u>Non –Current</u> -Investment in Equity Shares	B	Level-1	<b>5901.60</b>	<b>5901.60</b>	5756.82	5756.82
3	<b><u>Financial Assets designated at amortised cost</u></b> <u>Current</u> -Cash & Cash Equivalents* -Loan* -Other Financial Assets*			<b>8.62</b>	<b>8.62</b>	93.78	93.78
				-	-	-	-
				-	-	-	-
				-	-	-	-

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

A Company has opted to fair value its mutual fund investment through profit & loss.

B Company has opted to fair value its quoted investments in equity share through OCI.

\* The carrying amounts are considered to be the same as their fair values due to short term nature.

#### Fair value hierarchy

**Level 1** - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2** - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level 3** - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

**Alirox Abrasives Limited**
**Notes to Consolidated Financial Statements for year ended March 31, 2022**
**Note : 26 Disclosure of Ratios**

Ratio	Basis	Numerator	Denominator	FY 2021-22	FY 2020-21	% Variance	Reason for Variance
Current ratio	Times	Current Assets	Current Liabilities	7.55	1.45	418.85%	Due to no short term borrowings and other financial liabilities in current year
Debt-equity ratio	Times	Total Debt	Shareholder's Equity	-	-	-	
Debt service coverage ratio	Times	Net Profit before taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.	Interest & Lease Payments + Principal Repayments	-	-	-	
Return on equity ratio	%	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	0.0965	(0.0742)	-230.19%	There is profit in current year in comparison to losses in last year.
Inventory turnover ratio	Times	Revenue from operations	Average Inventory	-	-	-	
Trade receivables turnover ratio	Times	Net Credit Sales	Average Accounts Receivable	-	-	-	
Trade payables turnover ratio	Times	Net Credit Purchases	Average Trade Payables	-	-	-	
Net capital turnover ratio	Times	Revenue from operations	Average Working Capital	0.78	1.20	-35.17%	There is decrease in revenue from operations
Net profit ratio	%	Profit for the year	Revenue from operations	12.74	(6.16)	(307.02%)	There is profit in current year in comparison to losses in last year
Return on capital employed	%	Earning before interest and taxes	Capital Employed(i)	0.1728	0.0268	544.42%	There is profit in current year in comparison to losses in last year
Return on investment	%	Income generated from invested funds	Average invested funds in investments	0.4147	0.0755	4.49	

(i) Capital Employed= Tangible Net Worth + Total Debt + Deferred Tax Liabilities

**Alirox Abrasives Limited**

**Notes to Consolidated Financial Statements for year ended March 31, 2022**

**Note 27: Additional Disclosure**

- a) The Company do not have any immovable properties where title deeds are not in the name of the company.
- b) Since, the Company has not revalued its Property, Plant and Equipment, the valuation by a registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017, is not required.
- c) The company has not made any Advances during the year under review in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person.
- d) The company has no Capital-Work-in Progress (CWIP) for disclosing its ageing.
- e) The company has no Intangible assets under development for disclosing its ageing.
- f) No proceeding has been initiated or pending against the company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder as at the end of the financial year.
- g) The Company has not made any borrowings from banks or financial institutions on the basis of security of current assets.
- h) The company was not declared as a wilful defaulter by any bank or financial Institution or other lender during the financial year.
- i) During the financial year ended 31 Mar 2022 and 31 Mar 2021 the Company does not have any relationship with Struck off Companies and the corresponding balances are Nil as at 31 Mar 2022 and 31 Mar 2021.
- j) No charges or satisfaction exists for Company which are required to be registered with Registrar within statutory period during the financial year.
- k) The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 during the financial year.
- l) The company has not applied for any Scheme of Arrangements to the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the year under review.
- m) The company has not received/advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) through Intermediaries during the financial year.
- n) The Company does not have any transaction that was not recorded in the books of accounts and has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- o) The provisions of Section 135 of the Companies Act, 2013, regarding the Corporate Social Responsibility are not applicable to the Company for the financial year 2021-22.
- p) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- q) The company has not taken any borrowings from banks and financial institutions for the specific purpose at the balance sheet date.

**Alirox Abrasives Limited****Notes to Consolidated Financial Statements for year ended March 31, 2022**

Name of the entity in the Group	Net Asset		Share in profit & loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated net assets	Amount	As % of Consolidated profit & loss	Amount	As % of Other Comprehensive Income	Amount	As % of Total Comprehensive Income	Amount
Alirox Abrasives Limited	100.07%	6103.71	137.36%	9.93	100%	144.78	99.96%	154.71
Adhirath Power & Holdings Pvt. Ltd.	-0.07%	(102.21)	37.36%	(4.12)	-	-	0.04%	(4.12)

As per our report of even date

**For Mathur Gupta & Associates**

Chartered Accountants

Firm Regn.No. 003962N

**For and on behalf of the Board of Directors**

**Shweta Chadha**  
Chief Financial Officer

**Sonal Popli**  
Company Secretary  
M.No.A44167

**PradeepDayalMathur****Partner**

M.No. 082990

Date: 30.05.2022

**M.L. Dujari**  
Director  
DIN: 00010043

**Leena Rawal**  
Whole Time Director &  
Chief Executive Officer  
DIN: 03575675







