



ALIROX ABRASIVES LTD.

REGISTERED OFFICE : 4, SCINDIA HOUSE, NEW DELHI-110 001
PHONE : 23457100 FAX : 91-11-23324136 E-mail: snccil@dalmiarf.com
CIN : L74899DL1944PLC000759

THRU SPEED POST/COURIER

AAL/SEC/SE/19-20/18

5th September, 2019

The Head – Listing & Compliance,
Metropolitan Stock Exchange of India Limited
Vibgyor Tower, 4th 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 2018-19

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 2018-19.

You are kindly requested to acknowledge the receipt.
Thanking you.

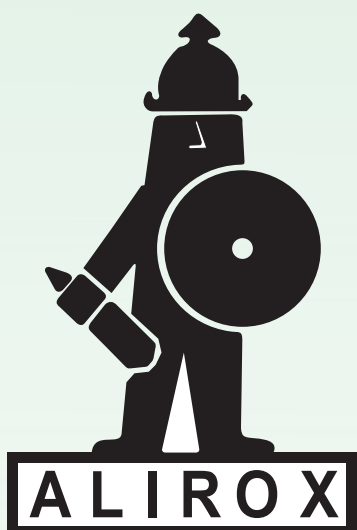
Yours faithfully,
For **ALIROX ABRASIVES LIMITED**

(Gazal Gupta)
Company Secretary

Encl: As above

ALIROX ABRASIVES LIMITED

NEW DELHI



75th ANNUAL REPORT
2018 - 2019

ALIROX ABRASIVES LIMITED
CIN: L74899DL1944PLC000759

REGISTERED OFFICE

4- Scindia House,
New Delhi-110001

DIRECTORS

Shri J.H.Dalmia
Shri M.L. Dujari
Shri. L.N.Goyal
Smt. Leena Rawal

REGISTRAR & SHARE TRANSFER AGENT

M/s. Karvy Fintech Pvt. Ltd.,
Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District,
Nanakramguda, Hyderabad, Telangana- 500 032
E-Mail: inward.ris@karvy.com Website: www.karvyfintech.com

AUDITORS

M/s Mathur Gupta & Associates.
Chartered Accountants

ALIROX ABRASIVES LIMITED
CIN NO: L74899DL1944PLC000759

DIRECTORS' REPORT

For the year ended 31st March, 2019

Your Directors hereby present the Seventy fifth Annual Report on the Standalone and consolidated Audited Financial statements of the Company for the financial year ended 31st March, 2019.

FINANCIAL RESULTS:

The Company's financial performance for the year ended March, 2019 is summarized below:

PARTICULARS	2018-19		2017-18	
	Standalone	Consolidated	Standalone	Consolidated
GROSS REVENUE	46.60	55.60	46.67	54.78
Profit/(Loss) before interest, Depreciation and Tax (EBITDA)	9.52	18.18	13.23	21.02
Interest	-	7.74	-	8.60
Depreciation	28.22	28.22	35.44	35.44
Profit/(Loss) before Tax (PBT)	(18.70)	(17.78)	(22.21)	(23.02)
Provision for Current tax	3.7	3.94	(1.76)	(1.76)
Provision for deferred tax (Net of due to change in Depreciation as per Companies Act, 2013)	(6.97)	(6.97)	(34.73)	(34.73)
Profit/(Loss) after tax	(15.43)	(14.75)	(58.70)	(59.51)
Tax adjustment of earlier year	-	-	-	-
Add: Surplus brought forward from last year	-	-	-	-
Profit available for appropriation	(15.43)	(14.75)	(58.70)	(59.51)
Appropriations:				
General Reserve	-	-	-	-
Dividend	-	-	-	-
Dividend Distribution tax	-	-	-	-
Balance Carried Forward	(15.43)	(14.75)	(58.70)	(59.51)

OPERATIONS

The Company continues to be engaged in the same line of business during the financial year 2018-19 and has earned income mainly from service charges.

DIVIDEND

Considering the losses, your Directors do not recommend any payment of dividend for the year under review.

TRANSFER TO RESERVE

Due to inadequate profits, your directors did not propose to transfer any amount to reserves during the year under review.

EXTRACT OF ANNUAL RETURN

In compliance with sub section (3) of Section 92 of the Companies Act 2013, the extract of the Annual Return is attached in the prescribed Form MGT 9 annexed to and forms part of this Report as **Annexure I**. The web link of the same is provided at <https://www.alirox.com>

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Smt. Leena Rawal, Whole-time Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment. She has given her declaration in Form DIR-8 in terms of Section 164(2) of the Companies Act, 2013 to the effect that she is not disqualified from being reappointed as a Director of the Company.

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.

Shri L.N.Goyal has been re-appointed as independent director on 1st April 2019 for a second term of 5 years pursuant to the approval of shareholders on 29th September 2018.

Shri M.L Dujari was appointed by the Board of Directors of the Company on 20th April 2015 as an independent Director for consecutive term of five years and was approved by the shareholders at the Annual General Meeting of the Company on 29th September 2015. The Board of Directors on recommendation of Nomination and Remuneration Committee has recommended re-appointment of Shri M.L Dujari as an independent Director of the Company for a second term of 5 (five) consecutive years on the expiry of his current term of office. He has also 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 reappointed 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 continue to hold their respective offices during the year under review.

Pursuant to resignation of Ms. Arushi Gupta from the position of Company Secretary of the Company effective from 10th May, 2019, Ms. Gazal Gupta has been appointed as Company Secretary and Key Managerial Personnel in terms of Section 203 of the Companies Act, 2013 with effect from 29th May, 2019.

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 30th May, 2018, 13th August, 2018, 14th November, 2018, 27th December, 2018 and 14th February, 2019. The time gap between two consecutive meetings of the Board did not exceed one hundred and twenty days.

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.

The composition of Audit Committee meets the requirement of Section 177 of the Companies Act, 2013. As on 31st March 2019, the Audit Committee comprises of three Non-executive members namely Shri J.H. Dalmia, 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 2018-2019.

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 held on 29th September, 2017 subject to ratification by the members at every Annual General Meeting.

They have confirmed that they are not disqualified from continuing to act as Statutory Auditors of the Company.

The requirement to place the matter relating to appointment of Auditors for ratification by members at every AGM is done away with vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors M/s Mathur Gupta & Associates, who were appointed in the Annual General Meeting held on 29th September, 2017.

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 2018-19, in terms of Section 204 of the Companies Act, 2013. The Secretarial Audit Report for the financial year ended 31st March, 2019 is annexed as 'Annexure II' 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) (Formerly MCX Stock Exchange Limited) and the listing fees for the financial year 2019-20 has been paid to MSEI.

CORPORATE GOVERNANCE

Pursuant to Regulation 15(2) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 and amendments thereof the provisions of Corporate Governance 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. Though the Company has incurred a loss Rs. 15.43 Lakhs (previous year 58.71 Lakhs), the Board of Directors are 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 7 of the Standalone Financial Statements.

CONTRACT AND ARRANGEMENT

Related Party transactions entered during the financial year under review were at arm's length and in ordinary course of business. There were no material significant related party transactions which may have potential conflict with the interest of the Company.

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.

DEMATERIALISATION

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. Karvy Fintech Pvt. Ltd.,
Karvy 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@karvy.com;
Website: www.karvyfintech.com

SUBSIDIARY COMPANY, ASSOCIATE & JOINT VENTURE COMPANIES

As on 31st March 2019 the Company has only one Subsidiary Company, Adhirath Power and Holdings Private Limited. The report on the financial position of the Company's Subsidiary for the year ended March 31, 2019 is attached in Form AOC-1 and forms part of this report as **Annexure -III**.

The detailed Annual Report of the Subsidiary Company is not being enclosed with this Annual Report. Any member desirous of obtaining a copy of the same may write to the registered office of the Company or download the same from the Company's website www.alirox.com. Any member desirous to inspect the same, may conduct inspection at the Registered Office of the Company during business hours.

During the said financial year, no Company ceased to be the subsidiary of the Company.

Apart from this, the Company's Subsidiary Adhirath Power and Holdings Private Limited has one joint venture Company, Hareon Dalmia Solar Private Limited ("Hareon").

Adhirath Power & Holdings Private Limited is holding 19.99% of equity shares 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 26th 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.

CONSOLIDATED FINANCIAL STATEMENTS

In terms of section 129 (6) of the Companies Act, 2013 read with Regulation 33 of the Securities and Exchange Board of India ("Listing Obligations and Disclosure Requirements") Regulations, 2015 and applicable Indian Accounting Standards (Ind-AS) issued by Institute of Chartered Accountants of India, the Consolidated Financial Statements of the Company for the financial year 2018-19 together with the Auditors' Report form part of this Annual Report.

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-IV**.

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 sharing 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-V**.

DISCLOSURE

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.

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.

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.

The Company has complied with the applicable Secretarial Standards issued by Institute of Company Secretaries of India during the year.

No other material changes and commitments have occurred, after the close of the year till the date of this report, which affect the financial position of the Company.

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: 29.05.2019

M. L. DUJARI
DIRECTOR
(DIN: 00010043)

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

ANNEXURE-I

Form No. MGT-9

Extract of Annual Return as on the financial year ended on 31st March, 2019 of

Alirox Abrasives Limited

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN:	L74899DL1944PLC000759
ii)	Registration Date:	13/05/1944
iii)	Name of the Company	ALIROX ABRASIVES LIMITED
iv)	Category/ Sub-Category of the Company	Public Company Limited by shares
v)	Address of the Registered Office and contact details	4, Scindia House, New Delhi-110 001
vi)	Whether listed Company : Yes/ No	Yes
vii)	Name , Address and Contact details of Registrar and Transfer Agent.	Karvy Fintech Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad, Telangana – 500 032 Tel No: 040-67162200; Fax:040-23001153 E-mail: einward.ris@karvy.com Website: www.karvyfintech.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of Main Products / Services	NIC Code of the Product/ Service#	% to total turnover of the Company
1	Business and Management Consultancy Services	74140	100%

#As per National Industrial Classification – Ministry of Statistics and Programme Implementation.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S.No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1.	Adhirath Power and Holdings Private Limited	U74999DL2016PTC299543	Wholly owned Subsidiary	100.00	2(87)
2.	Hareon Dalmia Solar Private Limited	U74900DL2015FTC279902	Joint Venture of Subsidiary	NIL	2(6)

IV. SHARE HOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholder	No. of Shares held at the beginning of the year (As on 01.04.2018)				No. of Shares held at the end of the year (As on 31.03.2019)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individuals/Hindu Undivided Family	40200	-	40200	16.75	40200	-	40200	16.75	
b) Central Government	-	-	-	-	-	-	-	-	-
c) State Government(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	117020	-	117020	48.76	117020	-	117020	48.76	-
e) Financial Institutions/Banks	-	-	-	-	-	-	-	-	-
f) Any Other (Specify)	-	-	-	-	-	-	-	-	-
Sub-Total (A)(1)	157220	-	157220	65.51	157220	-	157220	65.51	-
(2) Foreign									
a) Individuals (Non-Resident Individuals/Foreign Individuals)	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks/Financial Institutions	-	-	-	-	-	-	-	-	-
e) Qualified foreign investor	-	-	-	-	-	-	-	-	-
f) Any Other (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter and Promoter Group	157220	-	157220	65.51	157220	-	157220	65.51	-
(A)=(A)(1)+(A)(2)									

B. Public shareholding									
1. Institutions									
a) Mutual Funds/UTI	-	-	-	-	-	-	-	-	-
b) Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-
c) Central Government	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) Foreign Institutional Investors	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
i) Qualified foreign investor	-	-	-	-	-	-	-	-	-
j) Any Other (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1)	-	-	-	-	-	-	-	-	-
2. Non-institutions									
a) Bodies Corporate	-	25340	25340	10.56	-	25340	25340	10.56	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals -									
i) Individual shareholders holding Nominal share capital upto Rs.1 lakh.	-	46940	46940	19.56	-	46940	46940	19.56	-
ii) Individual shareholders holding Nominal share capital in excess of Rs.1 lakh.	-	10500	10500	4.37	-	10500	10500	4.37	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Directors	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Qualified foreign investor	-	-	-	-	-	-	-	-	-
Sub-Total (B)(2)	-	82780	82780	34.49	-	82780	82780	34.49	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	82780	82780	34.49	-	82780	82780	34.49	-
Total (A)+(B)	157220	82780	240000	100.00	157220	82780	240000	100.00	-
(C) Shares held by Custodians for GDRs & ADRs	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A)+(B)+(C)	157220	82780	240000	100.00	157220	82780	240000	100.00	-

ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01.04.2018)			Shareholding at the end of the year (As on 31.03.2019)			% change in shareholding during the year
		No of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	No of shares	% of total shares of the company	% of shares Pledged/encumbered to total shares	
1.	Shri Jai Hari Dalmia	15050	6.27	-	15050	6.27	-	-
2.	Shree Nirman Ltd.	11950	4.98	-	11950	4.98	-	-
3.	Smt. Kavita Dalmia	11900	4.96	-	11900	4.96	-	-
4.	*Rama Investment Co. Pvt. Ltd.	82270	34.28	-	82270	34.28	-	-
5.	Shri Gautam Dalmia	7200	3.00	-	7200	3.00	-	-
6.	Smt. Anupama Dalmia	4600	1.91	-	4600	1.91	-	-
7.	Smt. Bela Dalmia	900	0.38	-	900	0.38	-	-
8.	Sh. Y.H.Dalmia	550	0.23	-	550	0.23	-	-
9.	**Sita Investment Co. Ltd.	22800	9.50	-	22800	9.50	-	-
Total		157220	65.51	-	157220	65.51	-	-

Note: Shareholders listed above are disclosed as Promoters/ Promoter group under regulation 30(2) of SEBI (Substantial acquisition of Shares and Takeovers) Regulations, 2011.

*Pursuant to scheme of Amalgamation and Arrangement vide NCLT Order dated 18/04/2018 Mayuka Investment Limited, Puneet Trading & Investment Co. Pvt.Ltd, Ankita Pratishan Limited, Zipahead.com Private Limited have been merged into Rama Investment Co. Pvt Ltd.

**Pursuant to scheme of Amalgamation and Arrangement vide NCLT Order dated 02/02/2018 Kavita Trading & Investment Co. Private Ltd has been merged into Sita Investment Co. Ltd. (With effect from the appointed date 1/04/2016)

(iii) Change in Promoter's Shareholding (Please specify, if there is no change)

Sl.No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1.	At the beginning of the year	157220	65.51	-	-
	Date wise increase/ decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease(e.g. allotment/transfer/bonus/sweat equity etc):	NO CHANGE IN PROMOTERS SHAREHOLDING DURING THE YEAR			
	At the end of the year	157220	65.51	-	-

(iv) Shareholding pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For each of Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1. Shrey Mittra					
a)	At the beginning of the year	10500	4.38	10500	4.38
b)	Changes during the year		No change during the year		
c)	At the end of the year	10500	4.38	10500	4.38
2. Radar Commercials Pvt. Ltd.					
a)	At the beginning of the year	10000	4.17	10000	4.17
b)	Changes during the year		No change during the year		
c)	At the end of the year	10000	4.17	10000	4.17
3. Chicky Traders Pvt. Ltd.					
a)	At the beginning of the year	9650	4.02	9650	4.02
b)	Changes during the year		No change during the year		
c)	At the end of the year	9650	4.02	9650	4.02
4. Bhole Prasad					
a)	At the beginning of the year	7800	3.25	7800	3.25
b)	Changes during the year		No change during the year		
c)	At the end of the year	7800	3.25	7800	3.25
5. Amrapalli Housing Properties Pvt. Ltd.					
a)	At the beginning of the year	5550	2.31	5550	2.31
b)	Changes during the year		No change during the year		
c)	At the end of the year	5550	2.31	5550	2.31
6. Savita Joshi					
a)	At the beginning of the year	4000	1.67	4000	1.67
b)	Changes during the year		No change during the year		
c)	At the end of the year	4000	1.67	4000	1.67
7. Sushila Devi Agarwal					
a)	At the beginning of the year	3500	1.46	3500	1.46
b)	Changes during the year		No change during the year		
c)	At the end of the year	3500	1.46	3500	1.46
8. Vidya Dhar Singh					
a)	At the beginning of the year	1000	0.42	1000	0.42
b)	Changes during the year		No change during the year		
c)	At the end of the year	1000	0.42	1000	0.42
9. Raj Kumar Ahuja					
a)	At the beginning of the year	1000	0.42	1000	0.42
b)	Changes during the year		No change during the year		
c)	At the end of the year	1000	0.42	1000	0.42
10. Radhey Shyam Jalan					
a)	At the beginning of the year	900	0.38	900	0.38
b)	Changes during the year		No change during the year		
c)	At the end of the year	900	0.38	900	0.38

(v) Shareholding of Directors and Key Managerial Personnel:

Sl No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	For each of Directors and KMP				
	Shri Jai Hari Dalmia, Director				
	At the beginning of the year	15050	6.27	15050	6.27
	Change during the year	No change during the year			
	Date Reason				
	At the end of the year	15050	6.27	15050	6.27

Note: None of the KMP's hold any share in the Company.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrue but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01.04.2017)				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
ii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
• Addition	-	-	-	-
• Reduction	-	-	-	-
Net change	-	-	-	-
Indebtedness at the end of the financial year (31.03.2018)				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
ii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. REMUNERATION TO MANAGING DIRECTOR, WHOLE TIME DIRECTOR AND/OR MANAGER:

Sl No.	Particulars of Remuneration	(Rs. In Lakhs)	
		Leena Rawal Whole Time Director & Chief Executive Officer	Total Amount
1	Gross Salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	12.19	12.19
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	2.10	2.10
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as % of profit - others, specify	-	-
5	Others, please specify	-	-
	Total (A)	14.29	14.29
	Ceiling as per the Act	-	-

B. REMUNERATION TO OTHER DIRECTORS:

		(Rs, in Lakhs)		
	Particulars of Remuneration	Name of the Director		Total Amount
	Independent Directors	Shri L.N. Goyal	Shri M.L.Dujari	
	• Fee for attending Board & Committee Meetings	0.20	0.17	0.37
	• Commission	-		-
	• Others, please specify	-		-
	Total(1)	0.20	0.17	0.37
	Other Non-Executive Directors	Shri J.H. Dalmia		
	• Fee for attending Board & Committee Meetings	0.14	-	0.14
	• Commission	-	-	-
	• Others, please specify	-	-	-
	Total (2)	0.14	-	0.14
	Total (B)=(1+2)	-	-	0.51
	Total Managerial Remuneration	-	-	0.51
	Overall Ceiling as per the Act	-	-	-

Note: The Directors have been paid remuneration for the year 2017-18 as follows:

Note: The Directors have been paid remuneration for the financial year 2018-19 by way of sitting fees, which is within the limits prescribed under the provisions of Companies Act, 2013.

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl No.	Particulars of Remuneration	(Rs. In Lakhs)		
		Key Managerial Personnel		
		Company Secretary	Chief Financial Officer	Total
		Arushi Gupta	Shweta Chadha	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	3.58	6.93	10.51
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0.55	0.43	0.98
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit	-	-	-
5	Others, please specify	-	-	-
6	Sitting fees	-	-	-
	Total (A)	4.13	7.36	11.49

VII. PENALTIES/PUNISHMENT/COMPUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any(give details)
A. COMPANY					
Penalty			NIL		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NIL		
Punishment					
Compounding					

ANNEXURE II
FORM NO. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.MARCH.2019

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

To,
The Members,
Alirox Abrasives Limited
4-Scindia House, New Delhi - 110001

I 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 me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the ALIROX ABRASIVES LIMITED 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2019 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by ALIROX ABRASIVES LIMITED for the financial year ended on 31.03.2019 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 following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') and amendments thereof from time to time:-
 - (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, 2009*;
 - (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*;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009*; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998*;
- (VI) Other Laws applicable to the Company: -

There are no Industry Specific Laws applicable to the Company as there were no transactions during the Audit period.

I have examined the Compliance of under mentioned H R laws:-

Payment of Gratuity Act, 1972; Maternity Benefit Act, 1961; Sexual Harassment of Women at workplace (Prevention, Prohibition and Regulation) Act, 2013.

* Not applicable because company did not carry out the activities covered by the regulations/guidelines during the audit period

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. SEBI (Listing Obligation And Disclosure Requirements) Regulations, 2015.

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

I 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.

Adequate notice is given to all directors to schedule the Board Meetings. 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.

I 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.

Place: NEW DELHI
Date: 27.05.2019

N C KHANNA
(Practicing Company Secretary)
FCS No. 4268
C P No. 5143

This Report is to be read with my 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
4-Scindia House, New Delhi - 110001

My 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. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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. I believe that the processes and practices I followed, provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I 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. My 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.

Place: New Delhi

Date: 27.05.2019

N. C. KHANNA
PRACTICING COMPANY SECRETARY
FCS No. 4268
C P No. 5143

**Annexure-III
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

Sl. No.	Particulars	(Rs.in lakhs)
1.	Sl. No.	
2.	Name of the subsidiary	Adhirath Power and Holdings Pvt. Ltd.
3.	The date since when subsidiary was acquired	12.05.2016
4.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.
5.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.
6.	Share capital	1.00
7.	Reserves & surplus	(6.82)
8.	Total assets	88.09
9.	Total Liabilities	88.09
10.	Investments	85.49
11.	Turnover	9.00
12.	Profit before taxation	0.92
13.	Provision for taxation	0.24
14.	Profit after taxation	0.68
15.	Proposed Dividend	-
16.	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

Name of Joint Ventures of Subsidiary of the Company	(Rs.in Lakhs)
1. Latest audited Balance Sheet Date	Hareon Dalmia Solar Private Limited
2. Date on which the Associate or Joint Venture was associated or Acquired	31.03.2018
3. Shares of Joint Ventures held by the Subsidiary of the company on the year ended 31 st March, 2019	16.06.2016
> No.	
> Amount of Investment in Joint Venture (Rs. in Lakhs)	8,54,988
> Extend of Holding (In percentage)	85.50
4. Description of how there is significant influence	19.99%
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

Place: New Delhi
Dated: 29.05.2019

M. L. DUJARI
DIRECTOR
(DIN: 00010043)

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

ANNEXURE – IV

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 2018-19 and percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary during the financial year 2018-19 are as follows:

Sr.No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for Financial year 2018-19 (Rs.in lakhs)	Ratio of remuneration of each Director/to median remuneration of Employees	% increase in Remuneration in the Financial Year 2018-19
1.	Shri Laxmi Niwas Goyal (Independent Director)	0.20	0.03	0.00
2.	Shri Mohan Lal Dujari (Independent Director)	0.17	0.02	0.00
3.	Shri Jai Hari Dalmia (Non-Executive Director)	0.17	0.02	16.7
4.	Smt Leena Rawal (Whole-time Director and Chief Executive Officer)	14.64	N.A.	10.00
5.	Smt Shweta Chadha (Chief Financial Officer)	7.90	N.A.	10.00
6.	Ms. Arushi Gupta (Company Secretary)	4.20	N.A.	20.00

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

- (ii) The percentage increase in the median remuneration of employees in Financial Year is 10.00%
- (iii) As on 31st March, 2019, there were only three Key Managerial Personnel on the roll of Company. Apart from them there were 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 2018-19, the percentage increase in remuneration of Chief Financial officer and Whole Time Director designated as Chief Executive officer was 10.00% respectively and percentage increase in remuneration of Company Secretary was 20% 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, 2019 is as per the Nomination & Remuneration Policy of the Company.

ANNEXURE-V

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 2018-19

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	37	Whole time director designated as CEO	Company Secretary, LL.B	13	01.07.2014	Keshav Power Limited	14.29	No
2	Shweta Chadha	43	Chief Financial Officer	M.COM, C.S.(Inter)	18	26.08.2014	Ankita Pratisthan Limited	7.36	No
3	Arushi Gupta	27	Company Secretary	Company Secretary	3	01.06.2016	None	4.13	No

Notes:

- 1 None of the above employees held 2% or above of the equity share capital of the Company as on March 31, 2019 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 31st, 2019, 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 31 March 2019, and its loss (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
Fair Valuation of Investments	
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">➤ In case of quoted shares, the value was verified from the quotes of stock exchange;➤ In case of unquoted shares, the value was verified from their book value.;➤ Declared NAV of respective fund was considered to verify the fair value of mutual fund investments.

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.

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, 2016 ("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 there under.
 - (e) On the basis of written representations received from the directors as on March 31, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, 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.

For Mathur Gupta & Associates
Chartered Accountants
FRN: 003962N

(Pradeep Dayal Mathur)
Partner
Membership No. 082990
Date: May 29, 2019
Place: New Delhi

"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 Allrox Abrasives Limited on the standalone financial statements for the year ended March 31st, 2019) we report that :

- i. In respect of fixed assets:-
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. During the year the management has physically verified all the Fixed Assets and no material discrepancies have been noticed on such verification.
 - c. According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the company.
- ii. The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.

- iii. In our opinion and according to the information and explanations given to us, the Company has not granted any loans covered under section 189 of the Act. Therefore provisions of paragraph 3(iii) of the order are not applicable to the company.
- 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. During the year, no order has been passed by the company law board or National Company Law Tribunal or Reserve Bank of India or any court or any tribunal.
- 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 service 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 31st March, 2019 for a period of more than six months from the date they become payable.
- viii. The Company does not have any loans or borrowings from any financial institutions, banks, government or debenture holders during the year. Accordingly, paragraph (viii) of the order is not applicable.
- ix. According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer / further public offer/debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- x. Based on our examination of the books and records of the company carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given by the management for the purpose of reporting the true and fair view of the financial statements we report that no fraud by the company or no fraud by the officers and employees of the Company has been noticed or reported during the year.
- xi. According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- 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. According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- 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. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For Mathur Gupta & Associates
Chartered Accountants
FRN: 003962N

(Pradeep Dayal Mathur)
Partner
Membership No. 082990
Date: May 29, 2019
Place: New Delhi

**"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 31st, 2019 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.

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 31st, 2019, 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

(Pradeep Dayal Mathur)
Partner
Membership No. 082990
Date: May 29, 2019
Place: New Delhi

ALIROX ABRASIVES LIMITED
Standalone Balance Sheet as at March 31, 2019

Particulars	Note	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non - current assets			
(a) Property, plant and equipment	6	10,726,019	13,547,723
(b) Financial Assets			
(i) Investment	7	423,381,190	524,972,437
(c) Other Non Current Asset	8	26,000	26,000
Total non current assets		434,133,209	538,546,160
Current assets			
(a) Financial assets	9		
(i) Investments	9.1	3,348,142	3,105,848
(ii) Cash and cash equivalents	9.2	7,391,465	6,384,776
(iii) Loans	9.3	264,000	396,000
(iv) Other financial assets	9.4	-	130,039
(b) Other current assets	10	804,712	736,228
Total current assets		11,808,319	10,752,891
Total assets		445,941,527	549,299,051
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	11.1	2,400,000	2,400,000
(b) Other equity	11.2	439,901,379	543,028,406
Total equity		442,301,379	545,428,406
LIABILITIES			
Non - current liabilities			
(a) Deferred tax liabilities (net)	12	2,776,602	3,473,336
Total non current liabilities		2,776,602	3,473,336
Current liabilities			
(a) Other current liabilities	13	259,616	173,309
(b) Provisions	14	603,930	224,000
Total current liabilities		863,546	397,309
Total Equity & Liabilities		445,941,527	549,299,051
Notes to Accounts	1 to 5		

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

Gazal Gupta
Company Secretary

Pradeep Dayal Mathur
Partner
M.No. 082990
Date: May29,2019

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, 2019

Particulars	Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018
I Revenue from operations	15	3,460,000	3,360,000
II Other income	16	1,200,165	1,307,983
III Total Income (I + II)		4,660,165	4,667,983
IV Expenses			
Employee benefits expense	17	2,609,759	2,467,233
Depreciation and amortization expense	18	2,821,704	3,544,897
Other expenses	19	1,098,758	877,062
Total expenses		6,530,221	6,889,192
V Profit / (loss) for the year before tax (III-IV)		(1,870,057)	(2,221,209)
VI Tax expense	20		
(1) Current tax		370,000	176,000
(2) Deferred tax		(696,734)	3,473,336
(3) Income tax pertaining to earlier years		-	-
		(326,734)	3,649,336
VII Net Profit/(Loss) for the year after tax (V - VI)		(1,543,323)	(5,870,545)
VIII Other comprehensive income			
A Items that will not be reclassified to profit or loss	21		
Re-measurement gains/(losses) on Investment		(101,583,704)	119,902,904
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 Income tax relating to items that will be reclassified to profit or loss		-	-
		(101,583,704)	119,902,904
IX Total comprehensive income for the period (VI + VIII)		(103,127,027)	114,032,359
X Earnings per equity share	22		
Nominal value of equity shares (Rs 10.00 each)			
(1) Basic		(6.43)	(24.46)
(2) Diluted		(6.43)	(24.46)
Notes to Accounts	1 to 5		
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	Gazal Gupta
		Chief Financial Officer	Company Secretary
Pradeep Dayal Mathur			Leena Rawal
Partner			Whole Time Director &
M.No. 082990		M.L.Dujari	Chief Executive Officer
Date: May29,2019		Director	DIN: 03575675
		DIN: 00010043	

ALIROX ABRASIVES LIMITED
Standalone Cash Flow Statement for the year ended March 31, 2019

Particulars	2018-19	2017-18
A. Cash Flow from Operating Activities		
Net Profit before tax	(1,870,057)	(2,221,209)
Adjustments		
Depreciation / Amortization	2,821,704	3,544,897
Net Gain on Value of Mutual Fund	242,294	196,548
Amount Written Back	7,823	-
Amount Written Off	33,701	-
Dividend Income	(547,503)	(762,044)
Interest Income	(402,545)	(349,091)
(Profit)/Loss on sale of Investments		
(Profit)/Loss on sale of PPE		
Operating Profit before working Capital Changes	285,418	409,100
<u>Adjustments for working Capital changes :</u>		
Inventories		
Trade and Other Payables	466,237	318,760
Trade and Other Receivables	(677,282)	(1,010,147)
Cash Generated from Operations	74,373	(282,287)
Net Direct Taxes Paid/(Refund)	(17,732)	272,294
Net Cash from Operating activities	56,641	(554,581)
B Cash Flow from Investing Activities		
Purchase of Fixed Asset	-	(39,100)
Purchase of Investments	-	-
Sale of Investments	-	-
Interest Received	402,545	349,096
Dividend Received	547,503	762,044
Net Cash used in Investing Activities	950,048	1,072,040
C Cash Flow from Financing Activities		
Proceeds/(Repayment) of Short term Borrowings	-	-
Net cash from / (used in) financing activities	-	-
Net Increase in cash and cash equivalents (A+B+C)	1,006,689	517,459
Cash and cash equivalents (Opening Balance)	6,384,776	5,867,317
Cash and cash equivalents (Closing Balance)*	7,391,465	6,384,776
Change in Cash & Cash Equivalents	1,006,689	517,459
Components of Cash & Cash Equivalents	As at 31 March 2019	As at 31 March 2018
Balances with banks		
- in Current Accounts	1,834,262	766,243
- Deposits with original maturity of less than 3 months		
Cash on hand	7,022	9,659
Cheques in hand	5,550,181	5,608,874
Net Cash & Cash Equivalents	7,391,465	6,384,776

Note:

Cash & cash equivalents components are as per Note 9.2

Notes to Accounts

1 to 5

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

Gazal Gupta
Company Secretary

Pradeep Dayal Mathur

Partner

M.No. 082990

Date: May29,2019

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, 2019

A Equity Share Capital

Balance of Equity Share Capital		As at 31 March 2017	Changes during the year	As at 31 March 2018	Changes during the year	As at 31 Mar 2019
		2,400,000	-	2,400,000	-	2,400,000

B. Other equity

Particulars	Capital Reserve	Reserve Fund	General Reserve	Retained Earnings	Items of other comprehensive		Total
					Equity Instruments through other comprehensive income	Actuarial Gain & Losses on DBO	
As at 31.3.2017	246,750	32,800	200,000	12,135,805	416,380,692	-	428,996,047
Movement During FY 17-18							
Profit of the year	-	-	-	(5,870,545)	-	-	(5,870,545)
Other comprehensive income	-	-	-	-	119,902,904	-	119,902,904
Dividend and CDT Payment	-	-	-	-	-	-	-
As at 31.03.2018	246,750	32,800	200,000	6,265,260	536,283,596	-	543,028,406
Movement During FY 18-19							
Profit of the year	-	-	-	(1,543,323)	-	-	(1,543,323)
Other comprehensive income	-	-	-	-	(101,583,704)	-	(101,583,704)
Dividend and CDT Payment	-	-	-	-	-	-	-
Employees Stock Options Expense	-	-	-	-	-	-	-
As at 31.03.2019	246,750	32,800	200,000	4,721,937	434,699,892	-	439,901,379

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

Gazal Gupta
Company Secretary

Pradeep Dayal Mathur
Partner
M.No. 082990
Date: May29, 2019

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

M.L.Dujari
Director
DIN: 00010043

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 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."

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.

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. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

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) and 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.

The following methods of depreciation are used for PPE :

Property Plant & Equipment	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) 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.

c) 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."

d) 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.

e) 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.

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.

f) 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.

g) 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.

Note 3 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 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-4 Related Party Disclosures

A) Relationships

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

(ii) Key Managerial Personnel

Smt Leena Rawal	Whole Time Director/ Chief Executive Officer
Smt Shweta Chadha	Chief Financial Officer
Mrs. Arushi Gupta	Company Secretary (Resigned w.e.f. 10.05.2019)
Mrs. Gazal Gupta	Company Secretary (Appointed w.e.f. 29.05.2019)

(iii) Promoters of the Company:

Shri Jai Hari Dalmia and Shri Yadu Hari Dalmia

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

Adhirath Power & Holdings Private Limited, Dalmia Bharat Limited, Dalmia Refractories Limited, Dalmia Bharat Sugars & Industries Limited, Shri Chamundeswari Minerals Limited, Keshav Power 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, 2019	For the year ended 31st March, 2018	For the year ended 31st March, 2019	For the year ended 31st March, 2018	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Service Charges Received:-						
Dalmia Refractories Ltd.	-	-	35,40,000	21,01,500	35,40,000	21,01,500
Keshav Power Ltd.	-	-	-	14,07,000	-	14,07,000
Shri Chamundeswari Minerals Ltd.	-	-	70,800	70,800	70,800	70,800
Salary and Perquisites:						
Smt. Leena Rawal	14,41,768	13,60,759	-	-	14,41,768	13,60,759
Smt. Shweta Chadha	7,45,278	7,74,176	-	-	7,45,278	7,74,176
Mrs. Arushi Gupta	4,17,014	3,07,944	-	-	4,17,014	3,07,944
Dividend Received						
Dalmia Refractories Ltd.	-	-	1,23,594	2,47,187	1,23,594	2,47,187
Dalmia Bharat Ltd.	-	-	4,09,224	2,64,792	4,09,224	2,64,792
Dalmia Bharat Sugar & Industries Ltd.	-	-	-	2,40,720	-	2,40,720
Reimbursement of Expenses						
Adhirath Power & Holdings Pvt. Ltd.	-	-	86,000	-	86,000	-
Dalmia Bharat Ltd.	-	-	35,887	-	35,887	-
Shri Chamundeswari Minerals Ltd.	-	-	47,945	1,30,279	47,945	1,30,279
Directors Sitting Fees						
Shri J.H. Dalmia	14,000	12,000	-	-	14,000	12,000
Shri L.N.Goyal	20,500	20,500	-	-	20,500	20,500
Shri M.L.Dujari	17,000	17,000	-	-	17,000	17,000

(C). Balance Outstanding at year end:

Nature of Transaction	Key Management Personnel/Promoters		Enterprises having Common Promoters		Total	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Amount Receivable/ Payable						
Receivable-Leena Rawal	2,64,000	3,96,000			2,64,000	3,96,000

Alirox Abrasives Limited**Notes to Standalone Financial Statements for year ended March 31, 2019****Note -5 Events 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 year end:

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
Total current Assets	11,808,319	10,752,891
Total Current Liabilities	863,546	397,309
Current Ratio	13.67	27.06

Financial Instrument – Disclosure

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are recognised 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 st March, 2019		As at 31 st March, 2018	
				Carrying Value	Fair Value	Carrying Value	Fair Value
1	Financial Assets designated at fair value through Profit & Loss Current -Investment	A	Level-1	3,348,142	3,348,142	3,105,848	3,105,848
2	Financial Assets designated at fair value through other comprehensive Income Non –Current -Investment in Equity Shares	B	Level-1	423,270,090	423,270,090	524,861,337	524,861,337
3	Financial Assets designated at amortised cost Current -Cash & Cash Equivalents* -Loan* -Other Financial Assets*	C		7,391,465 264,000 -	7,391,465 264,000 -	6,384,776 396,000 130,039	6,384,776 396,000 130,039
4	Investment in Subsidiary			100,000	100,000	100,000	100,000

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.

Alirox Abrasives Limited

Notes to Standalone Financial Statements for year ended March 31, 2019

- 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 chose 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).

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

Gazal Gupta
Company Secretary

Pradeep Dayal Mathur
Partner
M.No. 082990
Date: May29,2019

M.L.Dujari
Director
DIN: 00010043

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

Alirox Abrasives Limited
Notes to the financial statements as on March 31, 2019

Non-Current Assets:

6. Property, Plant and Equipment

Tangible Assets

Particulars	Buildings	Office Equipment	Total Tangible Assets
Gross block			
Balance as at 31 March 2017	21,490,090	22,500	21,512,590
Additions	-	39,100	39,100
Disposals/Adjustment	-	-	-
Balance as at 31 March 2018	21,490,090	61,600	21,551,690
Additions	-	-	-
Disposals/Adjustment	-	-	-
Balance as at 31 March 2019	21,490,090	61,600	21,551,690
Accumulated Depreciation			
Balance as at 31 March 2017	4,457,820	1,250	4,459,070
Depreciation for the year	3,533,107	11,790	3,544,897
Accumulated depreciation on disposals	-	-	-
Balance as at 31 March 2018	7,990,927	13,040	8,003,967
Depreciation for the year	2,799,724	21,980	2,821,704
Accumulated depreciation on disposals	-	-	-
Balance as at 31 March 2019	10,790,651	35,020	10,825,671
Net block			
As at 31 March 2018	13,499,163	48,560	13,547,723
As at 31 March 2019	10,699,439	26,580	10,726,019

ALIROX ABRASIVES LIMITED

Notes to Standalone financial statements as on March 31, 2019

Non- Current Assets: Financial Assets
7 Investments

	No. of Shares	As at 31st March, 2019	No. of Shares	As at 31st March, 2018
Non Current Investments:				
a) Investments in Equity Instruments (fully paid up) - Quoted:(At FVTOCI)				
Carborundum Universal Limited	5,340	2,191,269	5,340	1,855,650
John Oakey and Mohan Limited	50	-	50	-
Dalmia Bharat Limited*	-	-	120,360	347,280,726
Odisha Cement Limited*	240,720	238,192,440	-	-
Dalmia Bharat Sugar & Industries Limited	120,360	14,900,568	120,360	7,739,148
Kanknnarah Co. Limited	300	-	300	-
Dalmia Refractories Limited	247,187	167,985,813	247,187	167,985,813
Investments in Equity Instruments (fully paid up) - Unquoted:				
Eduwizards Infosolution Pvt. Ltd.	11,100	11,100	11,100	11,100
Adhirath Power & Holdings Pvt. Ltd.	10,000	100,000	10,000	100,000
Total		423,381,190		524,972,437
Aggregate amount of Non-Current Investments				
Particulars				
Aggregate amount of quoted investments		423,270,090		524,861,337
Market value of quoted investments		423,270,090		524,861,337
Aggregate amount of unquoted Investments		111,100		111,100
<i>*Note: During the year, the company has received 2 equity shares of Rs. 2 each of Odisha Cement Ltd. in lieu of 1 equity share held in Dalmia Bharat Limited, upon merger, Odisha Cement Limited has been renamed as Dalmia Bharat Limited after the close of the year</i>				
8 Other Non Current Asset				
Security Deposit		26,000		26,000
		26,000		26,000
9 Current financial assets				
9.1 Current Investments				
Mutual Funds (At FVTPL)				
HDFC Short Term Debt Fund		3,348,142		3,105,848
		3,348,142		3,105,848
Aggregate Book value of quoted investments		3,348,142		3,105,848
Fair value of quoted investments		3,348,142		3,105,848
9.2 Cash & Cash Equivalent				
Balances with banks				
- in Current Accounts		1,834,262		766,243
Cash on hand		7,022		9,659
Cheques in hand		-		-
Fixed deposits		5,550,181		5,608,874
		7,391,465		6,384,776
9.3 Loans				
Advance to Employee				
Unsecured & Good		264,000		396,000
		264,000		396,000

ALIROX ABRASIVES LIMITED
Notes to Standalone financial statements as on March 31, 2019

ALIROX ABRASIVES LIMITED
Notes to Standalone financial statements as on March 31, 2019

	As at 31st March, 2019	As at 31st March, 2018
9.4 Others Financial Asset		
Unsecured, considered good		
- Interest receivable	-	130,039
		<u>130,039</u>
10 Other Current Assets:		
Balance with statutory authorities	804,712	736,228
	<u>804,712</u>	<u>736,228</u>
11 Equity		
11.1 Share Capital		
Authorised		
1,000,000* Equity Shares of Rs 10 each		
Total	10,000,000	10,000,000
<u>Issued, Subscribed & fully paid up</u>	<u>10,000,000</u>	<u>10,000,000</u>
240000 Equity shares of Rs 10 each		
Total	2,400,000	2,400,000
	<u>2,400,000</u>	<u>2,400,000</u>

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

	No. of shares	Amount
As at 31st March, 2017	240,000	2,400,000
Movement during the year	-	-
As at 31st March, 2018	240,000	2,400,000
Movement during the year	-	-
As at 31st March, 2019	<u>240,000</u>	<u>2,400,000</u>

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, 2019		As at March 31, 2018	
	Number	% Holding	Number	% Holding
Equity shares of ₹ 10 each fully paid				
Shri Jal Hari Dalmia	15050	6.27	15050	6.27
Rama Investment Co. Private Limited*	82270	34.28	82270	34.28
Sita Investment Co. Ltd.#	22800	9.50	22800	9.50

Note: * Pursuant to scheme of Amalgamation and Arrangement vide NCLT Order dated 18/04/2018 Mayuka Investment Limited, Puneet Trading & Investment Co. Pvt. Ltd, Ankita Pratisthan Limited, Zipahead.com Private Limited has been merged into Rama

Note: # Pursuant to scheme of Amalgamation and Arrangement vide NCLT Order dated 23/02/2018 Kavita Trading & Investment Co. Private Ltd has been merged into Sita Investment Co. Ltd.

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.

11.2 Other Equity

	As at 31st March, 2019	As at 31st March, 2018
a. Capital Reserves		
Opening Balance	246,750	246,750
Transferred to Retained earnings	-	-
Closing Balance	<u>246,750</u>	<u>246,750</u>
b. Reserve Fund		
Opening Balance	32,800	32,800
Closing Balance	<u>32,800</u>	<u>32,800</u>

ALIROX ABRASIVES LIMITED

Notes to Standalone financial statements as on March 31, 2019

	As at 31st March, 2019	As at 31st March, 2018
c. General Reserve		
Opening Balance	200,000	200,000
(+) Transfer from Debenture Redemption Reserve		
Closing Balance	<u>200,000</u>	<u>200,000</u>
d. Surplus/Retained Earnings		
Opening balance	6,265,260	12,135,805
Add : Transfer From Capital Reserve		
(+) Net Profit/(Net Loss) For the current year	(1,543,323)	(5,870,545)
Remeasurement effect		
Closing Balance	<u>4,721,937</u>	<u>6,265,260</u>
e. Comprehensive Income		
Income recognised on Equity instruments	536,283,596	416,380,692
Addition During The year	(101,583,704)	119,902,904
Total Income recognised on Equity instruments	<u>434,699,892</u>	<u>536,283,596</u>
Acturlal Gain & Losses on DBO		
Closing Balance	<u>434,699,892</u>	<u>536,283,596</u>
Grand Total	<u>439,901,379</u>	<u>543,028,406</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

Non - current liabilities

	As at 31st March, 2019	As at 31st March, 2018
12 Deferred Tax Liability		
On account of Property, Plant & Equipment	2,776,602	3,473,336
	<u>2,776,602</u>	<u>3,473,336</u>
Movement in deferred tax items		
FY 18-19		
Deferred tax liability / (asset) on account of		
Difference in Book value of Tangible and Intangible assets	3,473,336	(696,734)
	<u>3,473,336</u>	<u>(696,734)</u>
FY 17-18		
Deferred tax liability / (asset) on account of		
Difference in Book value of Tangible and Intangible assets	-	3,473,336
Net Deferred tax liability / (asset)	<u>-</u>	<u>3,473,336</u>
Current liabilities		
13 Other current liabilities		
Statutory Liabilities	95,031	119,728
Other Payables	164,585	53,581
	<u>259,616</u>	<u>173,309</u>
14 Provision		
Provision for employee benefits Leave Encashment	57,930	48,000
Provision for Income Tax	546,000	176,000
	<u>603,930</u>	<u>224,000</u>

ALIROX ABRASIVES LIMITED

Notes to Standalone financial statements as on March 31, 2019

Note No	Particulars	Rs in Lakhs	
		For the year ended March 31, 2019	For the year ended March 31, 2018
15 Revenue from operations			
	Service Charges Received	3,460,000	3,360,000
		3,460,000	3,360,000
16 Other income			
	Interest income from bank/others	402,545	349,091
	Dividend income	547,503	762,044
	Net gain/loss on value of Mutual Funds	242,294	196,548
	Other non operating income	7,823	300
		1,200,165	1,307,983
17 Employee benefits expense			
	Salaries, wages, Allowances & Commission	2,588,237	2,445,694
	Staff welfare expenses	21,522	21,539
		2,609,759	2,467,233
18 Depreciation and amortization expense			
	Depreciation of tangible assets	2,821,704	3,544,897
		2,821,704	3,544,897
19 Other expenses			
i)	Printing & Stationery	14,891	-
ii)	Electricity and Water Charges	328,786	277,914
iii)	Advertisement & Publicity	52,520	46,532
iv)	Insurance	-	12,921
v)	Rates and taxes	91,571	80,782
vi)	Payment to the auditors		
	- as auditor (includes Qtr. Limited Review Fee)	110,000	25,000
	- for other services	35,000	15,050
vii)	Professional Charges	162,379	115,689
viii)	Listing & Processing Fees	55,000	35,350
ix)	Directors sitting fees	51,500	49,500
x)	General Maintenance	41,610	130,279
xi)	Website Charges	9,000	11,000
xii)	Depository Charges	24,914	26,622
xiii)	Filing Fees	2,300	7,113
xiv)	Miscellaneous expenses	104,242	43,310
xv)	Prior Period Expenses	12,750	-
xvi)	Amount Written Off	2,296	-
		1,098,758	877,062

ALIROX ABRASIVES LIMITED

Notes to Standalone financial statements as on March 31, 2019

Note No	Particulars	Rs in Lakhs	
		For the year ended March 31, 2019	For the year ended March 31, 2018
20 Tax expense			
	Current tax		
	<u>Deferred tax</u>	370,000	176,000
	- Deferred tax Asset	(696,734)	(3,473,336)
	Income Tax pertaining to earlier years		-
		<u>(326,734)</u>	<u>(3,297,336)</u>
	Reconciliation of income tax expense and the accounting profit multiplied by Company's tax rate:		
	Profit / (loss) before tax	(1,870,057)	(2,221,209)
	Income tax rate	19.24%	19.06%
	Tax on Income	<u>(359,799)</u>	<u>(423,362)</u>
	Tax effect of items in reconciliations		
	Effect of expenses that are non-deductible in determining taxable profit		
		839,497	1,084,736
	Effect of expenses that are deductible in determining taxable profit		
		<u>(806,433)</u>	<u>(3,958,710)</u>
	Income Tax Expense	<u>(326,734)</u>	<u>(3,297,336)</u>
21 Other Comprehensive Income			
	Item that will not be reclassified to profit or loss		
	Re-measurement gains/(losses) on Investment	(101,583,704)	119,902,904
	Items that will be reclassified to profit or loss		
	- Fair valuation of equity instruments at FVTOCI		
	Total Other Comprehensive Income	<u>(101,583,704)</u>	<u>119,902,904</u>
22 Earning per Share			
	Profit after tax	(1,543,323)	(5,870,545)
	Number of equity shares outstanding during the period (weighted average)	240,000	240,000
	Nominal value of equity shares (Rs 10.00 each)	10.00	10.00
	Earning per share (Rs.) Basic	(6.43)	(24.46)
	Earning per share (Rs. Diluted)	(6.43)	(24.46)

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 31 March 2019, 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 (hereinafter 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 31 March 2019, of its consolidated loss and 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
Fair Valuation of Investments	
The Group's investments include the amount invested in mutual fund and various quoted/unquoted shares.	<p>During audit, following procedures was adopted to ensure the fair valuation of investments:</p> <ul style="list-style-type: none"> ➤ In case of quoted shares, the value was verified from the quotes of stock exchange; ➤ In case of unquoted shares, the value was verified from their book value.; ➤ Declared NAV of respective fund was considered to verify the fair value of mutual fund investments.

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 88.09 lacs as at 31st March, 2019, total revenue of INR 9 lacs and net cash outflows amounting to INR 0.84 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.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on 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 there under.

- (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 2019 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 2019 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.

For Mathur Gupta & Associates
Chartered Accountants
FRN: 003962N

(Pradeep Dayal Mathur)
Place: New Delhi
Partner
Membership No. 082990
Date: May 29, 2019

"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 31 March 2019, 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 31 March 2019, 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

(Pradeep Dayal Mathur)
Place: New Delhi
Partner
Membership No. 082990
Date: May 29, 2019
Place: New Delhi

ALIROX ABRASIVES LIMITED
Consolidated Balance Sheet as at March 31, 2019

Particulars	Note	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non - current assets			
(a) Property, plant and equipment	6	10,726,019	13,547,723
(b) Financial Assets			
(i) Investment	7	431,831,070	533,422,317
(c) Other Non Current Asset	8	26,000	26,000
Total non current assets		442,583,089	546,996,040
Current assets			
(a) Financial assets	9		
(i) Investments	9.1	3,348,142	3,105,848
(ii) Cash and cash equivalents	9.2	7,584,861	6,661,883
(iii) Loans	9.3	264,000	396,000
(iv) Other financial assets	9.4	-	130,039
(b) Other current assets	10	870,712	736,228
Total current assets		12,067,715	11,029,998
Total assets		454,650,803	558,026,038
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	11.1	2,400,000	2,400,000
(b) Other equity	11.2	439,218,955	542,277,693
Total equity		441,618,955	544,677,693
LIABILITIES			
Non - current liabilities			
(a) Deferred tax liabilities (net)	12	2,776,602	3,473,336
Total non current liabilities		2,776,602	3,473,336
Current liabilities			
(a) Financial Liabilities	13	9,314,300	9,391,700
(b) Other current liabilities	14	337,016	259,309
(c) Provisions	15	603,930	224,000
Total current liabilities		10,255,246	9,875,009
Total Equity & Liabilities		454,650,803	558,026,038
Notes to Accounts	1 to 5		

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

Gazal Gupta
Company Secretary

Pradeep Dayal Mathur
Partner
M.No. 082990
Date: May29,2019

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, 2019

Particulars	Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018
I Revenue from operations	16	4,360,000	3,360,000
II Other income	17	1,200,165	2,118,731
III Total income (I + II)		5,560,165	5,478,731
IV Expenses			
Finance Cost	18	774,000	860,000
Employee benefits expense	19	2,609,759	2,467,233
Depreciation and amortization expense	20	2,821,704	3,544,897
Other expenses	21	1,132,468	909,229
Total expenses		7,337,931	7,781,359
V Profit / (loss) for the year before tax (III-IV)		(1,777,767)	(2,302,628)
VI Tax expense	22		
(1) Current tax		394,000	176,000
(2) Deferred tax		(696,734)	3,473,336
(3) Income tax pertaining to earlier years		-	-
		(302,734)	3,649,336
VII Net Profit/(Loss) for the year after tax (V - VI)		(1,475,033)	(5,951,964)
VIII Other comprehensive income			
A Items that will not be reclassified to profit or loss	23		
Re-measurement gains/(losses) on Investment		(101,583,705)	119,902,904
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 Income tax relating to items that will be reclassified to profit or loss		-	-
		(101,583,705)	119,902,904
IX Total comprehensive income for the period (VI + VIII)		(103,058,738)	113,950,940
X Earnings per equity share	24		
Nominal value of equity shares (Rs 10.00 each)			
(1) Basic		(6.15)	(24.80)
(2) Diluted		(6.15)	(24.80)

Notes to Accounts

1 to 5

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

Gazal Gupta
 Company Secretary

Pradeep Dayal Mathur
 Partner
 M.No. 082990
 Date: May29,2019

M.L.Dujari
 Director
 DIN: 00010043

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

ALIROX ABRASIVES LIMITED

Consolidated Cash Flow Statement for the year ended March 31, 2019

Particulars	2018-19	2017-18
A. Cash Flow from Operating Activities		
Net Profit before tax		
Adjustments	(1,777,767)	(2,302,628)
Depreciation / Amortization		
Net Gain on Value of Mutual Fund	2,821,704	3,544,897
Amount Written Back	242,294	196,548
Amount Written Off	7,823	-
Dividend Income	33,701	-
Interest Income	(547,503)	(762,044)
(Profit)/Loss on sale of Investments	(402,545)	(349,091)
(Profit)/Loss on sale of PPE		
Operating Profit before working Capital Changes		
Adjustments for working Capital changes :	377,708	327,681
Inventories		
Trade and Other Payables		
Trade and Other Receivables	380,237	557,749
Cash Generated from Operations	(767,282)	(1,010,147)
Net Direct Taxes Paid/(Refund)	(9,337)	(124,717)
Net Cash from Operating activities	(17,733)	272,294
	(27,070)	(397,011)
B. Cash Flow from Investing Activities		
Purchase of Fixed Asset	-	(39,100)
Purchase of Investments	-	-
Sale of Investments	-	-
Interest Received	-	-
Dividend Received	402,545	349,096
Net Cash used in Investing Activities	547,503	762,044
	950,048	1,072,040
C. Cash Flow from Financing Activities		
Proceeds/(Repayment) of Short term Borrowings	-	-
Net cash from / (used in) financing activities	-	-
Net Increase in cash and cash equivalents (A+B+C)	922,978	675,029
Cash and cash equivalents (Opening Balance)	6,661,883	5,986,854
Cash and cash equivalents (Closing Balance)*	7,584,861	6,661,883
Change in Cash & Cash Equivalents	922,978	675,029
Components of Cash & Cash Equivalents		
	As at 31 March 2019	As at 31 March 2018
Balances with banks		
- in Current Accounts		
- Deposits with original maturity of less than 3 months	2,023,040	1,038,531
Cash on hand	5,550,181	5,608,874
Net Cash & Cash Equivalents	11,640	14,478
Note:	7,584,861	6,661,883

Cash & cash equivalents components are as per Note 9.2

Notes to Accounts

1 to 5

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

Gazal Gupta
 Company Secretary

Pradeep Dayal Mathur
 Partner
 M.No. 082990
 Date: May29,2019

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, 2019

A Equity Share Capital

Balance of Equity Share Capital	As at 31 March 2017	Changes during the year	As at 31 March 2018	Changes during the year	As at 31 Mar 2019
	2,400,000	-	2,400,000	-	2,400,000

B. Other equity

Particulars	Capital Reserve	Reserve Fund	General Reserve	Retained Earnings	Items of other comprehensive income			Total
					Equity instruments through other comprehensive income	Actuarial Gain & Losses on DBO		
As at 31.3.2017	246,750	32,800	200,000	11,466,511	416,380,692	-	-	428,326,753
Movement During FY 17-18	-	-	-	(5,951,964)	-	-	-	(5,951,964)
Profit of the year	-	-	-	-	119,902,904	-	-	119,902,904
Other comprehensive income	-	-	-	-	-	-	-	-
Dividend and CDT Payment	-	-	-	-	-	-	-	-
As at 31.03.2018	246,750	32,800	200,000	5,514,547	536,283,596	-	-	542,277,693
Movement During FY 18-19	-	-	-	(1,475,033)	-	-	-	(1,475,033)
Profit of the year	-	-	-	-	(101,583,705)	-	-	(101,583,705)
Other comprehensive income	-	-	-	-	-	-	-	-
Dividend and CDT Payment	-	-	-	-	-	-	-	-
Employees Stock Options Expense	-	-	-	-	-	-	-	-
As at 31.03.2019	246,750	32,800	200,000	4,039,514	434,699,891	-	-	439,218,955

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

Gazal Gupta
Company Secretary

Pradeep Dayal Mathur
Partner
M.No. 082990
Date: May29,2019

M.L.Dujari
Director
DIN: 00010043

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

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 preceding year 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."

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. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

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) and 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.

The following methods of depreciation are used for PPE :

Property Plant & Equipment	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) 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 active markets, their fair value is measured 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.

c) 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."

d) 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.

e) 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.

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.

f) 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.

g) 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.

Note 3 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:

Alirox Abrasives Limited

Notes to Consolidated Financial Statements for year ended March 31, 2019

- 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 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-4 Related Party Disclosures

A) Relationships

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

(ii) Key Managerial Personnel

Smt Leena Rawal

Smt Shweta Chadha

Mrs. Arushi Gupta

Whole Time Director/ Chief Executive Officer

Chief Financial Officer

Company Secretary (Resigned w.e.f. 10.05.2019)

Alirox Abrasives Limited
Notes to Consolidated Financial Statements for year ended March 31, 2019

Mrs. Gazal Gupta

Company Secretary (Appointed w.e.f. 29.05.2019)

(iii) Promoters of the Company:

Shri Jai Hari Dalmia 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 Sugars & 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, 2019	For the year ended 31st March, 2018	For the year ended 31st March, 2019	For the year ended 31st March, 2018	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Service Charges Received:-						
Dalmia Refractories Ltd.	-	-	35,40,000	21,01,500	35,40,000	21,01,500
Keshav Power Ltd.	-	-	-	14,07,000	-	14,07,000
Shri Chamundeswari Minerals Ltd.	-	-	70,800	70,800	70,800	70,800
Salary and Perquisites:						
Smt. Leena Rawal	14,41,768	13,60,759	-	-	14,41,768	13,60,759
Smt. Shweta Chadha	7,45,278	7,74,176	-	-	7,45,278	7,74,176
Mrs. Arushi Gupta	4,17,014	3,07,944	-	-	4,17,014	3,07,944
Dividend Received						
Dalmia Refractories Ltd.	-	-	1,23,594	2,47,187	1,23,594	2,47,187
Dalmia Bharat Ltd.	-	-	4,09,224	2,64,792	4,09,224	2,64,792
Dalmia Bharat Sugar & Industries Ltd.	-	-	-	2,40,720	-	2,40,720
Reimbursement of Expenses						
Dalmia Bharat Ltd.	-	-	35,887	-	35,887	-
Shri Chamundeswari Minerals Ltd.	-	-	47,945	1,30,279	47,945	1,30,279
Directors Sitting Fees						
Shri J.H. Dalmia	14,000	12,000	-	-	14,000	12,000
Shri L.N.Goyal	20,500	20,500	-	-	20,500	20,500
Shri M.L.Dujari	17,000	17,000	-	-	17,000	17,000

(C) Balance Outstanding at year end:

Nature of Transaction	Key Management Personnel/Promoters		Enterprises having Common Promoters		Total	
	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2019	As at 31st March, 2018
Amount Receivable/ Payable						
Receivable - Leena Rawal	2,64,000	3,96,000	-	-	-	-
Payable - Keshav Power Limited	-	-	92,96,600	93,74,000	95,60,000	97,70,000

Alirox Abrasives Limited

Notes to Consolidated Financial Statements for year ended March 31, 2019

Note -5 Events 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 st March, 2019	As at 31 st March,2018
Total current Assets	12,067,715	11,029,998
Total Current Liabilities	10,255,246	9,875,009
Current Ratio	1.18	1.12

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 st March,2019		As at 31 st March,2018	
				Carrying Value	Fair Value	Carrying Value	Fair Value
1	Financial Assets designated at fair value through Profit & Loss <u>Current</u> -Investment	A	Level-1	3,348,142	3,348,142	3,105,848	3,105,848
2	Financial Assets designated at fair value through other comprehensive income <u>Non –Current</u> -Investment in Equity Shares	B	Level-1	423,270,090	423,270,090	524,861,337	524,861,337
3	Financial Assets designated at amortised cost <u>Current</u> -Cash & Cash Equivalents* -Loan* -Other Financial Assets*			7,391,465 264,000 -	7,391,465 264,000 -	6,384,776 396,000 130,039	6,384,776 396,000 130,039

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

Alirox Abrasives Limited**Notes to Consolidated Financial Statements for year ended March 31, 2019**

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).

Additional Disclosure

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	100.13%	44,22,01,379	104.63%	(15,43,323)	100%	43,46,99,891	100.07%	(10,31,27,027)
Adhirath Power & Holdings Pvt. Ltd.	-0.13%	(5,82,424)	-4.63%	68,290	-	-	-0.07	68,289

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

Gazal Gupta
Company Secretary

Pradeep Dayal Mathur
Partner

M.No. 082990

Date: May29,2019

M.L. Dujari
Director
DIN: 00010043

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

Alirox Abrasives Limited
Notes to Consolidated financial statements as on March 31, 2019

Non-Current Assets:

6. Property, Plant and Equipment

Tangible Assets

Particulars	Buildings	Office Equipment	Total Tangible Assets
Gross block			
Balance as at 31 March 2017	21,490,090	22,500	21,512,590
Additions	-	39,100	39,100
Disposals/Adjustment	-	-	-
Balance as at 31 March 2018	21,490,090	61,600	21,551,690
Additions	-	-	-
Disposals/Adjustment	-	-	-
Balance as at 31 March 2019	21,490,090	61,600	21,551,690
Accumulated Depreciation			
Balance as at 31 March 2017	4,457,820	1,250	4,459,070
Depreciation for the year	3,533,107	11,790	3,544,897
Accumulated depreciation on disposals	-	-	-
Balance as at 31 March 2018	7,990,927	13,040	8,003,967
Depreciation for the year	2,799,724	21,980	2,821,704
Accumulated depreciation on disposals	-	-	-
Balance as at 31 March 2019	10,790,651	35,020	10,825,671
Net block			
As at 31 March 2018	13,499,163	48,560	13,547,723
As at 31 March 2019	10,699,439	26,580	10,726,019

ALIROX ABRASIVES LIMITED
Notes to Consolidated financial statements as on March 31, 2019

Non-Current Assets: Financial Assets

7 Investments

	No. of Shares	As at 31st March, 2019	No. of Shares	As at 31st March, 2018
Non Current Investments:				
a) Investments in Equity Instruments (fully paid up) - Quoted:(At FVTOCI)				
Carborundum Universal Limited	5,340	2,191,269	5,340	1,855,650
John Oakey and Mohan Limited	50	-	50	-
Dalmia Bharat Limited*	-	-	120,360	347,280,726
Odisha Cement Limited*	240,720	238,192,440	-	-
Dalmia Bharat Sugar & Industries Limited	120,360	14,900,568	120,360	7,739,148
Kanknnarah Co. Limited	300	-	300	-
Dalmia Refractories Limited	247,187	167,985,813	247,187	167,985,813
Investments in Equity Instruments (fully paid up) - Unquoted:				
Eduwizards Infosolution Pvt. Ltd.	11,100	11,100	11,100	11,100
Hereon Dalmia Solar Power Limited	854,988	8,549,880	854,988	8,549,880
Total		431,831,070		533,422,317
Aggregate amount of Non-Current Investments				
Particulars				
Aggregate amount of quoted investments		423,270,090		524,861,337
Market value of quoted investments		423,270,090		524,861,337
Aggregate amount of unquoted investments		8,560,980		8,560,980
<i>*Note: During the year, the company has received 2 equity shares of Rs. 2 each of Odisha Cement Ltd. in lieu of 1 equity share held in Dalmia Bharat Limited, upon merger, Odisha Cement Limited has been renamed as Dalmia Bharat Limited after the close of the year</i>				
8 Other Non Current Asset				
Security Deposit		26,000		26,000
		26,000		26,000
9 Current financial assets				
9.1 Current Investments				
<u>Mutual Funds (At FVTPL)</u>				
HDFC Short Term Debt Fund		3,348,142		3,105,848
		3,348,142		3,105,848
Aggregate Book value of quoted investments		3,348,142		3,105,848
Fair value of quoted investments		3,348,142		3,105,848
9.2 Cash & Cash Equivalent				
Balances with banks				
- in Current Accounts		2,023,040		1,038,531
Cash on hand		11,640		14,478
Cheques in hand		-		-
Fixed deposits		5,550,181		5,608,874
		7,584,861		6,661,883
9.3 Loans				
Advance to Employee				
Unsecured & Good		264,000		396,000
		264,000		396,000

ALIROX ABRASIVES LIMITED
Notes to Consolidated financial statements as on March 31, 2019

	As at 31st March, 2019	As at 31st March, 2018
9.4 Others Financial Asset		
Unsecured, considered good		
- Interest receivable		130,039
		<u>130,039</u>
10 Other Current Assets:		
Balance with statutory authorities	870,712	736,228
	<u>870,712</u>	<u>736,228</u>
11 Equity		
11.1 Share Capital		
Authorised		
1,000,000' Equity Shares of Rs 10 each	10,000,000	10,000,000
Total	<u>10,000,000</u>	<u>10,000,000</u>
<u>Issued, Subscribed & fully paid up</u>		
240000 Equity shares of Rs 10 each	2,400,000	2,400,000
Total	<u>2,400,000</u>	<u>2,400,000</u>

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

	No. of shares	Amount
As at 31st March, 2017	240,000	2,400,000
Movement during the year		
As at 31st March, 2018	240,000	2,400,000
Movement during the year		
As at 31st March, 2019	<u>240,000</u>	<u>2,400,000</u>

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, 2019		As at March 31, 2018	
	Number	% Holding	Number	% Holding
Equity shares of ₹ 10 each fully paid				
Shri Jai Hari Dalmia	15050	6.27	15050	6.27
Rama Investment Co. Private Limited*	82270	34.28	82270	34.28
Sita Investment Co. Ltd.#	22800	9.50	22800	9.50

Note: * Pursuant to scheme of Amalgamation and Arrangement vide NCLT Order dated 18/04/2018 Mayuka Investment Limited, Puneet Trading & Investment Co. Pvt.Ltd, Ankita Pratisthan Limited, Zipahead.com Private Limited has been merged into Rama

Note: # Pursuant to scheme of Amalgamation and Arrangement vide NCLT Order dated 23/02/2018 Kavita Trading & Investment Co. Private Ltd has been merged into Sita Investment Co. Ltd.

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.

11.2 Other Equity

	As at 31st March, 2019	As at 31st March, 2018
a. Capital Reserves		
Opening Balance	246,750	246,750
Transferred to Retained earnings		
Closing Balance	<u>246,750</u>	<u>246,750</u>
b. Reserve Fund		
Opening Balance	32,800	32,800
Closing Balance	<u>32,800</u>	<u>32,800</u>
c. General Reserve		
Opening Balance	200,000	200,000
(+) Transfer from Debenture Redemption Reserve		
Closing Balance	<u>200,000</u>	<u>200,000</u>

ALIROX ABRASIVES LIMITED

Notes to Consolidated financial statements as on March 31, 2019

d. Surplus/Retained Earnings

Opening balance

Add : Transfer From Capital Reserve

(+) Net Profit/(Net Loss) For the current year

Remeasurement effect

Closing Balance

e. Comprehensive Income

Income recognised on Equity Instruments

Addition During The year

Total Income recognised on Equity instruments

Actuarial Gain & Losses on DBO

Closing Balance

Grand Total

5,514,547

(1,475,033)

4,039,514

536,283,596

(101,583,705)

434,699,891

434,699,891

439,218,955

11,466,511

(5,951,964)

5,514,547

416,380,692

119,902,904

536,283,596

536,283,596

542,277,693

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

Non - current liabilities
12 Deferred Tax Liability

On account of Property, Plant & Equipment

Movement in deferred tax items

FY 18-19

Deferred tax liability / (asset) on account of

Difference in Book value of Tangible and Intangible assets

FY 17-18

Deferred tax liability / (asset) on account of

Difference in Book value of Tangible and Intangible assets

Net Deferred tax liability / (asset)

As at 31st
March, 2019

2,776,602

2,776,602

Opening Balance

Recognised in
Profit & Loss
Account

As at 31st
March, 2018

3,473,336

3,473,336

Closing Balance

3,473,336

3,473,336

Opening Balance

Recognised in
Profit & Loss
Account

(696,734)

(696,734)

2,776,602

2,776,602

Closing Balance

3,473,336

3,473,336

Opening Balance

Recognised in
Profit & Loss
Account

3,473,336

3,473,336

Closing Balance

As at 31st
March, 2019

8,600,000

17,700

696,600

9,314,300

As at 31st
March, 2019

172,431

164,585

337,016

8,600,000

17,700

774,000

9,391,700

As at 31st
March, 2018

205,728

53,581

259,309

Current liabilities
13 Financial Liabilities

Short Term Borrowing

Trade Payable

Other Financial Liabilities

14 Other current liabilities

Statutory Liabilities

Other Payables

15 Provision

Provision for employee benefits Leave Encashment

Provision for Income Tax

57,930

546,000

603,930

48,000

176,000

224,000

ALIROX ABRASIVES LIMITED
Notes to Consolidated financial statements as on March 31, 2019

Note No	Particulars	Rs in Lakhs	
		For the year ended March 31, 2019	For the year ended March 31, 2018
16 Revenue from operations			
	Service Charges Received	4,360,000	3,360,000
		4,360,000	3,360,000
17 Other income			
	Interest income from bank/others		
	Dividend income	402,545	349,091
	Net gain/loss on value of Mutual Funds	547,503	762,044
	Other non operating income	242,294	196,548
	Refferal Fees	7,823	300
		-	810,748
		1,200,165	2,118,731
18 Finance Cost			
	Interest on Borrowings		
		774,000	860,000
		774,000	860,000
19 Employee benefits expense			
	Salaries, wages, Allowances & Commission	2,588,237	2,445,694
	Staff welfare expenses	21,522	21,539
		2,609,759	2,467,233
20 Depreciation and amortization expense			
	Depreciation of tangible assets		
		2,821,704	3,544,897
		2,821,704	3,544,897
21 Other expenses			
i)	Printing & Stationery	14,891	-
ii)	Electricity and Water Charges	328,786	277,914
iii)	Advertisement & Publicity	52,520	46,532
iv)	Insurance	-	12,921
v)	Rates and taxes	91,571	80,782
vi)	Payment to the auditors		
	- as auditor(includes Qtr. Limited Review Fee)	127,700	42,700
	- for other services	35,000	15,050
vii)	Professional Charges	177,587	125,670
viii)	Listing & Processing Fees	55,000	35,350
ix)	Directors sitting fees	51,500	49,500
x)	General Maintainence	41,610	130,279
xi)	Website Charges	9,000	11,000
xii)	Depository Charges	24,914	26,622
xiii)	Filing Fees	2,300	7,113
xiv)	Miscellaneous expenses	105,044	47,796
xv)	Prior Period Expenses	12,750	-
xvi)	Amount Written Off	2,296	-
		1,132,468	909,229

ALIROX ABRASIVES LIMITED
Notes to Consolidated financial statements as on March 31, 2019

Note No	Particulars	Rs in Lakhs	
		For the year ended March 31, 2019	For the year ended March 31, 2018
22 Tax expense			
	Current tax		
	<u>Deferred tax</u>	394,000	176,000
	- Deferred tax Asset	(696,734)	(3,473,336)
	Income Tax pertaining to earlier years		
		<u>(302,734)</u>	<u>(3,297,336)</u>
	Reconciliation of income tax expense and the accounting profit multiplied by Company's tax rate:		
	Profit / (loss) before tax	(1,777,767)	(2,302,628)
	Income tax rate	19.24%	19.06%
	Tax on Income	<u>(342,042)</u>	<u>(438,881)</u>
	Tax effect of items in reconciliations		
	Effect of expenses that are non-deductible in determining taxable profit	845,741	1,084,736
	Effect of expenses that are deductible in determining taxable profit	(806,433)	(3,943,191)
	Income Tax Expense	<u>(302,734)</u>	<u>(3,297,336)</u>
23 Other Comprehensive Income			
	Item that will not be reclassified to profit or loss		
	Re-measurement gains/(losses) on investment	(101,583,705)	119,902,904
	Items that will be reclassified to profit or loss		
	- Fair valuation of equity instruments at FVTOCI		
	Total Other Comprehensive Income	<u>(101,583,705)</u>	<u>119,902,904</u>
24 Earning per Share			
	Profit after tax	(1,475,033)	(5,951,964)
	Number of equity shares outstanding during the period (weighted average)	240,000	240,000
	Nominal value of equity shares (Rs 10.00 each)	10.00	10.00
	Earning per share (Rs.) Basic	(6.15)	(24.80)
	Earning per share (Rs. Diluted)	(6.15)	(24.80)

NOTES

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