



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

AAL/SEC/SE/23-24/22

06th September, 2023

The Head-Listing & Compliance
Metropolitan Stock Exchange of India Limited
Vibgyor Tower, Agastya Corporate Park,
Building A, Unit 205A, 2nd Floor, Piramal,
Lal Bahadur Shastri Rd, Kurla West,
Mumbai, Maharashtra 400070

Dear Sir,

Re: Annual Report for the Financial Year 2022-23

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 2022-23.

The said Annual Report is also available on the website of the Company at www.alirox.com

You are kindly requested to acknowledge the receipt.

Thanking you,

Yours faithfully,
For **ALIROX ABRASIVES LIMITED**

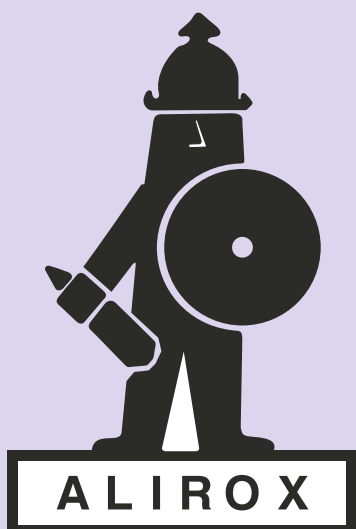
SONAL Digitally signed
by SONAL POPLI
Date:
2023.09.06
19:32:48 +05'30'

(Sonal Popli)
Company Secretary & Compliance Officer

Encl: As above

ALIROX ABRASIVES LIMITED

NEW DELHI



79th ANNUAL REPORT
2022-23

ALIROX ABRASIVES LIMITED
CIN: L74899DL1944PLC000759

REGISTERED OFFICE

4- Scindia House,
New Delhi-110001

CORPORATE OFFICE

7F-7H (7th Floor), Hansalaya Building,
15, Barakhamba Road, New Delhi 110001

Telephone: 011-45685625, 011-41070069

Website: www.alirox.com

Email id: scml@dalmiadelhi.com, sncil@dalmiarf.com

DIRECTORS

Dr. C.N. Maheshwari
Shri C. Nagaratnam
Shri. L.N. Goyal
Smt. Leena Rawal

REGISTRAR & SHARE TRANSFER AGENT

KFin Technologies Ltd.
Selenium Tower B, Plot 31-32,
Gachibowli Financial District, Nanakramguda, Hyderabad – 500 032
E-Mail: inward.ris@kfintech.com Website www.kfintech.com

STATUTORY AUDITORS

M/s Mathur Gupta & Associates.
Chartered Accountants

'ALIROX ABRASIVES LIMITED'
CIN NO: L74899DL1944PLC000759

DIRECTORS' REPORT

For the year ended 31st March, 2023

Your Directors hereby present the Seventy Ninth Annual Report on the Standalone and Consolidated Audited Financial statements of the Company for the financial year ended 31st March, 2023.

FINANCIAL RESULTS:

The Company's financial performance for the year ended 31st March, 2023 is summarized below:

PARTICULARS	2022-23		2021-22	
	Standalone	Consolidated	Standalone	Consolidated
GROSS REVENUE	83.84	87.34	74.92	74.97
Profit/(Loss) before interest, Depreciation and Tax (EBITDA)	24.94	13.03	25.24	24.84
Interest	-	-	-	3.88
Depreciation	11.15	11.15	14.28	14.28
Profit/(Loss) before Tax (PBT)	13.79	1.88	10.96	6.68
Provision for Current tax	6.16	6.16	5.40	5.40
Provision for deferred tax (Net of due to change in Depreciation as per Companies Act, 2013)	(2.85)	(2.85)	(3.63)	(3.63)
Income tax pertaining to earlier years	-	0.03	(0.74)	(0.90)
Profit/(Loss) after tax	10.48	(1.46)	9.93	5.81
Add: Surplus brought forward from last year	-	-	-	-
Profit available for appropriation	10.48	(1.46)	9.93	5.81
Appropriations:				
General Reserve	-	-	-	-
Dividend	-	-	-	-
Balance Carried Forward	10.48	(1.46)	9.93	5.81

OPERATIONS

The Company continues to be engaged in the same line of business during the financial year 2022-23 and has earned income mainly from service charges.

DIVIDEND

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

TRANSFER TO RESERVE

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

ANNUAL RETURN

In terms of the provisions of Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the annual return of your Company for the financial year ended 31st March, 2023 will be uploaded at the Company's website <https://www.alirox.com>.

CHANGE OF PLACE OF KEEPING BOOKS OF ACCOUNTS OF THE COMPANY

During the year under review, the Company has shifted the place of keeping the Books of Accounts and other relevant books, papers and financial Statements of the Company from 6G (6th Floor) & 7A (7th Floor), Hansalaya Building, 15, Barakhamba Road, New Delhi 110001 to its new Corporate Office situated at 7F-7H (7th Floor), Hansalaya Building, 15, Barakhamba Road, New Delhi-110001, with effect from 10th October, 2022.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on 31st March 2023, the Board of Directors of the Company comprises of four Directors namely Dr. C. N. Maheshwari, Shri Chandrasekaran Nagaratnam, Shri Laxmi Niwas Goyal and Smt. Leena Rawal.

During the year under review, Shri M.L. Dujari, Independent Director of the Company passed away on 9th November, 2022. He had been the guiding light for the Company and provided his valuable services. The Board places on record its sincere appreciation for the valuable contribution of Late Shri M.L. Dujari.

Shri Chandrasekaran Nagaratnam (DIN: 00266838) was appointed as an Additional Independent Director of the Company by the Board of Directors, on the recommendation of the Nomination and Remuneration Committee, for a tenure of five years with effect from 06th February, 2023. In terms of the provisions of Section 149(6) of the Act and the Rules framed thereunder Shri Chandrasekaran Nagaratnam meets the criteria for independence and his appointment is being placed before the members for their approval at the ensuing Annual General Meeting for a tenure of five years w.e.f. 6th February 2023 and whose period of office shall not be liable to retire by rotation.

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

Pursuant to the provisions of Section 152(6)(c) of the Companies Act, 2013 Smt. Leena Rawal, Director is liable to retire 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 re-appointed as a Director of the Company.

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

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

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

MEETINGS OF THE BOARD & COMMITTEES

During the year, six Meetings of the Board were convened and held on 30th May, 2022, 10th August, 2022, 10th October, 2022, 14th November, 2022, 06th February, 2023 and 14th February, 2023. The time gap

between two consecutive meetings of the Board did not exceed one hundred and twenty days during the financial year 2022-23.

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.

Pursuant to change in the composition of the Board of Directors the Audit Committee and Nomination and Remuneration Committee were reconstituted by the Board, during the period under review.

The composition of Audit Committee meets the requirement of Section 177 of the Companies Act, 2013. As on 31st March, 2023, the Audit Committee comprises of three Non-executive members namely Dr. C. N. Maheshwari, Shri C. Nagaratnam and Shri L.N. Goyal, with Independent Directors forming a majority. The Board has accepted all recommendations made by the Audit Committee.

The composition of Nomination and Remuneration Committee meets the requirement of Section 178 of the Companies Act, 2013. As on 31st March, 2023, the Nomination and Remuneration Committee comprises of three Non-executive members namely Dr. C. N. Maheshwari, Shri C. Nagaratnam and Shri L.N. Goyal, with more than one-half of the Independent Directors.

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 2022-2023.

AUDITORS

Statutory Auditors

In terms of the provisions of Section 139 of the Companies Act, 2013 M/s Mathur Gupta & Associates, Chartered Accountants, was appointed as Statutory Auditors of the Company to hold office for a period of five years effective from the conclusion of Annual General Meeting of the Company (AGM) held on 30th September, 2022 till the conclusion of 83rd AGM to be held in the year 2027.

M/s Mathur Gupta & Associates, Chartered Accountants, have consented to the said appointment and confirmed that they are not disqualified from continuing to act as Statutory Auditors of the Company.

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 2022-23, in terms of Section 204 of the Companies Act, 2013. The Secretarial Audit Report for the financial year ended 31st March, 2023 is annexed as '**Annexure I**' of this Report.

COMMENTS ON AUDITORS REPORT

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

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

LISTING OF SECURITIES

The Company's shares continue to remain listed on the Metropolitan Stock Exchange of India (MSEI) and the listing fees for the financial year 2022-23 has been paid to MSEI.

CORPORATE GOVERNANCE

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

MANAGEMENT DISCUSSION & ANALYSIS

The segment/ product wise performance of the Company is not provided as Company has only one segment. The Company is engaged in the business of rendering advisory, consultancy and management services. During the year under review, the Company has earned income from operations mainly from service Charges. The Company has earned a profit of Rs. 10.48 Lakhs (previous year profit of Rs.9.93 Lakhs). With respect to future performance of the Company, the Board of Directors remain optimistic. 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. The details of Investments made by the Company are given in Note No. 4 of the Standalone Financial Statements.

RISK MANAGEMENT

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

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

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

DEMATERIALIZATION

The equity shares of the Company are 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 Company's Registrar and Transfer Agent, details of whom are given below:

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

CONSOLIDATED FINANCIAL STATEMENTS

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

SUBSIDIARY COMPANY, ASSOCIATE & JOINT VENTURE COMPANIES

As on 31st March, 2023, the Company has one Wholly Owned Subsidiary Company namely, Adhirath Power and Holdings Private Limited (Adhirath) and one step down subsidiary namely, Hareon Dalmia Solar Private Limited ("Hareon") subsidiary company of Adhirath.

During the year under review, and Hareon has become subsidiary of Adhirath with effect from 1st July 2022 holding 99.99% of the paid up share capital of Hareon consequent to the completion of the buyback process on 30th June 2022. Accordingly, the Joint Venture Agreement and other amendments thereto have been terminated vide Memorandum of Release cum Termination of Joint Venture dated 30th June, 2022.

A statement containing the salient features of the Financial Statements of the Company's subsidiary for the financial year ended on 31st March, 2023 is attached in the prescribed Form AOC-1 and forms part of this report as **Annexure -II**.

Any member desirous of obtaining a copy of the detailed Annual Report of the Subsidiary Company may write to the registered office/corporate office of the Company or download the same from the Company's website www.alirox.com.

PARTICULARS OF EMPLOYEES

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

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

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

CONTRACT AND ARRANGEMENT

The related party transactions have been duly given in Note no. 22 to the attached Financial Statements for the year ended on 31st March, 2023. During the year the Company has not entered into any contract/ arrangements with related parties which could be considered material in terms of Section 188 of the Companies Act, 2013.

NO APPLICATION HAS BEEN MADE UNDER THE INSOLVENCY AND BANKRUPTCY CODE

No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year along with their status as at the end of the financial year is not applicable.

NO DIFFERENCE IN VALUATION

The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

OTHER DISCLOSURES

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

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: 24.05.2023**

**Chandra Narain Maheshwari
Director
(DIN: 00125680)**

**Leena Rawal
Whole Time Director & CEO
(DIN: 03575675)**

ANNEXURE I

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2023

[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
CIN- L74899DL1944PLC000759
4 SCINDIA HOUSE
NEW DELHI 110001

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, and also the information, explanations and clarifications provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in our opinion, during the audit period covering the financial year ended on 31st March, 2023, the Company has complied with the statutory provisions listed hereunder, and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on 31st March, 2023, 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'):-

- a) (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; *
- d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; *
- e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; *
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client : **Not applicable as the Company is not registered to Issue and Share Transfer Agent during the financial year under review;**
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; *
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018*

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

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

We have examined the entire framework, processes and procedures of compliance of the under mentioned Industry Specific laws applicable to the Company.

We have examined the framework(s), process(es) and procedure(s) adopted by the company for the compliance of applicable Environmental laws, Labour laws & other General laws during the financial year under review. The reports, compliances etc. with respect to these laws have been examined by us on reasonable basis and in our opinion, there are adequate systems and processes exist in the company to monitor and ensure compliance with these laws.

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

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

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

We further report that

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

Adequate notices were given to all directors to schedule the Board/Committee Meetings along with agenda & detailed notes on agenda in accordance with applicable statutory provisions and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting, for meaningful participation thereat.

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

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

Place: New Delhi
Date: 24/05/2023

For N C Khanna Company Secretaries

N C Khanna
FCS No. 4268
CP No.5143
UDIN: F004268E000947188

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

Annexure A

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

Our Secretarial Audit Report of even date, for the financial year ended 31st March 2023 is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

4. Wherever required, We have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

5. 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.

6. We have not verified the correctness and appropriateness of financial records and books of account of the Company.

Place: New Delhi
Date: 24 /05/2023

For N C Khanna Company Secretaries

N C Khanna
FCS No. 4268
CP No.5143

**ANNEXURE-II
Form AOC-1**

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

Part "A": Subsidiaries

(Rs.in lakhs)

Sl. No.	Particulars	Details	Details
1.	Name of the subsidiary	Adhirath Power and Holdings Pvt. Ltd.	Hareon Dalmia Solar Private Limited (Subsidiary of Adhirath Power and Holdings Pvt. Ltd.) *
2.	The date since when subsidiary was acquired	12.05.2016	01.07.2022
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.	N.A.
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.	N.A.
5.	Share capital	1.00	85.50
6.	Reserves & surplus	(9.01)	1843.11
7.	Total assets	92.30	1928.91
8.	Total Liabilities	100.30	0.30
9.	Investments	85.50	39.34
10.	Turnover	0.00	0.00
11.	Profit before taxation	(0.47)	(11.46)
12.	Provision for taxation	0.00	0.00
13.	Profit after taxation	(0.47)	(11.49)
14.	Proposed Dividend	-	-
15.	Extent of shareholding (In percentage)	100%	99.99% (held by Adhirath Power and Holdings Pvt. Ltd.)

- 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 - NIL

*Ceased to be Joint Venture of Adhirath Power and Holdings Pvt. Ltd. w.e.f 30.06.2022.

For and on behalf of Board of Directors

**SHWETA CHADHA
CHIEF FINANCIAL OFFICER**

**SONAL POPLI
COMPANY SECRETARY**

Place: New Delhi
Dated: 24.05.2023

**Chandra Narain Maheshwari
DIRECTOR
(DIN: 00125680)**

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

ANNEXURE – III

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

- (i) Details of ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2022-23 and percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary during the financial year 2022-23 are as follows:

Sr.No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for Financial year 2022-23 (Rs.in lakhs)	Ratio of remuneration of each Director/to median remuneration of Employees	% increase in Remuneration in the Financial Year 2022-23
1.	Shri Laxmi Niwas Goyal (Independent Director)	0.29	0.02	20.83
2.	Shri Mohan Lal Dujari (Independent Director)	0.14	N.A.	^
3.	Shri Chandrasekaran Nagaratnam (Independent Director)	0.06	N.A.	#
4.	Dr. C. N. Maheshwari (Non-Executive Director)	0.28	0.02	300.00*
5.	Smt. Leena Rawal (Whole-time Director and Chief Executive Officer)	22.38	1.40	14.01
6.	Smt. Shweta Chadha (Chief Financial Officer)	15.96	1.00	14.00
7.	Ms. Sonal Popli (Company Secretary)	7.02	0.44	13.96

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

^ % increase in remuneration of Late Shri Mohan Lal Dujari is not comparable as he ceased to be Director pursuant to his demise on 09.11.2022.

% increase in remuneration of Shri Chandrasekaran Nagaratnam is not comparable as he was appointed w.e.f. 06.02.2023.

* Appointed in previous financial year w.e.f 13th August 2021

- (ii) The percentage increase in the median remuneration of employees in Financial Year is 71.80%
- (iii) As on 31st March, 2023, there are only three Key Managerial Personnel on the roll of Company. Apart from them there are no other employees.
- (iv) Average percentile increase in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration- During the Financial year 2022-23, the percentage increase in remuneration of Whole Time Director designated as Chief Executive officer was 14.01 % and the percentage increase in remuneration of Chief Financial officer and Company Secretary was 14% and 13.96%, respectively, based on cost to the company as on 31st March for the current and previous financial year. The percentage increase in remuneration Company Secretary. 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, 2023 is as per the Nomination & Remuneration Policy of the Company.

ANNEXURE-IV

Statement of particulars of Employees pursuant to Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the Financial Year 2022-23

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	42	Whole time director designated as CEO	Company Secretary, LL.B	17	01.07.2014	Keshav Power Limited	22.38	No
2	Shweta Chadha	47	Chief Financial Officer	M.COM, C.S.(Inter)	22	26.08.2014	Ankita Pratisthan Limited	15.96	No
3	Sonal Popli	32	Company Secretary	Company Secretary	7	01.11.2019	Shree Nirman Limited	7.02	No

Notes:

- 1 None of the above employees held 2% or above of the equity share capital of the Company as on March 31, 2023 either himself and/or alongwith his spouse and dependent children.
- 2 Remuneration, shown above, inter-alia, includes value of perquisites, all other allowances and all retiral benefits (excluding gratuity).



INDEPENDENT AUDITORS' REPORT

To The Members of Alirox Abrasives Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **Alirox Abrasives Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profits (loss after including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period.



These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters	How audit addressed the key audit matter
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.

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

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



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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanation given to us, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act, read with relevant rules made thereunder.



- (e) On the basis of written representations received from the directors as on March 31, 2023, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**” to this report;
- (g) With respect to the other matters to be included in the auditors reports in accordance with Rule 11 of the companies (Audit and Auditor’s) Rules 2014 , in our opinion and to the best of our information and according to the explanations given to us :
- i. The company does not have any pending litigations on its financial position.
 - ii. The company did not have any material foreseeable losses on long term contracts including derivative contract for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection fund by the company.
3. With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

Place: New Delhi
Date: 24-05-2023

**(Pradeep Dayal Mathur)
Partner
Membership No. 082990
UDIN: 23082990BGZHSV5354**



“Annexure A” to the Independent Auditor’s Report

(Referred to in paragraph 1 under the heading “Report on other legal and regulatory requirements” of our report of even date to the members of the Alirox Abrasives Limited on the standalone financial statements for the year ended March 31, 2023) we report that :

- i. In respect of the Property, Plant & equipment and Intangible Assets of the company:-
 - a.
 - (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (ii) The Company do not have any Intangible Assets and, accordingly, the requirements under paragraph 3(i)(a)(ii) of the Order are not applicable to the Company.
 - (b) During the year the management has physically verified all the Fixed Assets and no material discrepancies have been noticed on such verification.
 - (c) With respect to immovable property disclosed in the Standalone Financial Statements included in property plant & equipment, according to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed | transfer deed | conveyance deed provided to us, we report that, the title deeds of such immovable property is held in the name of the Company as at the Balance Sheet date.
 - (d) The Company has not revalued any of its Property, Plant and Equipment or Intangible Assets or both during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31,2023, for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii)(a) The Company’s business does not involve inventories and, accordingly, the



requirements under paragraph 3(ii)(a) of the Order are not applicable to the Company.

(b) The Company has not been sanctioned working capital limits in excess of Rs.5 crore, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.

(iii) The Company has made investment in, its Wholly Owned Subsidiary- Adhirath Power & Holdings Private Limited but has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties, during the year, in respect of which:

- (a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3(iii)(a) of the Order is not applicable.
- (b) In our opinion, the investments made, during the year are, prima facie, not prejudicial to the Company's interest.
- (c) Since the Company has not provided any loans and advances, and hence reporting under clause 3(iii)(c), (d), (e) and (f) of the Order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Act in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and guarantees and securities given have been complied with by the Company.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and rules framed there under to the extent notified.
- (vi) The company is not required to maintain any cost records as per section 148(1) of the companies Act, 2013. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.



- (vii)
- a. The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, service tax, value added tax, goods and services tax, cess and other statutory dues applicable to it.
 - b. According to the information and explanations given to us, no undisputed amounts payable in respect of such statutory dues were outstanding as at 31st March, 2023 for a period of more than six months from the date they become payable.
- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (ix)
- (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.
 - (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
 - (c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
 - (d) On an overall examination of the financial statements of the Company, there are no funds raised on short-term basis that have been used during the year for long-term purposes by the Company.
 - (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
 - (f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence reporting on clause 3(ix)(f) of the Order is not applicable.



(x) a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable

(xi)

(a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) There are no whistle-blower complaints received during the year by the Company and hence reporting under clause 3(xi)(c) of the Order is not applicable.

(xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required under Ind AS-24 Related Party disclosures specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under section 133 of the Act.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.



(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013. Therefore provisions of 3(xv) are not applicable.

(xvi) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(d) In our opinion and according to the information and explanation provided to us, read with Core Investment Companies (Reserve Bank) Directions, 2016 as amended from time to time, the Group has four CICs of which two are unregistered CICs. The other two CICs are presently registered as NBFCs and approval for their recognition as CICs is awaited from RBI.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities



falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

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

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

**Place: New Delhi
Date: 24-05-2023**

**(Pradeep Dayal Mathur)
Partner
Membership No. 082990
UDIN: 23082990BGZHSV5354**



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

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

We have audited the internal financial controls over financial reporting of Alirox Abrasives Limited (“the Company”) as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to



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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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



Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

**Place: New Delhi
Date: 24-05-2023**

**(Pradeep Dayal Mathur)
Partner
Membership No. 082990
UDIN: 23082990BGZHSV5354**

ALIROX ABRASIVES LIMITED
Standalone Balance Sheet as at March 31, 2023

Particulars	Note	(Amount in Lacs.)	
		As at March 31, 2023	As at March 31, 2022
ASSETS			
Non - current assets			
(a) Property, plant and equipment	3	42.33	53.47
(b) Financial Assets			
(i) Investment	4	8,146.76	6,002.70
(c) Other Non Current Asset	5	0.26	0.26
Total non current assets		8,189.35	6,056.43
Current assets			
(a) Financial assets	6		
(i) Investments	6.1	35.92	42.14
(ii) Cash and cash equivalents	6.2	24.87	1.62
(iii) Other Financial Assets	6.3	2.22	2.22
(b) Current Tax Asset	7	9.16	12.83
(c) Other current assets	8	21.60	10.91
Total current assets		93.76	69.72
Total assets		8,283.11	6,126.15
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	9.1	24.00	24.00
(b) Other equity	9.2	8,234.10	6,078.49
Total equity		8,258.10	6,102.49
LIABILITIES			
Non - current liabilities			
(a) Deferred tax liabilities (net)	10	10.91	13.75
Total non current liabilities		10.91	13.75
Current liabilities			
(a) Other current liabilities	11	7.95	2.18
(b) Current Tax Liability	12	6.16	7.72
Total current liabilities		14.11	9.90
Total Equity & Liabilities		8,283.11	6,126.15

Notes to Accounts

1,2 & 21 to 26

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

For and on behalf of the Board of Directors

Shweta Chadha
Chief Financial Officer

Sonal Popli
Company Secretary
M.No.A44167

Pradeep Dayal Mathur
Partner
M.No. 082990
Date: 24.05.2023

C.N Maheshwari
Director
DIN: 00125680

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

ALIROX ABRASIVES LIMITED
Standalone Statement of Profit & Loss for the year ended March 31, 2023
(Amount in Lacs.)

Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
I Revenue from operations	13	45.60	45.60
II Other income	14	38.24	29.32
III Total income (I + II)		83.84	74.92
IV Expenses			
Employee benefits expense	15	45.20	37.67
Depreciation and amortization expense	16	11.15	14.28
Other expenses	17	13.71	12.02
Total expenses		70.06	63.96
V Profit / (loss) for the year before tax (III-IV)		13.79	10.96
VI Tax expense	18		
(1) Current tax		6.16	5.40
(2) Deferred tax		(2.85)	(3.63)
(3) Income tax pertaining to earlier years		-	(0.74)
		3.31	1.03
VII Net Profit/(Loss) for the year after tax (V - VI)		10.48	9.93
VIII Other comprehensive income			
A Items that will not be reclassified to profit or loss	19		
Re-measurement gains/(losses) on Investment		2,144.06	144.78
Income tax relating to items that will not be reclassified to profit or loss		-	-
B Items that will be reclassified to profit or loss			
Re-measurement gains/(losses) on investment		-	-
Income tax relating to items that will be reclassified to profit or loss		-	-
		2,144.06	144.78
IX Total comprehensive income for the period (VI + VIII)		2,154.54	154.71
X Earnings per equity share	20		
Nominal value of equity shares (Rs 10.00 each)			
(1) Basic		4.37	4.14
(2) Diluted		4.37	4.14
Notes to Accounts	1,2 & 21 to 26		

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

For and on behalf of the Board of Directors

Shweta Chadha
Chief Financial Officer

Sonal Popli
Company Secretary
M.No.A44167

Pradeep Dayal Mathur
Partner
M.No. 082990
Date: 24.05.2023

C.N.Maheshwari
Director
DIN: 00125680

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

ALIROX ABRASIVES LIMITED
Standalone Cash Flow Statement for the year ended March 31, 2023

(Amount in Lacs.)

Particulars	2022-23	2021-22
A. Cash Flow from Operating Activities		
Net Profit before tax	13.79	10.96
Adjustments		
Depreciation / Amortization	11.15	14.28
Net Gain on Value of Mutual Fund	(1.76)	(2.04)
Amount Written Back	-	-
Amount Written Off	0.44	-
Dividend Income	(36.12)	(22.65)
Interest Income	(0.35)	(4.62)
(Profit)/Loss on sale of Investments	-	-
(Profit)/Loss on sale of PPE	-	-
Operating Profit before working Capital Changes	(12.86)	(4.09)
<u>Adjustments for working Capital changes :</u>		
Inventories	-	-
Trade and Other Payables	4.20	(3.31)
Trade and Other Receivables	(0.80)	(1.03)
Cash Generated from Operations	(9.46)	(8.42)
Net Direct Taxes Paid/Refund	(3.76)	(5.49)
Net Cash from Operating activities	(13.22)	(13.91)
B Cash Flow from Investing Activities		
Purchase of Fixed Asset	-	-
Purchase of Investments	-	(100.00)
Sale of Investments	-	-
Interest Received	0.35	4.62
Dividend Received	36.12	22.65
Net Cash used in Investing Activities	36.47	(72.72)
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)	23.25	(86.63)
Cash and cash equivalents (Opening Balance)	1.62	88.25
Cash and cash equivalents (Closing Balance)*	24.87	1.62
Change in Cash & Cash Equivalents	23.25	(86.63)

Components of Cash & Cash Equivalents	As at 31 March 2022	As at 31 March 2022
Balances with banks		
- in Current Accounts	24.67	1.49
- Deposits with original maturity of less than 3 months	-	-
Cash on hand	0.20	0.13
Cheques in hand		
Net Cash & Cash Equivalents	24.87	1.62

Note:
Cash & cash equivalents components are as per Note 9.2

Notes to Accounts 1,2 & 21 to 26

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

For and on behalf of the Board of Directors

Shweta Chadha
Chief Financial Officer

Sonal Popli
Company Secretary
M.No.A44167

Pradeep Dayal Mathur
Partner
M.No. 082990
Date: 24.05.2023

C.N Maheshwari
Director
DIN: 00125680

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

A Equity Share Capital

Balance of Equity Share Capital	As at 31 March 2021	Changes during the year	As at 31 March 2022	Changes during the year	As at 31 Mar 2023
	24.00	-	24.00	-	24.00

B. Other equity

Particulars					Items of Other Comprehensive Income		Total
	Capital Reserve	Reserve Fund	General Reserve	Retained Earnings	Equity instruments through other comprehensive income	Revaluation Surplus	
As at 31.03.2021	2.47	0.33	2.00	47.88	5,660.26	210.86	5,923.79
Movement During FY 21-22							
Profit of the year	-	-	-	9.93	-	-	9.93
Other comprehensive income	-	-	-	-	144.78	-	144.78
Dividend and CDT Payment	-	-	-	-	-	-	-
Employees Stock Options Expense	-	-	-	-	-	-	-
As at 31.03.2022	2.47	0.33	2.00	57.80	5,805.04	210.86	6,078.49
Movement During FY 22-23							
Profit of the year	-	-	-	10.48	-	-	10.48
Other comprehensive income	-	-	-	-	2,144.06	-	2,144.06
Dividend and CDT Payment	-	-	-	-	-	-	-
Employees Stock Options Expense	-	-	-	-	-	-	-
As at 31.03.2023	2.47	0.33	2.00	68.28	7,949.10	210.86	8,233.03

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

For and on behalf of the Board of Directors

Shweta Chadha
Chief Financial Officer

Sonal Popli
Company Secretary
M.No.A44167

Pradeep Dayal Mathur
Partner
M.No. 082990
Date: 24.05.2023

C.N Maheshwari
Director
DIN: 00125680

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

Alirox Abrasives Limited

Notes to Standalone Financial Statements for year ended March 31, 2023

Note 1 Corporate Information

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

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

Basis of preparation, measurement and significant accounting policies

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

Compliance with Ind AS

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

Historical cost convention

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

Functional and Preparation Currency

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

Current vis-à-vis non-current classification

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

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

"An asset is classified as current when it is:

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

All other assets are classified as non-current."

"A liability is classified as current when it is:

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

All other liabilities are classified as non-current."

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

(b) Fair value measurement

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

Alirox Abrasives Limited

Notes to Standalone Financial Statements for year ended March 31, 2023

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

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

(c)Critical accounting estimates and Judgments

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

Significant Accounting policies

a) Property, plant and equipment

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

Depreciation methods, estimated useful lives and residual value:

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

b) Employee Benefit Expenses

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

c) Fair value measurement of financial instruments

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

d) Impairment of Financial and Non-Financial Asset

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

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

e) Revenue recognition and other income:

Service Charges

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

Interest Income

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

Dividend Income:

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

f) Taxes

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

Current income tax

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

Minimum alternate tax

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

Deferred tax

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

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

Alirox Abrasives Limited

Notes to Standalone Financial Statements for year ended March 31, 2023

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

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

g) Provisions, contingent liabilities and contingent assets

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

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

Contingent liability is disclosed in the notes in case of:

- There is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.
- A present obligation arising from past event, when it is not probable that an outflow of resources will be required to settle the obligation.
- A present obligation arises from the past event, when no reliable estimate is possible.
- A present obligation arises from the past event, unless the probability of outflow is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

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

Contingent assets

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

h) Cash & Cash Equivalents

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

Cash flow statement

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

i) Segment Reporting

The Company has no segment reporting during the year.

Alirox Abrasives Limited
Notes to Standalone financial statements as on March 31, 2023

Non-Current Assets:

3. Property, Plant and Equipment

(Amount in Lacs.)

Particulars	Buildings	Computers	Total Assets
Gross block			
Balance as at 31 March 2021	214.90	1.85	216.75
Additions	-	-	-
Disposals/Adjustment	-	-	-
Balance as at 31 March 2022	214.90	1.85	216.75
Additions	-	-	-
Disposals/Adjustment	-	-	-
Balance as at 31 March 2023	214.90	1.85	216.75
Accumulated Depreciation			
Balance as at 31 March 2021	147.69	1.30	149.00
Depreciation for the year	13.95	0.33	14.28
Accumulated depreciation on disposals	-	-	-
Balance as at 31 March 2022	161.64	1.64	163.27
Depreciation for the year	11.02	0.13	11.15
Accumulated depreciation on disposals	-	-	-
Balance as at 31 March 2023	172.66	1.77	174.42
Net block			
As at 31 March 2022	53.26	0.21	53.47
As at 31 March 2023	42.24	0.08	42.33

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

Non- Current Assets: Financial Assets

(Amount in Lacs.)

4 Investments

	No. of Shares	As at 31st March, 2023	No. of Shares	As at 31st March, 2022
Non Current Investments:				
a) Investments in Equity Instruments (fully paid up) - Quoted:(At FVTOCI)				
Carborundum Universal Limited	5,340	52.61	5,340	42.60
Dalmia Bharat Limited	2,40,720	4,741.10	2,40,720	3,600.21
Dalmia Bharat Sugar & Industries Limited	1,20,360	404.35	1,20,360	578.93
Dalmia Bharat Refractories Limited*	18,98,397	2,847.60	18,98,397	1,679.86
Investments in Equity Instruments (fully paid up) - Unquoted:				
Eduwizards Infosolution Pvt. Ltd.	10,000	0.10	10,000	0.10
Adhirath Power & Holdings Pvt. Ltd.	10,000	1.00	10,000	1.00
Sarvapriya Healthcare Solutions Pvt.Ltd.	23	0.00	-	-
Investments in Optionally Convertible Debentures - Unquoted:				
Adhirath Power & Holdings Pvt. Ltd.		100.00		100.00
Total		8,146.76		6,002.70

Aggregate amount of Non-Current Investments

Particulars

Aggregate amount of quoted investments	8,045.66	5,901.60
Market value of quoted investments	8,045.66	5,901.60
Aggregate amount of unquoted investments	101.10	101.10

*Pursuant to the Scheme of Amalgamation of Dalmia Refractories Limited (DRL) with Dalmia Bharat Refractories Limited (DBRL) as approved by the NCLT Chennai vide its Order dated 3rd February 2022, made effective from 1st March 2022, 18,98,397 number of equity shares have been credited to the Company post closure of financial year in the ratio of 768 equity shares of Rs. 10/- each of DBRL for every 100 equity shares of Rs. 10/- each held in DRL

5 Other Non Current Asset

Security Deposit	0.26	0.26
	0.26	0.26

6 Current financial assets

6.1 Current Investments

Mutual Funds (At FVTPL)

HDFC Short Term Debt Fund	35.92	42.14
	35.92	42.14
Aggregate amount of quoted investments	35.92	42.14
Fair value of quoted investments	35.92	42.14

6.2 Cash & Cash Equivalent

Balances with banks		
- in Current Accounts	24.67	1.49
Cash on hand	0.20	0.13
Cheques in hand	-	-
Fixed deposits	-	-
	24.87	1.62

6.3 Other Financial Assets

Notional Interest Accrued on OCDs	2.22	2.22
	2.22	2.22

7 Current Tax Asset

- TDS Receivable/Advance Tax	9.16	12.83
	9.16	12.83

8 Other Current Assets:

Balance with statutory authorities	-	0.11
Prepaid Expenses	-	-
Other Receivable	21.60	10.80
	21.60	10.91

9 Equity

9.1 Share Capital

Authorised

1,000,000' Equity Shares of Rs 10 each	100.00	100.00
Total	100.00	100.00

Issued, Subscribed & fully paid up

240000 Equity shares of Rs 10 each	24.00	24.00
Total	24.00	24.00

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

	As at March 31,2023		As at March 31,2022	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the year	2.40	24.00	2.40	24.00
Movement for the year	-	-	-	-
Outstanding at the end of year	2.40	24.00	2.40	24.00

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, 2023		As at March 31, 2022	
	Number	% Holding	Number	% Holding
Equity shares of ₹ 10 each fully paid				
J.H.Dalmia Trust (Through its Trustees)	15,050	6.27	21,925	9.12
Kavita Dalmia Parivar Trust (through its Trustee)	11,900	4.96	16,175	6.74
Rama Investment Co. Private Limited*	82,270	34.28	82,270	34.28
Sita Investment Co. Ltd.	22,800	9.50	22,800	9.50

* Pursuant to the order dated April 12, 2018, the National Company Law Tribunal approved a scheme of amalgamation and arrangement which provided for (a) merger of Ankita Pratisthan Limited (Ankita), Mayuka Investment Limited (Mayuka), Puneet Trading and Investment Company Private Limited, Zipahead.Com Private Limited, Mahanadi Trading Private Limited and Shreevallabh Textile Private Limited with Rama Investment Company Private Limited; and (b) demerger of cement business of Keshav Power Limited (Keshav) and Shree Nirman Limited (SNL) into Rama Investment Company Private Limited (Rama) ("the Scheme"). However, the aforesaid Scheme was set aside by the National Company Law Appellate Tribunal ("NCLAT") by its order dated November 29, 2019 ("NCLAT Order") and the application for modification of the said order was also rejected vide order dated September 17, 2021. Further, an appeal was filed with the Hon'ble Supreme Court on 23rd December 2021 against the NCLAT Orders to the extent NCLAT has set aside the Scheme with respect to amalgamation of Private Companies involved in the scheme. Hon'ble Supreme Court vide order dated 07th September, 2022 has disposed off the matter by setting aside the order of NCLAT dated 29th November, 2019 and confirmed the Scheme as approved by the NCLT in respect of four Private Companies with Rama. The shares belonging to Ankita and Mayuka are yet to be transferred back by Rama pursuant to reversal of merger.

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

S.No.	Promoter Name	As at March 31,2022		As at March 31,2023		% Change during the year
		No of Shares	% of total Shares	No of Shares	% of total Shares	
1	Shri Gautam Dalmia	325	0.14	4600	1.92	1.78
2	Shri Yadu Hari Dalmia	325	0.14	325	0.14	-
3	Smt. Bela Dalmia	325	0.14	325	0.14	-
4	Smt.Anupama Dalmia	325	0.14	7200	3	2.86
5	Rama Investment Co Pvt Ltd	82,270	34.28	82270	34.28	-
6	Sita Investment Co Ltd	22,800	9.5	22800	9.5	-
7	Shree Nirman Limited	11,950	4.98	11950	4.98	-
8	Kavita Dalmia Parivar Trust through its trustee	16,175	6.74	11900	4.96	(1.78)
9	Shri Brahma Creation Trust through its trustees	800	0.33	800	0.33	-
10	J.H. Dalmia Trust through its trustees	21,925	9.12	15050	6.27	(2.86)

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

9.2 Other Equity

	As at 31st March, 2023	As at 31st March, 2022
a. Capital Reserves		
Opening Balance	2.47	2.47
Transferred to Retained earnings	-	-
Closing Balance	2.47	2.47
b. Reserve Fund		
Opening Balance	0.33	0.33
Closing Balance	0.33	0.33
c. General Reserve		
Opening Balance	2.00	2.00
(+) Transfer from Debenture Redemption Reserve	-	-
Closing Balance	2.00	2.00

	As at 31st March, 2023	As at 31st March, 2022
d. Surplus/Retained Earnings		
Opening balance	57.80	47.88
Add : Transfer From Capital Reserve		
(+) Net Profit/(Net Loss) For the current year	10.48	9.93
Remeasurement effect	-	-
Closing Balance	<u>68.28</u>	<u>57.80</u>
e. Comprehensive Income		
Income recognised on Equity instruments	6,015.90	5,871.12
Addition During The year	2,144.06	144.78
Total Income recognised on Equity instruments	8,159.96	6,015.90
Actuarial Gain & Losses on DBO	-	-
Closing Balance	<u>8,159.96</u>	<u>6,015.90</u>
Grand Total	<u>8,234.10</u>	<u>6,078.49</u>

Nature and Purpose Of Reserves

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

Non - current liabilities

	As at 31st March, 2023	As at 31st March, 2022
10 Deferred Tax Liability		
On account of Property, Plant & Equipment	10.91	13.75
	<u>10.91</u>	<u>13.75</u>
Movement in deferred tax items	Opening Balance	Recognised in Profit & Loss Account
	Closing Balance	
FY 22-23		
Deferred tax liability / (asset) on account of		
Difference in Book value of Tangible and Intangible assets	13.75	(2.85)
	<u>13.75</u>	<u>10.91</u>
FY 21-22		
Deferred tax liability / (asset) on account of		
Difference in Book value of Tangible and Intangible assets	17.38	(3.63)
Net Deferred tax liability / (asset)	<u>17.38</u>	<u>13.75</u>
Current liabilities		
11 Other current liabilities		
Statutory Liabilities	3.69	0.86
Other Payables	4.27	1.32
	<u>7.95</u>	<u>2.18</u>
12 Current Tax Liability		
Provision for Income Tax	6.16	2.32
	<u>6.16</u>	<u>2.32</u>

ALIROX ABRASIVES LIMITED

Notes to Standalone financial statements as on March 31, 2023

		(Amount in Lacs.)	
Note No	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
13	Revenue from operations		
	Service Charges Received	45.60	45.60
		45.60	45.60
14	Other income		
	Interest income from bank/others	-	4.62
	Dividend income	36.12	22.65
	Net gain/loss on value of Mutual Funds	1.76	2.04
	Interest on IT Refund	0.35	
	Profit on Redemption on MF units	0.01	-
		38.24	29.32
15	Employee benefits expense		
	Salaries, wages, Allowances & Commission	45.01	36.71
	Staff welfare expenses	0.19	0.95
		45.20	37.67
16	Depreciation and amortization expense		
	Depreciation of tangible assets	11.15	14.28
		11.15	14.28
17	Other expenses		
i)	Printing & Stationery	0.21	0.14
ii)	Electricity and Water Charges	4.76	2.34
iii)	Advertisement & Publicity	0.47	0.47
iv)	Insurance	0.35	0.11
v)	Rates and taxes	0.76	0.76
vi)	Payment to the auditors	-	-
	- as auditor	1.45	1.45
	- for other services	-	-
vii)	Professional Charges	0.15	0.74
viii)	Listing & Processing Fees	0.55	0.55
ix)	Directors sitting fees	0.76	0.57
x)	General Maintainence	1.67	3.99
xi)	Service Charges	0.60	0.30
xii)	Depository Charges	0.18	0.18
xiii)	Filing Fees	0.32	0.11
xiv)	Miscellaneous expenses	1.06	0.28
xv)	Prior Period Expenses	-	0.01
xvi)	Amount Written Off	0.44	0.02
		13.71	12.02

18 Tax expense

Current tax	6.16	5.40
<u>Deferred tax</u>		
- Deferred tax (Asset)/Liability	(2.85)	(3.63)
Income Tax pertaining to earlier years	-	-
	3.31	1.77

19 Other Comprehensive Income

Item that will not be reclassified to profit or loss		
Re-measurement gains/(losses) on Investment	2,144.06	144.78
Items that will be reclassified to profit or loss		
- Fair valuation of equity instruments at FVTOCI	-	-
Total Other Comprehensive Income	2,144.06	144.78

20 Earning per Share

Profit after tax	10.48	9.93
Number of equity shares outstanding during the period (weighted average)	2.40	2.40
Nominal value of equity shares (Rs 10.00 each)	10.00	10.00
Earning per share (Rs.) Basic	4.37	4.14
Earning per share (Rs. Diluted)	4.37	4.14

Note 21 Financial Instruments

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

(a) Investment and other Financial Assets

Classification

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

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

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

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

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

Measurement

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

Equity investments

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

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

Impairment of financial assets:

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

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

Derecognition of financial assets

A financial asset is derecognised only when:

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

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised.

Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the entity has neither transferred a financial asset nor

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

Contributed equity:

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

(b) Financial Liabilities & Equity

Classification as debt or equity

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

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

Initial recognition and measurement:

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

Subsequent measurement:

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

Trade and other payables:

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

Offsetting of financial instrument

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

Earnings per share

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

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

Note-22 Related Party Disclosures

A) Relationships

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

Step Down Subsidiary Company: - Hareon Dalmia Solar Private Limited

(ii) Key Managerial Personnel

Smt. Leena Rawal Whole Time Director/ Chief Executive Officer

Smt. Shweta Chadha Chief Financial Officer

Ms. Sonal Popli Company Secretary

(iii) Promoters of the Company:

Shri Yadu Hari Dalmia and Shri Gautam Dalmia

Alirox Abrasives Limited
Notes to Standalone Financial Statements for year ended March 31, 2023

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

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

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

Nature of Transaction	Key Management Personnel/Promoters		Enterprises having Common Promoters		Total	
	For the year ended 31st March, 2023	For the year ended 31st March, 2022	For the year ended 31st March, 2023	For the year ended 31st March, 2022	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Investment in Optionally Convertible Debentures:- Adhirath Power & Holdings Private Limited	-	-	-	100	-	100
Service Charges Paid:- (Including GST) Shri Chamundeswari Minerals Ltd.	-	-	0.60	0.30	0.60	0.30
Service Charges Received:- (Including GST) Dalmia Bharat Refractories Ltd.	-	-	47.20	47.20	47.20	47.20
Shri Chamundeswari Minerals Ltd.	-	-	0.71	0.71	0.71	0.71
Salary and Perquisites: Smt. Leena Rawal	22.11	17.97	-	-	22.11	17.97
Smt. Shweta Chadha	14.60	10.78	-	-	14.60	10.78
Ms. Sonal Popli	7.22	6.89	-	-	7.22	6.89
Dividend Received Dalmia Bharat Refractories Ltd.	-	-	9.49	2.47	9.49	2.47
Dalmia Bharat Ltd.	-	-	12.03	12.83	12.03	12.83
Dalmia Bharat Sugar and Industries Ltd.	-	-	4.81	7.22	4.81	7.22
Reimbursement of Expenses Shri Chamundeswari Minerals Ltd.	-	-	0.37	0.37	0.37	0.37
Directors Sitting Fees Shri J.H. Dalmia	-	0.02	-	-	-	0.02
Shri C. Nagaratnam	0.06	-	-	-	0.06	-
Shri L.N. Goyal	0.29	0.24	-	-	0.29	0.24
Shri M.L. Dujari	0.14	0.24	-	-	0.14	0.24
Shri C N Maheshwari	0.28	0.07	-	-	0.28	0.07

Alirox Abrasives Limited**Notes to Standalone Financial Statements for year ended March 31, 2023****(C). Balance Outstanding at year end:**

Nature of Transaction	Key Management Personnel/Promoters		Enterprises having Common Promoters		Total	
	As at 31 st March, 2023	As at 31 st March, 2022	As at 31 st March, 2023	As at 31 st March, 2022	As at 31 st March, 2023	As at 31 st March, 2022
Amount Receivable/ Payable						
Payable-Leena Rawal	0.47	-	-	-	0.47	-
Payable-Shweta Chadha	1.79	0.01	-	-	1.79	0.01
Payable-Sonal Popli	-	-	-	-	-	-

Note -23Events Occurring After the Balance Sheet Date

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

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

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

A. Liquidity Risk

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

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

Particulars	As at 31 st March, 2023	As at 31 st March, 2022
Total current Assets	93.76	69.72
Total Current Liabilities	14.11	9.90
Current Ratio	6.65	7.04

Financial Instrument – Disclosure

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

Alirox Abrasives Limited

Notes to Standalone Financial Statements for year ended March 31, 2023

S.No.	Particulars	Note	Fair Value Hierarchy	As at 31 st March,2023		As at 31 st March,2022	
				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	35.92	35.92	42.14	42.14
2	Financial Assets designated at fair value through other comprehensive income <u>Non –Current</u> -Investment in Equity Shares	B	Level-1	8045.66	8045.66	5901.60	5901.60
3	Financial Assets designated at amortised cost <u>Current</u> -Cash & Cash Equivalents* -Loan* -Other Financial Assets*	C		24.84 - -	24.84 - -	1.62 - -	1.62 - -
4	Investment in Subsidiary			101.00	101.00	101.00	101.00

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

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

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

Fair value hierarchy

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

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

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

Alirox Abrasives Limited

Notes to Standalone Financial Statements for year ended March 31, 2023

Note -25 Disclosure of Ratios

Ratio	Basis	Numerator	Denominator	FY 2022-23	FY 2021-22	% Variance	Reason for Variance>25%
Current ratio	Times	Current Assets	Current Liabilities	6.65	7.04	-5.62	
Debt-equity ratio	Times	Total Debt	Shareholder's Equity	-	-	-	
Debt service coverage ratio	Times	Net Profit before taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.	Interest & Lease Payments + Principal Repayments	-	-	-	
Return on equity ratio	%	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	0.0015	0.0016	-11.42	
Inventory turnover ratio	Times	Revenue from operations	Average Inventory	-	-	-	
Trade receivables turnover ratio	Times	Net Credit Sales	Average Accounts Receivable	-	-	-	
Trade payables turnover ratio	Times	Net Credit Purchases	Average Trade Payables	-	-	-	
Net capital turnover ratio	Times	Revenue from operations	Average Working Capital	0.65	0.46	42.73	Increase in Working Capital
Net profit ratio	%	Profit for the year	Revenue from operations	0.23	0.22	5.56	
Return on capital employed	%	Earnings before interest and taxes	Capital Employed	0.0017	0.0018	-6.93	
Return on investment	%	Income generated from invested funds	Average invested funds in investments	0.0056	0.0045	24.02	

Alirox Abrasives Limited

Notes to Standalone Financial Statements for year ended March 31, 2023

Note 26 Additional Disclosure

- a) The Company do not have any immovable properties where title deeds are not in the name of the company.
- b) Since, the Company has not revalued its Property, Plant and Equipment, the valuation by a registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017, is not required.
- c) The company has not made any Advances during the year under review in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person.
- d) The company has no Capital-Work-in Progress (CWIP) for disclosing its ageing.
- e) The company has no Intangible assets under development for disclosing its ageing.
- f) No proceeding has been initiated or pending against the company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder as at the end of the financial year.
- g) The Company has not made any borrowings from banks or financial institutions on the basis of security of current assets.
- h) The company was not declared as a wilful defaulter by any bank or financial Institution or other lender during the financial year.
- i) During the financial year ended 31 Mar 2023 and 31 Mar 2022 the Company does not have any relationship with Struck off Companies and the corresponding balances are Nil as at 31 Mar 2023 and 31 Mar 2022.
- j) No charges or satisfaction exists for Company which are required to be registered with Registrar within statutory period during the financial year.
- k) The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 during the financial year.
- l) The company has not applied for any Scheme of Arrangements to the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the year under review.
- m) The company has not received/advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) through Intermediaries during the financial year.
- n) The Company does not have any transaction that was not recorded in the books of accounts and has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- o) The provisions of Section 135 of the Companies Act, 2013, regarding the Corporate Social Responsibility are not applicable to the Company for the financial year 2022-23.
- p) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- q) The company has not taken any borrowings from banks and financial institutions for the specific purpose at the balance sheet date.

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

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

Shweta Chadha
Chief Financial Officer

For and on behalf of the Board of Directors

Sonal Popli
Company Secretary
M.No.A44167

Pradeep Dayal Mathur
Partner
M.No. 082990
Date: 24.05.2023

C.N.Maheshwari
Director
DIN: 00125680

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



INDEPENDENT AUDITORS' REPORT

To The Members of Alirox Abrasives Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Alirox Abrasives Limited** (hereinafter referred to as "the Holding Company") and its subsidiary "Adhirath Power & Holdings Private Limited" and step down subsidiary Hareon Dalmia Solar Private Limited (the Parent and its Wholly owned subsidiary and step down subsidiary herein referred as "the Group"), which comprise the consolidated balance sheet as at March 31, 2023, and the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (here in after referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, of its consolidated profit (loss after including consolidated other comprehensive income), consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

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



Emphasis of Matter

As explained in note 2, the Company's subsidiary Adhirath Power & Holdings Private Limited had invested in Joint Venture Hareon Dalmia Solar Private Limited through associate Keshav Power Limited ("associate"). Dispute arose with JV partner and the JV agreement was terminated with effect from 30th June, 2022. Hareon became the subsidiary of Adhirath Power & Holdings Pvt. Ltd. (wholly –owned subsidiary of the Company) w.e.f. 01.07.2022 and accordingly, Hareon became step down subsidiary of the company.

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.	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 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

- a) We did not audit the Financial statements of a wholly owned subsidiary named Adhirath Power & Holdings Private Limited and step down subsidiary named Hareon Dalmia Solar Private Limited whose financial statements reflect total assets of INR 2021.21 lacs as at 31st March, 2023, total revenue of INR 3.5 lacs and net cash inflows amounting to INR (287.09) lacs. 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.
- b) Hareon Dalmia Solar Private Limited became the subsidiary of Adhirath Power & Holdings Private Limited (wholly – owned subsidiary of the Company) w.e.f. 01.07.2022, and accordingly the results of “Hareon Dalmia Solar Private Limited”, have been consolidated with the company (being ultimate holding company. Upto 30th June 2022 Hareon Dalmia Solar Private Limited” was Joint Venture of “Adhirath Power & Holdings Private Limited” but its results were not consolidated by “Adhirath Power & Holdings Private Limited” in their results because of dispute and therefore were not included in the consolidated results of earlier periods. Our opinion on the consolidated unaudited financial results, in so far as it relates to the amounts and disclosures included in respect of wholly owned subsidiary is based solely on the information furnished to us by the management.



Management's Responsibility for the Consolidated Financial Statements

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

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

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

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

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



economic decisions of users taken on the basis of these consolidated financial statements.

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

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



financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities.

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

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

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

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



Report on Other Legal and Regulatory Requirements

1. As required by section 143 (3) of the Act, based on our audit, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
 - (c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act, read with relevant rules made thereunder.
 - (e) On the basis of the written representations received from the directors of the Holding Company and its subsidiary which are incorporated in India, as on 31 March 2023 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 2023 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate report in **Annexure A**.
 - (g) With respect to the other matters to be included in the auditors reports in accordance with Rule 11 of the companies (Audit and Auditor's) Rules 2014



, in our opinion and to the best of our information and according to the explanations given to us :

- i. The Group does not have any pending litigations on its financial position.
 - ii. The Group did not have any material foreseeable losses on long term contracts including derivative contract for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection fund by the company.
3. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

**Place: New Delhi
Date: 24-05-2023**

**(Pradeep Dayal Mathur)
Partner
Membership No. 082990
UDIN: 23082990BGZHSW1005**



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

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

In conjunction with our audit of the consolidated financial statements of Alirox Abrasives Limited (“the Holding Company”) as of March 31, 2023, we have audited the internal financial controls with reference to the financial statements of the Holding Company and its subsidiary, which are incorporated in India as of that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

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



reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not



be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiary which are incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control with reference to financial statements criteria established by the Holding Company and its subsidiaries which are incorporated in India, considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

**Place: New Delhi
Date: 24-05-2023**

**(Pradeep Dayal Mathur)
Partner
Membership No. 082990
UDIN: 23082990BGZHSW1005**

ALIROX ABRASIVES LIMITED
Consolidated Balance Sheet as at March 31, 2023

(Amount in Lacs.)

Particulars	Note	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non - current assets			
(a) Property, plant and equipment	3	42.33	53.47
(b) Financial Assets			
(i) Investment	4	8,085.10	5,987.20
(c) Other Non Current Asset	5	0.69	0.26
Total non current assets		8,128.12	6,040.93
Current assets			
(a) Financial assets	6		
(i) Investments	6.1	35.92	42.14
(ii) Cash and cash equivalents	6.2	42.69	8.62
(iii) Other Financial Assets	7	2.22	2.22
(b) Current Tax Asset	8	9.16	13.08
(c) Other current assets	9	1,899.19	10.91
Total current assets		1,989.18	76.97
Total assets		10,117.29	6,117.90
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	10.1	24.00	24.00
(b) Other equity	10.2	10,068.02	6,069.95
(c) Non Controlling Interest		0.18	-
Total equity		10,092.20	6,093.95
LIABILITIES			
Non - current liabilities			
(a) Deferred tax liabilities (net)	11	10.38	13.75
Total non current liabilities		10.38	13.75
Current liabilities			
(a) Financial Liabilities	12		
i Trade Payable			
(A) Total Outstanding dues to micro enterprises and small enterprises		-	-
(B) Total Outstanding dues to creditors other than micro enterprises and small enterprises		0.30	0.30
(b) Other current liabilities	13	8.25	2.18
(c) Current Tax Liability	14	6.16	7.72
Total current liabilities		14.71	10.20
Total Equity & Liabilities		10,117.29	6,117.90

Notes to Accounts 1 to 28

As per our report of even date

For Mathur Gupta & Associates

Chartered Accountants
Firm Regn.No. 003962N

For and on behalf of the Board of Directors

Shweta Chadha
Chief Financial Officer

Sonal Popli
Company Secretary
M.No.A44167

Pradeep Dayal Mathur
Partner
M.No. 082990
Date: 24.05.2023

C N Maheshwari
Director
DIN: 00125680

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

ALIROX ABRASIVES LIMITED
Consolidated Statement of Profit & Loss for the year ended March 31, 2023
(Amount in Lacs.)

Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
I Revenue from operations	15	45.60	45.60
II Other income	16	41.74	29.37
III Total income (I + II)		87.34	74.97
IV Expenses			
Finance Cost	17	-	3.88
Employee benefits expense	18	45.20	37.67
Depreciation and amortization expense	19	11.15	14.28
Other expenses	20	29.12	12.47
Total expenses		85.47	68.29
V Profit / (loss) for the year before tax (III-IV)		1.88	6.68
VI Tax expense	21		
(1) Current tax		6.16	5.40
(2) Deferred tax		(2.85)	(3.63)
(3) Income tax pertaining to earlier years		0.03	(0.90)
		3.34	0.87
VII Net Profit/(Loss) for the year after tax (V - VI)		(1.46)	5.81
VIII Other comprehensive income			
A Items that will not be reclassified to profit or loss	22		
Re-measurement gains/(losses) on Investment		2,144.06	144.78
Income tax relating to items that will not be reclassified to profit or loss		-	-
B Items that will be reclassified to profit or loss			
Re-measurement gains/(losses) on investment		-	-
Income tax relating to items that will be reclassified to profit or loss			
		2,144.06	144.78
IX Total comprehensive income for the period (VI + VIII)		2,142.60	150.59
X Earnings per equity share	23		
Nominal value of equity shares (Rs 10.00 each)			
(1) Basic		(0.06)	2.42
(2) Diluted		(0.06)	2.42
Notes to Accounts	1 to 28		

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

For and on behalf of the Board of Directors

Shweta Chadha
Chief Financial Officer

Sonal Popli
Company Secretary
M.No.A44167

Pradeep Dayal Mathur
Partner
M.No. 082990
Date: 24.05.2023

C N Maheshwari
Director
DIN: 00125680

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

ALIROX ABRASIVES LIMITED
Consolidated Cash Flow Statement for the year ended March 31, 2023

(Amount in Lacs.)

Particulars	2022-23	2021-22
A. Cash Flow from Operating Activities		
Net Profit before tax	1.86	6.68
Adjustments		
Depreciation / Amortization	11.15	14.28
Net Gain on Value of Mutual Fund	(1.76)	(2.04)
Amount Written Back	-	-
Amount Written Off	0.44	-
Dividend Income	(36.12)	(22.65)
Interest Income	(3.85)	(4.62)
(Profit)/Loss on sale of Investments	-	-
(Profit)/Loss on sale of PPE	-	-
Operating Profit before working Capital Changes	(28.29)	(8.37)
<u>Adjustments for working Capital changes :</u>		
Inventories		
Trade and Other Payables	3.19	(16.37)
Trade and Other Receivables	(3.55)	3.63
Cash Generated from Operations	(28.67)	(21.11)
Net Direct Taxes Paid/Refund	(5.62)	(5.33)
Net Cash from Operating activities	(34.27)	(26.43)
B Cash Flow from Investing Activities		
BuyBack of Equity Shares	(230.17)	-
Purchase of Investments	(39.34)	-
Sale of Investments	-	-
Interest Received	3.85	4.62
Dividend Received	36.12	22.65
Net Cash used in Investing Activities	(229.54)	27.28
C Cash Flow from Financing Activities		
Inter Corporate Loan Repaid	-	(86.00)
Net cash from / (used in) financing activities	-	(86.00)
Net increase in cash and cash equivalents (A+B+C)	(263.81)	(85.16)
Cash and cash equivalents (Opening Balance)	306.50	93.78
Cash and cash equivalents (Closing Balance)*	42.69	8.62
Change in Cash & Cash Equivalents	(263.81)	(85.16)

Components of Cash & Cash Equivalents	As at 31 March 2023	As at 31 March 2022
Balances with banks		
- in Current Accounts	42.49	8.46
- Deposits with original maturity of less than 3 months	-	-
Cash on hand	0.20	0.16
Cheques in hand		
Net Cash & Cash Equivalents	42.69	8.62

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

1 to 27

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

For and on behalf of the Board of Directors

Shweta Chadha
Chief Financial Officer

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Company Secretary
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M.No. 082990
Date: 24.05.2023

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Director
DIN: 00125680

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

A Equity Share Capital

Balance of Equity Share Capital	As at 31 March 2021	Changes during the year	As at 31 March 2022		Changes during the year	As at 31 Mar 2023
	24.00	-	24.00		-	24.00

B. Other equity

Particulars							Items of Other Comprehensive Income		Total
	Capital Reserve	Reserve Fund	General Reserve	Capital Redemption Reserve	Retained Earnings	Securities Premium	Equity instruments through other comprehensive income	Revaluation Surplus	
As at 31.03.2021	2.47	0.33	2.00	-	43.45	-	5,660.26	210.86	5,919.36
Movement During FY 21-22									
Profit of the year	-	-	-	-	5.81	-	-	-	5.81
Other comprehensive income	-	-	-	-	-	-	144.78	-	144.78
Employees Stock Options Expense	-	-	-	-	-	-	-	-	-
As at 31.03.2022	2.47	0.33	2.00	-	49.26	-	5,805.04	210.86	6,069.95
Movement During FY 22-23									
Profit of the year	-	-	-	-	(1.46)	-	-	-	(1.46)
Other comprehensive income	-	-	-	-	-	-	2,144.06	-	2,144.06
Adjustment on account of Step down subsidiary	111.82	-	-	341.96	(1,337.59)	2,726.73	-	-	1,842.92
Employees Stock Options Expense	-	-	-	-	-	-	-	-	-
As at 31.03.2022	114.29	0.33	2.00	341.96	(1,289.79)	2,726.73	7,949.10	210.86	10,068.02

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

For and on behalf of the Board of Directors

Shweta Chadha
Chief Financial Officer

Sonal Popli
Company Secretary
M.No.A44167

Pradeep Dayal Mathur
Partner
M.No. 082990
Date: 24.05.2023

C N Maheshwari
Director
DIN: 00125680

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.

As on 30th June, 2022, the Company's subsidiary Adhirath Power & Holdings Pvt. Ltd. held 20% equity stake in Hareon Dalmia Solar Private Limited ('Hareon') (Joint Venture) pursuant to Joint Venture agreement. In the year 2018, Keshav Power Limited (The Affiliate Co. and party to the JV agreement) had 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 had recognized investment in joint venture as per equity method, but due to non-availability of financial statements of Hareon, the Company was unable to consolidate the accounts of Hareon in terms of Ind AS-31. The said Joint Venture agreement has been terminated w.e.f. 30.06.2022. Hareon became the subsidiary of Adhirath Power & Holdings Pvt. Ltd. (wholly –owned subsidiary of the Company) w.e.f. 01.07.2022 and accordingly, the Financial results of Hareon have been consolidated with the Company (ultimate holding company) in compliance with applicable Accounting standards and/or other regulations. This does not have any material impact on the consolidated financial results of the Company.

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.

Significant Accounting policies

a) Property, plant and equipment

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

Depreciation methods, estimated useful lives and residual value:

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

b) Employee Benefit Expenses

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

c) Fair value measurement of financial instruments

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

d) Impairment of Financial and Non Financial Asset

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

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

e) Revenue recognition and other income:

Service Charges

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

Interest Income

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

Dividend Income:

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

f) Taxes

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

Current income tax

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

Minimum alternate tax

Minimum Alternative Tax (MAT) is applicable to the Company. Credit of MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of

MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

Deferred tax

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

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

g) Provisions, contingent liabilities and contingent assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that the outflow of resources embodying economic benefits will be required to settle the obligation in respect of which reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the expense relating to provision presented in the statement of profit & loss is net of any reimbursement. If the effect of the time value of money is material, provisions are disclosed using a current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as finance cost.

Contingent liability is disclosed in the notes in case of:

- There is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.
- A present obligation arising from past event, when it is not probable that as outflow of resources will be required to settle the obligation.
- A present obligation arises from the past event, when no reliable estimate is possible.
- A present obligation arises from the past event, unless the probability of outflow is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

Contingent assets

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

h) Cash & Cash Equivalents

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

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

Alirox Abrasives Limited

Notes to Consolidated Financial Statements for year ended March 31, 2023

-Cash flow statement

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

i) Borrowing Cost

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

j) Segment Reporting

The Company has no segment reporting during the year.

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

Particulars	Buildings	Computers	Total Assets
Gross block			
Balance as at 31 March 2021	214.90	1.85	216.75
Additions	-	-	-
Disposals/Adjustment	-	-	-
Balance as at 31 March 2022	214.90	1.85	216.75
Additions	-	-	-
Disposals/Adjustment	-	-	-
Balance as at 31 March 2023	214.90	1.85	216.75
Accumulated Depreciation			
Balance as at 31 March 2021	147.69	1.30	149.00
Depreciation for the year	13.95	0.33	14.28
Accumulated depreciation on disposals	-	-	-
Balance as at 31 March 2022	161.64	1.64	163.27
Depreciation for the year	11.02	0.13	11.15
Accumulated depreciation on disposals	-	-	-
Balance as at 31 March 2023	172.66	1.77	174.42
Net block			
As at 31 March 2022	53.26	0.21	53.47
As at 31 March 2023	42.24	0.08	42.33

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

ALIROX ABRASIVES LIMITED
Notes to Consolidated financial statements as on March 31, 2023

Non- Current Assets: Financial Assets

(Amount in Lacs.)

4	Investments	No. of Shares	As at 31st March, 2023	No. of Shares	As at 31st March, 2022
Non Current Investments:					
a)	Investments in Equity Instruments (fully paid up) - Quoted:(At FVTOCI)				
	Carborundum Universal Limited	5,340	52.61	5,340	42.60
	Dalmia Bharat Limited	2,40,720	4,741.10	2,40,720	3,600.21
	Dalmia Bharat Sugar & Industries Limited	1,20,360	404.35	1,20,360	578.93
	Dalmia Bharat Refractories Limited*	18,98,397	2,847.60	18,98,397	1,679.86
	Investments in Equity Instruments (fully paid up) - Unquoted:		-		-
	Eduwizards Infosolution Pvt. Ltd.	10,000	0.10	10,000	0.10
	Sarvapriya Healthcare Solutions Pvt.Ltd.	23	0.00	-	-
	Hareon Dalmia Solar Private Limited	-	-	8,54,988	85.50
	Investments in Redeemable Non Convertible Debentures - Unquoted:				
	11% Secured Strides Pharma Science Limited		39.34	-	-
	Total		8,085.10		5,987.20
Aggregate amount of Non-Current Investments					
Particulars					
	Aggregate amount of quoted investments		8,045.66		5,901.60
	Market value of quoted investments		8,045.66		5,901.60
	Aggregate amount of unquoted investments		39.44		85.60
*Pursuant to the Scheme of Amalgamation of Dalmia Refractories Limited (DRL) with Dalmia Bharat Refractories Limited (DBRL) as approved by the NCLT Chennai vide its Order dated 3rd February 2022, made effective from 1st March 2022, 18,98,397 number of equity shares have been credited to the Company post closure of financial year in the ratio of 768 equity shares of Rs. 10/- each of DBRL for every 100 equity shares of Rs. 10/- each held in DRL					
5	Other Non Current Asset				
	Security Deposit		0.26		0.26
	TDS Receivable		0.43		-
			<u>0.69</u>		<u>0.26</u>
6	Current financial assets				
6.1	Current Investments				
	Mutual Funds (At FVTPL)				
	HDFC Short Term Debt Fund		35.92		42.14
			<u>35.92</u>		<u>42.14</u>
	Aggregate amount of quoted investments		35.92		42.14
	Fair value of quoted investments		35.92		42.14
6.2	Cash & Cash Equivalent				
	Balances with banks				
	- in Current Accounts		42.49		8.46
	Cash on hand		0.20		0.16
	Cheques in hand		-		-
	Fixed deposits		-		-
			<u>42.69</u>		<u>8.62</u>
			<u>42.69</u>		<u>8.62</u>
			As at 31st March, 2023		As at 31st March, 2022
7	Other Financial Assets				
	- Interest Receivable		2.22		2.22
			<u>2.22</u>		<u>2.22</u>
8	Current Tax Asset				
	- TDS Receivable/Advance Tax		9.16		13.08
			<u>9.16</u>		<u>13.08</u>
9	Other Current Assets:				
	Recoverable from APIIC		1,834.44		0.11
	Deposits with Government Authorities		42.51		-
	Interest Accrued on Non Current Investment		0.64		-
	Other Receivable		21.60		10.80
			<u>1,899.19</u>		<u>10.91</u>

10 Equity

10.1 Share Capital

Authorised

1,000,000^{*} Equity Shares of Rs 10 each

Total

100.00

100.00

100.00

100.00

Issued, Subscribed & fully paid up

240000 Equity shares of Rs 10 each

Total

24.00

24.00

24.00

24.00

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

	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the year	2.40	24.00	2.40	24.00
Movement for the year	-	-	-	-
Outstanding at the end of year	2.40	24.00	2.40	24.00

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, 2023		As at March 31, 2022	
	Number	% Holding	Number	% Holding
Equity shares of ₹ 10 each fully paid				
J.H.Dalmia Trust (Through its Trustees)	15,050	6.27	21,925	9.12
Kavita Dalmia Parivar Trust (through its Trustee)	11,900	4.96	16,175	6.74
Rama Investment Co. Private Limited*	82,270	34.28	82,270	34.28
Sita Investment Co. Ltd.	22,800	9.50	22,800	9.50

* Pursuant to the order dated April 12, 2018, the National Company Law Tribunal approved a scheme of amalgamation and arrangement which provided for (a) merger of Ankita Pratisthan Limited (Ankita), Mayuka Investment Limited (Mayuka), Puneet Trading and Investment Company Private Limited, Zipahead.Com Private Limited, Mahanadi Trading Private Limited and Shreevallabh Textile Private Limited with Rama Investment Company Private Limited; and (b) demerger of cement business of Keshav Power Limited (Keshav) and Shree Nirman Limited (SNL) into Rama Investment Company Private Limited (Rama) ("the Scheme"). However, the aforesaid Scheme was set aside by the National Company Law Appellate Tribunal ("NCLAT") by its order dated November 29, 2019 ("NCLAT Order") and the application for modification of the said order was also rejected vide order dated September 17, 2021. Further, an appeal was filed with the Hon'ble Supreme Court on 23rd December 2021 against the NCLAT Orders to the extent NCLAT has set aside the Scheme with respect to amalgamation of Private Companies involved in the scheme. Hon'ble Supreme Court vide order dated 07th September, 2022 has disposed off the matter by setting aside the order of NCLAT dated 29th November, 2019 and confirmed the Scheme as approved by the NCLAT in respect of four Private Companies with Rama. The shares belonging to Ankita and Mayuka are yet to be transferred back by Rama pursuant to reversal of merger.

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

S.No.	Promoter Name	As at March 31, 2022		As at March 31, 2023		% Change during the year
		No of Shares	% of total Shares	No of Shares	% of total Shares	
1	Shri Gautam Dalmia	325	0.14	4600	1.92	1.78
2	Shri Yadu Hari Dalmia	325	0.14	325	0.14	-
3	Smt. Bela Dalmia	325	0.14	325	0.14	-
4	Smt. Anupama Dalmia	325	0.14	7200	3	2.86
5	Rama Investment Co Pvt Ltd	82,270	34.28	82,270	34.28	-
6	Sita Investment Co Ltd	22,800	9.5	22,800	9.5	-
7	Shree Nirman Limited	11,950	4.98	11,950	4.98	-
8	Kavita Dalmia Parivar Trust through its trustee	16,175	6.74	11,900	4.96	(1.78)
9	Shri Brahma Creation Trust through its trustees	800	0.33	800	0.33	-
10	J.H. Dalmia Trust through its trustees	21,925	9.12	15,050	6.27	(2.86)

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.

10.2 Other Equity

	As at 31st March, 2023	As at 31st March, 2022
a. Capital Reserves		
Opening Balance	2.47	2.47
(+) Adjustment on account of Step Down Subsidiary	111.82	-
Closing Balance	114.29	2.47
b. Reserve Fund		
Opening Balance	0.33	0.33
Closing Balance	0.33	0.33
c. General Reserve		
Opening Balance	2.00	2.00
Closing Balance	2.00	2.00
d. Capital Redemption Reserve		
Opening Balance	-	-
(+) Adjustment on account of Step Down Subsidiary	341.96	-
Closing Balance	341.96	-
e. Securities Premium		
Opening Balance	-	-
(+) Adjustment on account of Step Down Subsidiary	2,726.73	-
Closing Balance	2,726.73	-

	As at 31st March, 2022	As at 31st March, 2021
f. Surplus/Retained Earnings		
Opening balance	49.26	43.45
Add :Adjustment on account of Step Down Subsidiary	(1,337.59)	-
(+) Net Profit/(Net Loss) For the current year	(1.46)	5.81
Remeasurement effect	-	-
Closing Balance	<u>(1,289.79)</u>	<u>49.26</u>
g. Comprehensive Income		
Income recognised on Equity instruments	6,015.90	5,871.12
Addition During The year	<u>2,144.06</u>	144.78
Total Income recognised on Equity instruments	8,159.96	6,015.90
Actuarial Gain & Losses on DBO	-	-
Closing Balance	<u>8,159.96</u>	<u>6,015.90</u>
Grand Total	<u>10,068.02</u>	<u>6,069.96</u>

Nature and Purpose Of Reserves

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

Non - current liabilities

	As at 31st March, 2023	As at 31st March, 2022
11 Deferred Tax Liability (Net)		
On account of Property, Plant & Equipment	10.38	13.75
	<u>10.38</u>	<u>13.75</u>

Movement in deferred tax items

FY 22-23

	Opening Balance	Recognised in Profit & Loss Account	Closing Balance
Deferred tax liability / (asset) on account of Difference in Book value of Tangible and Intangible assets	13.75	(2.85)	
Deferred tax liability / (asset) on account of Disallowance		(0.53)	10.38
	<u>13.75</u>	<u>(3.38)</u>	<u>10.38</u>

FY 21-22

	Opening Balance	Recognised in Profit & Loss Account	Closing Balance
Deferred tax liability / (asset) on account of Difference in Book value of Tangible and Intangible assets	17.38	(3.63)	13.75
Net Deferred tax liability / (asset)	<u>17.38</u>	<u>(3.63)</u>	<u>13.75</u>

Current liabilities

12 Financial Liabilities

Total Outstanding dues to micro enterprises and small enterprises	-	-
(A) Total Outstanding dues to creditors other than micro enterprises and small enterprises*	0.30	0.30
	<u>0.30</u>	<u>0.30</u>

* Provision for Audit Fees therefore no ageing required.

13 Other current liabilities

Statutory Liabilities	3.69	0.86
Other Payables	4.57	1.32
	<u>8.25</u>	<u>2.18</u>

14 Current Tax Liability

Provision for Income Tax	6.16	7.72
	<u>6.16</u>	<u>7.72</u>

ALIROX ABRASIVES LIMITED**Notes to Consolidated financial statements as on March 31, 2023**

		(Amount in Lacs.)	
Note No	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
15	Revenue from operations		
	Service Charges Received	45.60	45.60
		<u>45.60</u>	<u>45.60</u>
16	Other income		
	Interest income from bank/others	3.50	4.62
	Dividend income	36.12	22.65
	Net gain/loss on value of Mutual Funds	1.76	2.04
	Interest on IT Refund	0.35	-
	Profit on Redemption on MF units	0.01	0.05
		<u>41.74</u>	<u>29.37</u>
17	Finance Cost		
	Interest on Borrowings	-	3.88
		<u>-</u>	<u>3.88</u>
18	Employee benefits expense		
	Salaries, wages, Allowances & Commission	45.01	36.71
	Staff welfare expenses	0.19	0.95
		<u>45.20</u>	<u>37.67</u>
19	Depreciation and amortization expense		
	Depreciation of tangible assets	11.15	14.28
		<u>11.15</u>	<u>14.28</u>
20	Other expenses		
	Printing & Stationery	0.21	0.14
	Electricity and Water Charges	4.76	2.34
	Advertisement & Publicity	0.47	0.47
	Insurance	0.35	0.11
	Rates and taxes	0.76	0.76
	Payment to the auditors	-	-
	- as auditor	2.05	1.75
	- for other services	-	-
	Professional Charges	14.21	0.88
	Listing & Processing Fees	0.55	0.55
	Directors sitting fees	0.76	0.57
	General Maintainence	1.67	3.99
	Service Charges	0.60	0.30
	Depository Charges	0.18	0.18
	Filing Fees	0.32	0.11
	Miscellaneous expenses	1.82	0.30
	Prior Period Expenses	-	0.01
	Amount Written Off	0.44	0.02
		<u>29.12</u>	<u>12.47</u>

21 Tax expense

Current tax	6.16	5.40
<u>Deferred tax</u>		
- Deferred tax (Asset)/Liability	(2.85)	(3.63)
Income Tax pertaining to earlier years	-	-
	3.31	1.77

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

Profit / (loss) before tax	1.88	6.68
Income tax rate	26%	26%
Tax on Income	0.49	1.74

Tax effect of items in reconciliations

Effect of expenses that are non-deductible in determining taxable profit	3.34	11.37
Effect of expenses that are deductible in determining taxable profit	(7.14)	(11.33)

Income Tax Expense

(3.31)	1.77
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22 Other Comprehensive Income

Item that will not be reclassified to profit or loss

Re-measurement gains/(losses) on Investment	2,144.06	144.78
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Items that will be reclassified to profit or loss

- Fair valuation of equity instruments at FVTOCI	-	-
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Total Other Comprehensive Income

2,144.06	144.78
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23 Earning per Share

Profit after tax	(1.46)	5.81
Number of equity shares outstanding during the period (weighted average)	2.40	2.40
Nominal value of equity shares (Rs 10.00 each)	10.00	10.00
Earning per share (Rs.) Basic	(0.06)	2.42
Earning per share (Rs. Diluted)	(0.06)	2.42

Note 24 Financial Instruments

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

(a) Investment and other Financial Assets

Classification

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

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

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

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

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

Measurement

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

Equity investments

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

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

Impairment of financial assets:

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

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

Derecognition of financial assets

A financial asset is derecognised only when:

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

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

Alirox Abrasives Limited

Notes to Consolidated Financial Statements for year ended March 31, 2023

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-25 Related Party Disclosures

A) Relationships

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

Step Down Subsidiary Company: - Hareon Dalmia Solar Private Limited

(ii) Key Managerial Personnel

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

(iii) Promoters of the Company:

Shri Yadu Hari Dalmia and Shri Gautam Dalmia

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

Dalmia Bharat Limited, Dalmia Bharat Refractories Limited, Dalmia Bharat Sugar and Industries Limited, Shri Chamundeswari Minerals Limited

Alirox Abrasives Limited
Notes to Consolidated Financial Statements for year ended March 31, 2023

(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, 2023	For the year ended 31st March, 2022	For the year ended 31st March, 2023	For the year ended 31st March, 2022	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Investment in Optionally Convertible Debentures:-						
Adhirath Power & Holdings Private Limited	-	-		100	-	100
Service Charges Paid:- (Including GST)						
Shri Chamundeswari Minerals Ltd			0.60	0.30	0.60	0.30
Service Charges Received:- (Including GST)						
Dalmia Bharat Refractories Ltd	-	-	47.20	47.20	47.20	47.20
Shri Chamundeswari Minerals Ltd	-	-	0.71	0.71	0.71	0.71
Salary and Perquisites:						
Smt. Leena Rawal	22.11	17.97	-	-	22.11	17.97
Smt. Shweta Chadha	14.60	10.78	-	-	14.60	10.78
Ms. Sonal Popli	7.22	6.89	-	-	7.22	6.89
Dividend Received						
Dalmia Bharat Refractories Ltd.	-	-	9.49	2.47	9.49	2.47
Dalmia Bharat Ltd.	-	-	12.03	12.83	12.03	12.83
Dalmia Bharat Sugar and Industries Ltd.	-	-	4.81	7.22	4.81	7.22
Reimbursement of Expenses						
Shri Chamundeswari Minerals Ltd.	-	-	-	0.37	-	0.37
Interest accrued and due on ICD						
Keshav Power Limited	-	-	-	3.88	-	3.88
Directors Sitting Fees						
Shri J.H. Dalmia	-	0.02	-	-	-	0.02
Shri C. Nagaratnam	0.06	-	-	-	0.06	-
Shri L.N. Goyal	0.29	0.24	-	-	0.29	0.24
Shri M.L. Dujari	0.14	0.24	-	-	0.14	0.24
Shri C N Maheshwari	0.28	0.07	-	-	0.28	0.07

Alirox Abrasives Limited**Notes to Consolidated Financial Statements for year ended March 31, 2023****(C) Balance Outstanding at year end:**

Nature of Transaction	Key Management Personnel/Promoters		Enterprises having Common Promoters		Total	
	As at 31 st March, 2023	As at 31 st March, 2022	As at 31 st March, 2023	As at 31 st March, 2022	As at 31 st March, 2023	As at 31 st March, 2022
Amount Receivable/ Payable						
Payable-LeenaRawal	0.47	-	-	-	0.47	-
Payable-Shweta Chadha	1.79	0.01	-	-	1.79	0.01

Note -26Events 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, 2023	As at 31 st March,2022
Total current Assets	1989.17	76.97
Total Current Liabilities	14.71	10.20
Current Ratio	135.27	7.55

Alirox Abrasives Limited**Notes to Consolidated Financial Statements for year ended March 31, 2023****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,2023		As at 31 st March,2022	
				Carrying Value	Fair Value	Carrying Value	Fair Value
1	<u>Financial Assets designated at fair value through Profit & Loss</u> <u>Current</u> -Investment	A	Level-1	35.92	35.92	42.41	42.41
2	<u>Financial Assets designated at fair value through other comprehensive income</u> <u>Non –Current</u> -Investment in Equity Shares	B	Level-1	8045.66	8045.66	5901.60	5901.60
3	<u>Financial Assets designated at amortised cost</u> <u>Current</u> -Cash & Cash Equivalents* -Loan* -Other Financial Assets*			42.69 - -	42.69 - -	8.62 - -	8.62 - -

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

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

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

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

Fair value hierarchy

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

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

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

Alirox Abrasives Limited
Notes to Consolidated Financial Statements for year ended March 31, 2023
Note : 27 Disclosure of Ratios

Ratio	Basis	Numerator	Denominator	FY 2022-23	FY 2021-22	% Variance	Reason for Variance>25%
Current ratio	Times	Current Assets	Current Liabilities	135.27	7.55	1692.07	Due to consolidation of step down subsidiary
Debt-equity ratio	Times	Total Debt	Shareholder's Equity	-	-	-	
Debt service coverage ratio	Times	Net Profit before taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.	Interest & Lease Payments + Principal Repayments	-	-	-	
Return on equity ratio	%	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	(0.0180)	0.0965	-118.69	Due to consolidation of step down subsidiary.
Inventory turnover ratio	Times	Revenue from operations	Average Inventory	-	-	-	
Trade receivables turnover ratio	Times	Net Credit Sales	Average Accounts Receivable	-	-	-	
Trade payables turnover ratio	Times	Net Credit Purchases	Average Trade Payables	-	-	-	
Net capital turnover ratio	Times	Revenue from operations	Average Working Capital	0.04	0.78	-94.27	Due to change in working capital
Net profit ratio	%	Profit for the year	Revenue from operations	(3.20)	12.74	-125.13	Due to consolidation of step down subsidiary.
Return on capital employed	%	Earning before interest and taxes	Capital Employed(i)	0.0186	0.1728	-89.23	Due to consolidation of step down subsidiary.
Return on investment	%	Income generated from invested funds	Average invested funds in investments	0.5354	0.4147	29.02	Due to consolidation of step down subsidiary.

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

Alirox Abrasives Limited

Notes to Consolidated Financial Statements for year ended March 31, 2023

Note 28: Additional Disclosure

- a) The Company do not have any immovable properties where title deeds are not in the name of the company.
- b) Since, the Company has not revalued its Property, Plant and Equipment, the valuation by a registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017, is not required.
- c) The company has not made any Advances during the year under review in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person.
- d) The company has no Capital-Work-in Progress (CWIP) for disclosing its ageing.
- e) The company has no Intangible assets under development for disclosing its ageing.
- f) No proceeding has been initiated or pending against the company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder as at the end of the financial year.
- g) The Company has not made any borrowings from banks or financial institutions on the basis of security of current assets.
- h) The company was not declared as a wilful defaulter by any bank or financial Institution or other lender during the financial year.
- i) During the financial year ended 31 Mar 2023 and 31 Mar 2022 the Company does not have any relationship with Struck off Companies and the corresponding balances are Nil as at 31 Mar 2023 and 31 Mar 2022.
- j) No charges or satisfaction exists for Company which are required to be registered with Registrar within statutory period during the financial year.
- k) The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 during the financial year.
- l) The company has not applied for any Scheme of Arrangements to the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the year under review.
- m) The company has not received/advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) through Intermediaries during the financial year.
- n) The Company does not have any transaction that was not recorded in the books of accounts and has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- o) The provisions of Section 135 of the Companies Act, 2013, regarding the Corporate Social Responsibility are not applicable to the Company for the financial year 2022-23.
- p) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- q) The company has not taken any borrowings from banks and financial institutions for the specific purpose at the balance sheet date.

Alirox Abrasives Limited**Notes to Consolidated Financial Statements for year ended March 31, 2023**

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	81.83%	8258.10	717.81%	10.48	100%	2144.06	100.56%	2154.54
Hareon Dalmia Solar Private Limited	19.11%	1928.61	-786.99%	-11.49	-	-	-0.54%	-11.49
Adhirath Power & Holdings Pvt. Ltd.	-0.08%	-8.01	-32.19%	-0.47	-	-	-0.02%	-0.47

Previous year figures are not comparable due to consolidation of Hareon Dalmia Solar Private Limited in the Current Year.

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

SonalPopli
Company Secretary
M.No.A44167

PradeepDayalMathur
Partner
M.No. 082990
Date: 24.05.2023

C N Maheshwari
Director
DIN: 00125680

LeenaRawal
Whole Time Director &
Chief Executive Officer
DIN: 03575675