

# ALIROX ABRASIVES LIMITED

Registered Office : 4, Scindia House, Connaught Place, New Delhi - 110 001

(CIN: L74899DL1944PLC000759)

## DIRECTORS' REPORT

For the Year Ended 31<sup>st</sup> March, 2015

Your Directors hereby present the Seventy First Annual Report together with Audited Financial Statements for the year ended 31<sup>st</sup> March, 2015.

### Financial Results :

	2014-15 (Rs.)	2013-14 (Rs.)
<b>GROSS REVENUE</b>	<b>34,24,445</b>	25,20,556
<b>Profit before interest, Depreciation and Tax (EBITDA)</b>	<b>3,67,508</b>	1,52,925
Interest	-	-
Depreciation	<b>36,430</b>	4,602
<b>Profit before Tax (PBT)</b>	<b>3,31,078</b>	15,24,993
Provision for Current tax	-	1,85,000
Provision for deferred tax (Net of due to change in Depreciation as per Companies Act, 2013)	-	-
<b>Profit after tax</b>	<b>3,31,078</b>	13,39,993
Tax adjustment of earlier year	<b>2,498</b>	15,309
Add: Surplus brought forward from last year	<b>1,58,58,659</b>	1,45,33,975
<b>Profit available for appropriation</b>	<b>1,61,87,239</b>	1,58,58,659
<b>Appropriations:</b>		
General Reserve	-	-
Dividend	-	-
Dividend Distribution tax	-	-
<b>Balance Carried Forward</b>	<b>1,61,87,239</b>	1,58,58,659

### OPERATIONS

During the year, the Company did not have any manufacturing activity and has earned income mainly from service charges and interest. The Company has no subsidiary or associated Company therefore disclosures in this regard has not been provided in this Report.

### DIVIDEND

Keeping in view the meagre surplus, your Directors do not recommend any Dividend for the year under review.

### EXTRACT OF ANNUAL RETURN

In compliance with sub section (3) of Section 92 of the Companies Act 2013, the extract of the Annual Return is attached in Form MGT 9 and forms the part of this Report as 'Annexure 1'.

### DIRECTORS

Shri K.V. Mohan resigned as Director w.e.f. 13<sup>th</sup> June, 2014. The Board places on record its appreciation for assistance and guidance provided by Shri K.V. Mohan during his tenure with the Company.

The members at their Annual General Meeting held on 30<sup>th</sup> September, 2014 has approved the appointment of Shri L.N. Goyal as Independent Director who shall not be liable to retire by rotation. Shri L.N. Goyal has submitted his declaration of independence under section 149 of the Companies Act, 2013.

Shri M.L. Dujari has been appointed as an Additional (Independent) Director w.e.f. 20<sup>th</sup> April, 2015 and in terms of Section 161(1) of the Companies Act holds office upto the ensuing Annual General Meeting. He has further confirmed that he is not disqualified to be appointed as a Director of the Company in terms of the provisions of section 164(2) of the Companies Act, 2013 in Form DIR-8. In terms of the provision of Section 149 and other applicable provisions of the Companies Act, 2013 and rules made thereunder, he has given his declaration of independence and being eligible, the Board recommends his appointment as an Independent Director to the shareholders at the ensuing Annual General Meeting for a term of five consecutive years.

## **ALIROX ABRASIVES LIMITED**

Smt. Leena Rawal, Director retires by rotation at the ensuing Annual General Meeting of the Company and being eligible offers herself for re-appointment. She has further confirmed that she is not disqualified to be reappointed as a Director of the Company in terms of the provisions of section 164(2) of the Companies Act, 2013 in Form DIR-8.

### **NUMBER OF MEETINGS OF THE BOARD**

During the year, seven Meetings of the Board were convened and held on 28<sup>th</sup> May, 2014, 23<sup>rd</sup> June, 2014, 7<sup>th</sup> July, 2014, 6<sup>th</sup> August, 2014, 31<sup>st</sup> October, 2014, 27<sup>th</sup> November, 2014 and 29<sup>th</sup> January, 2015. The time gap between two consecutive meetings of the Board did not exceeded one hundred and twenty days.

### **COMMITTEES**

Your Directors have constituted the following Committees of the Board in accordance with the requirements of the Companies Act, 2013, the details of which are as follows:

#### **AUDIT COMMITTEE**

The Committee comprises of three Non-executive Directors namely Shri M.L. Dujari and Shri L.N. Goyal, majority of which are Independent Directors. Shri M.L. Dujari is the Chairman of the Audit Committee. The Audit Committee assist the Board in the dissemination of financial information and in overseeing the financial and accounting processes in the Company. There were no such instances where the Board had not accepted the recommendation of the Audit Committee.

In order to ensure that activities of the Company and its employees are conducted in a fair and transparent manner, the Company has adopted a **Whistle Blower Policy & Vigil Mechanism**.

#### **NOMINATION AND REMUNERATION COMMITTEE**

The Committee comprises of three Non-executive Directors as its members namely Shri J.H. Dalmia, Shri M.L. Dujari and Shri L.N. Goyal out of which two are Independent Directors with Shri M.L. Dujari as its Chairman.

The Board had on the recommendation of the Nomination and Remuneration Committee framed the Nomination and Remuneration Policy with respect to matters provided in Section 178(3) of the Companies Act, 2013. The Company's Nomination and Remuneration Policy has been annexed as 'Annexure II' of this Report.

#### **BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual evaluation of its own performance its committees and the performance of individual Directors based on parameters such as level of engagement, contribution in terms of improving business performance etc. as laid down in the Nomination & Remuneration Policy of the Company.

#### **KEY MANAGERIAL PERSONNEL**

During the year, Smt. Leena Rawal was appointed as Chief Executive Officer effective 1<sup>st</sup> July, 2014 and Smt. Shweta Chadha was appointed as Chief Financial Officer effective 26<sup>th</sup> August, 2014 to comply with the provisions of section 203 of the Companies Act, 2013.

Ms. Bhawana Jain who was appointed as Company Secretary in terms of section 203 of the Companies Act, 2013 on 1<sup>st</sup> June, 2014 resigned from the said position effective 6<sup>th</sup> December, 2014. The Board in their meeting held on 28<sup>th</sup> May, 2015 has appointed Ms. Sunita Tomar as Company Secretary with effect from 1<sup>st</sup> June, 2015.

#### **CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

The provisions of the Companies Act, 2013, regarding the Corporate Social Responsibility are not applicable to the Company.

#### **DEPOSITS**

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

#### **LISTING OF SECURITIES**

During the year, the Securities of the Company were listed at Delhi Stock Exchange. However, Securities and Exchange Board of India (SEBI) vide its order dated 19<sup>th</sup> November, 2014 derecognized Delhi Stock Exchange with immediate effect.

## ALIROX ABRASIVES LIMITED

Your directors regret to inform that due to insufficient capital base as required under the diluted listing norms of National Stock Exchange and Bombay Stock Exchange the Company was not eligible for listing on such exchanges and has received a letter dated 18<sup>th</sup> May, 2015 from Delhi Stock Exchange to the effect that the Company has been transferred to Dissemination Board of Bombay Stock Exchange and is not required to comply with listing agreement made with Delhi Stock Exchange.

In this regard, your Directors are exploring various opportunities which shall be in the best interest of the stakeholders.

### **DISCLOSURES**

There were no significant and material orders passed by regulators or courts or tribunals impacting the going concern status of the Company and Company's operations in future.

### **AUDITORS**

#### **STATUTORY AUDITORS**

M/s. D.P. Kapoor & Co., Chartered Accountants, were reappointed as Statutory Auditors of the Company to hold office for a period of three years effective from the conclusion of last Annual General Meeting held on 30<sup>th</sup> September, 2014 in accordance with the provisions of Section 139 of the Companies Act, 2013 subject to ratification by the members at every Annual General Meeting. A certificate to the effect that their re-appointment, if made, would be in conformity with the limits prescribed in the section 141 of the Companies Act, 2013 has been obtained.

The Report submitted by the Statutory Auditor does not contain qualification, reservation or adverse remark.

#### **SECRETARIAL AUDITOR**

Secretarial Audit was conducted during the year by the Secretarial Auditor, Shri N.C. Khanna, Practicing Company Secretary, in accordance with the provisions of section 204 of the Companies Act, 2013. The Secretarial Auditor's Report has been annexed as 'Annexure III' of this Report.

The said Report does not contain any qualification, reservation or adverse remark.

#### **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.

#### **PARTICULARS 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. The Details of Investments made by the Company are given in Note 7 of the Accounts.

#### **CONTRACT AND ARRANGEMENT**

During the year there were no material contracts or arrangements with the related parties referred to in Section 188(1) of the Companies Act, 2013.

#### **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 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.

#### **PARTICULARS OF EMPLOYEES**

Disclosures of remuneration to Directors and Key Managerial Personnel and other particular in terms of Section 197(12) read with rule 5(1) of the Companies (Appointment and Remuneration of the Managerial Personnel) Rules, 2014 are provided in Annexure IV to this Report.

Particulars of employees as required to be furnished under provisions of Section 197(12) read with rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of the Managerial Personnel) Rules, 2014 with respect to employees drawing remuneration in excess of the limits set out in the said rules are NIL.

## **ALIROX ABRASIVES LIMITED**

Your Directors further state that during the year under review, there were no cases filed pursuant to Sexual Harassment of woman at workplace (Prevention, Prohibition and Redressal) Act, 2013.

### **DEMATERIALISATION**

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

### **REGISTRAR AND TRANSFER AGENT**

M/s. Karvy Computershare Pvt. Ltd., Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032, Tel.No.040-67161500; Fax: 040-23001153; E-mail: einward.ris@karvy.com; Website:www.karvy.com

### **DIRECTORS RESPONSIBILITY STATEMENT**

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

- i) in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- ii) the Directors had selected such accounting policies and applied them consistently and made judgments 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;
- iii) 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;
- iv) the Directors had prepared the annual accounts on a going concern basis.
- v) 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.
- vi) 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.

### **ACKNOWLEDGMENT**

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 the Board of Directors**

Place: New Delhi  
Dated: May 28, 2015

J.H. Dalmia  
**DIRECTOR**  
**(DIN:00009717)**

Leena Rawal  
**DIRECTOR**  
**(DIN:03575675)**

# ALIROX ABRASIVES LIMITED

## ANNEXURE-1

### Form No. MGT-9

#### Extract of Annual Return as on the financial year ended on 31<sup>st</sup> March, 2015 of Alirox Abrasives Limited

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

#### I. REGISTRATION AND OTHER DETAILS:

- i) CIN: L74899DL1944PLC000759
- ii) Registration Date: 13/05/1944
- iii) Name of the Company: ALIROX ABRASIVES LIMITED
- iv) Category/Sub-Category of the Company: Public Company Limited by shares
- v) Address of the Registered Office and contact details: 4, Scindia House, New Delhi-110 001
- vi) Whether listed Company: Yes/No: Yes
- vii) Name, Address and Contact details of Registrar and Transfer Agent: Karvy Computershare Private Limited  
Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District,  
Nanakramguda, Hyderabad-500 032  
Tel.No.:040-67161500; Fax: 040-23001153,  
E-mail: einward.ris@karvy.com  
Website: www.karvy.com

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl.No.	Name and Description of main Products/Services	NIC Code of the Product/Service#	% to total turnover of the Company.
1	Emery Grains	08992	N. A.*

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

\* The Company has been engaged in the business of manufacture of Emery grains. However, its manufacturing activities have ceased as plant has been sold in earlier years.

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl.No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of Shares Held	Applicable Section
N O N E					

## ALIROX ABRASIVES LIMITED

### IV. SHARE HOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

#### i) Category-wise Share Holding.

Category of Shareholder	No. of Shares held at the beginning of the year (As on 01.04.2014)				No. of Shares held at the end of the year (As on 31.03.2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individuals/ Hindu Undivided Family	-	39900	39900	16.63	-	39900	39900	16.63	-
b) Central Government	-	-	-	-	-	-	-	-	-
c) State Government(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	116270	116270	48.45	-	116520	116520	48.55	0.10
e) Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-
f) Any Other (Specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total(A)(1)</b>	-	<b>156170</b>	<b>156170</b>	<b>65.08</b>	-	<b>156420</b>	<b>156420</b>	<b>65.18</b>	<b>0.10</b>
<b>(2) Foreign</b>									
a) Individuals (Non-resident Individuals/ Foreign Individuals)	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks/ Financial Institutions	-	-	-	-	-	-	-	-	-
e) Qualified foreign investor	-	-	-	-	-	-	-	-	-
f) Any Other (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (A)(2)</b>	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter and promoter Group <b>(A)=(A)(1)+(A)(2)</b>	-	<b>156170</b>	<b>156170</b>	<b>65.08</b>	-	<b>156420</b>	<b>156420</b>	<b>65.18</b>	<b>0.10</b>

## ALIROX ABRASIVES LIMITED

Category of Shareholder	No. of Shares held at the beginning of the year (As on 01.04.2014)				No. of Shares held at the end of the year (As on 31.03.2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Share	
<b>B. Public shareholding</b>									
<b>1) Institutions</b>									
a) Mutual Funds/UTI	-	-	-	-	-	-	-	-	-
b) Financial Institutions/Banks	-	-	-	-	-	-	-	-	-
c) Central Government	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) Foreign Institutional Investors	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
i) Qualified foreign Investor	-	-	-	-	-	-	-	-	-
j) Any other (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total(B)(1)</b>	-	-	-	-	-	-	-	-	-
<b>2) Non-institutions</b>									
a) Bodies Corporate	-	25340	25340	10.56	-	25340	25340	10.56	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals-									
i) Individuals shareholders holding Nominal share Capital upto Rs.1 lakh	-	47990	47990	20.00	-	47740	47740	19.89	-0.11
ii) Individual shareholders holding Nominal share Capital in excess of Rs.1 lakh	-	10500	10500	4.38	-	10500	10500	4.38	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Directors	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Qualified foreign investor	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2)</b>	-	<b>83830</b>	<b>83830</b>	<b>34.94</b>	-	<b>83580</b>	<b>83580</b>	<b>34.83</b>	<b>-0.11</b>
<b>Total Public Share-Holding (B)=(B)(1)+(B)(2)</b>	-	<b>83830</b>	<b>83830</b>	<b>34.94</b>	-	<b>83580</b>	<b>83580</b>	<b>34.83</b>	<b>-0.11</b>
<b>Total (A)+(B)</b>	-	<b>240000</b>	<b>240000</b>	<b>100</b>	-	<b>240000</b>	<b>240000</b>	<b>100</b>	-
<b>(C) Shares held by Custodians for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>GRAND TOTAL (A)+(B)+(C)</b>	-	<b>240000</b>	<b>240000</b>	<b>100</b>	-	<b>240000</b>	<b>240000</b>	<b>100</b>	-

## ALIROX ABRASIVES LIMITED

### ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01.04.2014)			Shareholding at the end of the year (As on 31.03.2015)			
		No. of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	% change in shareholding during the year.
1.	Puneet Trading & Investment Co. Pvt. Ltd.	47820	19.93	-	47820	19.93	-	-
2.	Mayuka Investment Limited	21550	8.98	-	21550	8.98	-	-
3.	Kavita Trading & Investment Co. Pvt. Ltd.	18700	7.79	-	18700	7.79	-	-
4.	Shri Jai Hari Dalmia	15050	6.27	-	15050	6.27	-	-
5.	Shree Nirman Ltd.	11950	4.98	-	11950	4.98	-	-
6.	Smt. Kavita Dalmia	11900	4.96	-	11900	4.96	-	-
7.	Rama Investment Co. Pvt. Ltd.	10000	4.17	-	10000	4.17	-	-
8.	Shri Gautam Dalmia	7200	3.00	-	7200	3.00	-	-
9.	Smt. Anupama Dalmia	4300	1.79	-	4300	1.79	-	-
10.	Sita Investment Co. Ltd.	4100	1.71	-	4100	1.71	-	-
11.	Ankita Pratisthan Ltd.	2150	0.90	-	2150	0.90	-	-
12.	Smt. Bela Dalmia	900	0.38	-	900	0.38	-	-
13.	Shri Y.H. Dalmia	550	0.23	-	550	0.23	-	-
14.	Zipahead.Com Pvt. Ltd.(Formerly Zipahead.Com Ltd.)	-	-	-	250	0.10	-	0.10
	<b>Total</b>	<b>156420</b>	<b>65.18</b>	<b>-</b>	<b>156420</b>	<b>65.18</b>	<b>-</b>	<b>0.10</b>

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

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Zipahead.Com Pvt. Ltd.				
	At the beginning of the year	-	-	-	-
	Change during the year	250	0.1	250	0.1
	Date Reason 16.01.2015 Purchase				
	At the end of the year	<b>250</b>	<b>0.1</b>	<b>250</b>	<b>0.1</b>



## ALIROX ABRASIVES LIMITED

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

Sl. No.	Shareholding at the beginning of the year	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company
For each of Top 10 Shareholders			
<b>1. Shrey Mitra</b>			
a) At the beginning of the year	10500	4.38	10500
b) Changes during the year		<b>No change during the year</b>	
c) At the end of the year	10500	4.38	10500
<b>2. Radar Commercials Pvt. Ltd.</b>			
a) At the beginning of the year	10000	4.17	10000
b) Changes during the year		<b>No change during the year</b>	
c) At the end of the year	10000	4.17	10000
<b>3. Chicky Traders Pvt. Ltd.</b>			
a) At the beginning of the year	9650	4.02	9654
b) Changes during the year		<b>No change during the year</b>	
c) At the end of the year	9650	4.02	9650
<b>4. Shri Bhole Prasad</b>			
a) At the beginning of the year	7800	3.25	7800
b) Changes during the year		<b>No change during the year</b>	
c) At the end of the year	7800	3.25	7800
<b>5. Amrapalli Housing Properties Pvt. Ltd.</b>			
a) At the beginning of the year	5550	2.31	5550
b) Changes during the year		<b>No change during the year</b>	
c) At the end of the year	5550	2.31	5550
<b>6. Smt. Savita Joshi</b>			
a) At the beginning of the year	4000	1.67	4000
b) Changes during the year		<b>No change during the year</b>	
c) At the end of the year	4000	1.67	4000
<b>7. Smt. Sushila Devi Agarwal</b>			
a) At the beginning of the year	3500	1.46	3500
b) Changes during the year		<b>No change during the year</b>	
c) At the end of the year	3500	1.46	3500
<b>8 Mr. Vidya Dhar Singh</b>			
a) At the beginning of the year	1000	0.42	1000
b) Changes during the year		<b>No change during the year</b>	
c) At the end of the year	1000	0.42	1000
<b>9. Sh. Raj Kumar Ahuja</b>			
a) At the beginning of the year	1000	0.42	1000
b) Changes during the year		<b>No change during the year</b>	
c) At the end of the year	1000	0.42	1000
<b>10. Mr. Radhey Shyam Jalan</b>			
a) At the beginning of the year	900	0.38	900
b) Changes during the year		<b>No change during the year</b>	
c) At the end of the year	900	0.38	900

## ALIROX ABRASIVES LIMITED

### v) Shareholding of Directors and Key Managerial Personnel:

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

### V. INDEBTEDNESS

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

	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year (01.04.2014)</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>				
• Addition	-	-	-	-
• Educationn	-	-	-	-
<b>Net change</b>	-	-	-	-
<b>Indebtedness at the end of the financial year (31.03.2015)</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

## ALIROX ABRASIVES LIMITED

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### A. Remuneration to Managing Director, Whole Time Director and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
<b>1.</b>	<b>Gross Salary</b>		
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-
<b>2.</b>	<b>Stock Option</b>	-	-
<b>3.</b>	<b>Sweat Equity</b>	-	-
<b>4.</b>	<b>Commission</b>	-	-
	- as % of Profit		
	- others, specify		
<b>5.</b>	<b>Others, please specify</b>	-	-
	<b>Total (A)</b>	-	-
	Ceiling as per the Act	-	-

Note: The Company do not have any Managing Director, Whole Time Director and/or Manager

#### B. REMUNERATION TO OTHER DIRECTORS:

(Rs.in lacs)

Particulars of Remuneration	Name of the Director			Total Amount
<b>Independent Directors</b>	<b>Shri L. N. Goyal,</b>			
• Fee for attending Board & Committee Meetings	1500			1500
• Commission	-			-
• Others, please specify	-			-
<b>Total (1)</b>	<b>1500</b>			<b>1500</b>
<b>Other Non-Executive Directors</b>	<b>Shri J.H. Dalmia</b>	<b>Sh. KV. Mohan*</b>	<b>Shri C.N. Maheshwari*</b>	
• Fee for attending Board & Committee Meetings	1500	250	250	2000
• Commission	-	-	-	-
• Others, please specify	-	-	-	-
<b>Total (2)</b>	<b>1500</b>	<b>250</b>	<b>250</b>	<b>2000</b>
<b>Total (B)=(1+2)</b>				<b>3500</b>
<b>Total Managerial Remuneration</b>				<b>3500</b>
Overall Ceiling as per the Act	-	-	-	-

Note: The Directors have been paid remuneration for the financial year 2014-15 by way of sitting fees, which is within the limits prescribed under the provisions of Companies Act, 2013.

\* Shri C.N. Maheshwari and Shri K.V. Mohan, Directors of the Company, have resigned w.e.f. 1<sup>st</sup> June, 2014 and 13<sup>th</sup> June, 2014 respectively.

## ALIROX ABRASIVES LIMITED

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

(Rs.in lacs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
<b>1.</b>	<b>Gross Salary</b>				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	714150	119412*	309805	1143367
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit	-	-	-	-
5.	Others, please specify	-	-	-	-
6.	Sitting fees**	500	-	-	500
	<b>Total (A)</b>	<b>714650</b>	<b>119412</b>	<b>309805</b>	<b>1143867</b>

\* The remuneration of Company Secretary pertains to the period from 1<sup>st</sup> June, 2014 to 6<sup>th</sup> December, 2014.

\*\* Rs.500/- paid to Smt. Leena Rawal for attending Board Meetings as Non-Executive Director prior to her appointment as Chief Executive Officer.

### VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

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

# ALIROX ABRASIVES LIMITED

## ANNEXURE II NOMINATION AND REMUNERATION POLICY

- 1) **Objective:** This Policy is laid down to comply with the provisions of section 178 of the Companies Act, 2013 read along with the Rules made thereunder.
- 2) **Definitions:**
  - a. **"Act"** means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
  - b. **"Board"** means the Board of Directors of the Company.
  - c. **"Directors"** means the Directors of the Company as may be appointed from time to time.
  - d. **"Independent Director"** means a Director who has been appointed as such and who satisfies the criteria and conditions laid down in **S.149(6)** of the Companies Act, 2013.
  - e. **"Key Managerial Personnel" (KMP)** means the following persons as defined in **S.2(51)** of the Companies Act, 2013 and (i) Managing Director or Manager or Chief Executive Officer; (ii) Company Secretary; (iii) Whole-time Director; (iv) Chief Financial Officer; and (v) such other officer as may be prescribed.
  - f. **"Senior Management Persons" (SMP)** means the following persons, as defined in **Explanation to S.178(8)** of the Companies Act, 2013, being personnel of the Company who are members of its core management team, excluding Board of Directors, comprising all members of management, one level below the executive directors including all Functional heads.
- 3) **Constitution of the Committee and matters relating thereto:**
  - (a) **Constitution:**
    - (i) The Committee shall consist of minimum 3 Non-Executive Directors, out of which not less than one half shall be Independent Director.
    - (ii) Minimum two members shall constitute a quorum for the meeting.
    - (iii) Constitution and membership of the Committee shall be disclosed in the Annual Report of the Company.
    - (iv) The Chairman of the Committee shall be an Independent Director.
    - (v) The Chairman of the Company may be nominated as a member of the Committee but shall not be its Chairman.
    - (vi) The Chairman of the Nomination and Remuneration Committee is required to be present at the Annual General Meeting or he may nominate some other member to answer the shareholders' queries.
  - (b) **Frequency of Meetings:**

The meeting of the Committee shall be held at such regular intervals as may be required.
  - (c) **Secretary:**

The Company Secretary of the Company shall act as the Secretary of the Committee.
  - (d) **Procedure to be followed in meetings of the Committee:**
    - (i) A member of the Committee is not entitled to be present when his or her own remuneration is being discussed at the meeting or when his or her own performance is being evaluated.
    - (ii) All matters shall be decided by a majority of votes cast by the members present and such decision shall for all purposes be treated as the decision of the Committee. In case of equality of votes, the Chairman shall have the casting vote.
    - (iii) The Committee is also entitled to engage professionals to assist it in the performance of its duties and such costs shall be borne by the Company.
    - (iv) Proceedings of all meetings must be minuted and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

## **ALIROX ABRASIVES LIMITED**

### **4) Role of the Committee:**

The Committee shall :-

- (a) Formulate the criteria for determining qualifications, positive attributes and independence of a director. [S.178(3)].
- (b) Recommend to the Board, a Policy relating to Remuneration of Directors, KMPs, and other employees. [S.178(3)]. This Policy has to be disclosed in the Board's Report [S.178(4)]. As per S.178(4), while formulating this policy, Committee has to ensure that:-
  - (i) Level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the Directors of the quality required,
  - (ii) Relationship of remuneration to performance is clear, and meets appropriate performance bench marks,
  - (iii) Remuneration to Directors, KMPs, involves a balance between fixed and incentive pay, reflecting short and long term performance objectives, appropriate for the Company.
- (c) Carry out evaluation of every Director's performance [S.178(2)]
- (d) Identify persons who are qualified to become Directors, and who may be appointed as KMPs/SMPs in accordance with the criteria laid down in this policy. [S.178(2)]
- (e) Recommend to the Board the appointment and removal of KMPs and SMPs in accordance with the criteria laid down. [S.178(2)].

### **5) Policy on Remuneration:**

- (a) Directors (including MDs and WTDs):
  - (i) It would have to be within the ceiling as may be prescribed by law from time to time.
  - (ii) It would have to be with such approvals as may be prescribed by law.
  - (iii) It shall involve a balance between fixed and incentive pay, reflecting short term and long term performance objectives.
  - (iv) In case of non WTDs, total remuneration payable in accordance with law, be distributed amongst themselves, keeping in view (a) Responsibilities (e.g. Chairmanship/Membership of important committees), (b) Tenure on the Board, (c) Devoting of time outside Board meetings, for Company's work etc, as may be decided by the Board.
- (b) KMPs and other employees:
  - (i) It would be based on Total Cost to Company (TCTC) concept. Within this TCTC, it could be made flexible, as per the needs of employees, in a fair and transparent manner.
  - (ii) It would be in compliance with laws and regulations.
  - (iii) The level and composition of remuneration would be reasonable and sufficient to attract, retain and motivate to run the Company successfully and to meet performance benchmark

### **6) Criteria for determining qualifications, positive attributes and independence of Directors:**

- (a) Criteria for determining independence would be as laid down in S.149(6) of the Act.
- (b) No academic qualification is envisaged, but should be able to contribute positively to the deliberations at Board Meeting.
- (c) The candidate to be appointed as an Independent Director shall be at least 21 years of age. All persons being appointed as Directors shall possess a Directors Identification Number (DIN).
- (d) A person shall not be appointed as a Director if he is disqualified under section 164 of the Companies Act, 2013.

### **7) Criteria for identifying persons for appointment as Key Managerial Personnel's:-**

- (a) Should fulfill the Job Description, for the relevant position, as may be in force from time to time.
- (b) A person should possess adequate qualification, expertise and experience for the position before he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient/satisfactory for the concerned position.

## ALIROX ABRASIVES LIMITED

### 8) **Evaluation of every Director's performance:**

- (a) % attendance at Board Meetings.
- (b) Participation in discussions.
- (c) Preparedness for Board Meetings, by reading of the relevant papers.
- (d) Contribution in terms of improving Business performance.
- (e) Proactive availability for Company's business, besides Board meetings.

The Committee shall carry out evaluation of performance of every Director preferably at regular yearly intervals. For this purpose, the Board may engage the services of a professional for advising it on a process of evaluation, etc, and the cost of such professional shall be borne by the Company.

### 9) **General:**

- (a) The persons selected for the positions of Key Managerial Personnel and Senior Management Persons should have the desired qualifications, expertise and experience for the position he/she is considered for appointment. The Committee shall have the discretion to decide whether the qualifications, expertise and experience possessed by a person is sufficient for the concerned position.
- (b) The Committee shall approve the selection of candidates to the position of Key Managerial Personnel and Senior Management Persons recommend to the Board, his or her appointment.
- (c) The Committee shall not recommend the appointment of or continuation of appointment of any person to the position of a Managing Director and Whole-time Director or Manager who has attained the age of seventy years. In event it is decided by the Committee to breach the above age limit, the Committee shall make such recommendation subject to approval of shareholders by way of a Special Resolution.[Sec 196(3)(a) and proviso thereto]
- (d) Term/Tenure of appointment of Directors, etc.:

- (i) Managing Director/Manager/Whole-time Director:

The term of appointment or re-appointment of any person as a Managing Director/Whole-time Director or Manager shall not exceed five years at a time. The re-appointment shall not be made earlier than one year before the expiry of the current term of appointment. [Sec 196(3)]

- (ii) Independent Directors:

An Independent Director shall hold office for a term upto five consecutive years and can be reappointed on passing of a Special Resolution by the Shareholders of the Company for a further term of five years. [Sec 149(10)].

No Independent Director shall hold office for more than two consecutive terms. An Independent Director who has completed the two consecutive terms of appointment of five years each, can however be appointed as an Independent Director after the expiry of three years of his ceasing to become an Independent Director provided he otherwise qualifies for being appointed as an Independent Director. [Sec 149(11)].

At the time of appointment of an Independent Director it should be ensured that he is not an Independent Director of more than seven listed companies. If however, the Independent Director is serving as a Whole-time Director of a listed company, then it should be ensured that he is not an Independent Director of more than three listed companies. [Clause 49(ii)(B)(2) of Listing Agreement].

- (iii) Key Managerial Personnel/Senior Management Persons:

The term of appointment for the positions of Key Managerial Personnel except Managing Director/Whole Time Director or Manager, shall be determined by the Nomination and Remuneration Committee at its own discretion and may vary from position to position.

## **ALIROX ABRASIVES LIMITED**

- (e) Evaluation of Key Managerial Personnel and person in Senior Management Persons:  
The Committee shall carry out the evaluations of performance of the persons holding Key Managerial Personnel (excluding the Managing Director and Whole time Director) and Senior Management Persons and approve the same with or without modifications.
- (f) Removal:  
The Committee may recommend to the Board with reasons recorded in writing the removal of a Director, Key Managerial Personnel or Senior Management Persons for reasons of misconduct or negligence of duties.  
A Director can be removed from his office if the shareholders pass an ordinary resolution pursuant to the provisions of section 169 of the Companies Act, 2013.  
A Director shall also be required to continue to qualify as a Director in terms of a section 164 of the Act and is not liable to vacate his office in terms of section 167 of the Act.
- (g) Retirement:  
The Director, Key Managerial Personnel and Senior Management Persons shall retire as per the provisions of the Act and the Policy of the Company. Subject to the provisions of Clause 4(b), the Board will, however, have the discretion to retain the Director, Key Managerial Personnel and Senior Management Persons in the same position including remuneration or otherwise even after his attaining the age of retirement in the interest of the Company.
- (h) The Remuneration policy will be disclosed in the Annual Report of the Company.
- (i) This Remuneration Policy shall apply to all future employment agreements with members of Company's Senior Management including Key Managerial Personnel and Board of Directors. In other respects, the Remuneration Policy shall be of guidance for the Board.
- (j) Any or all the provisions of this Policy would be subject to the revision/amendment in the Companies Act, 2013, related rules and regulations, guidelines on the subject as may be notified from time to time. Any such amendment shall automatically have the effect of amending this Policy without the need of any approval by the Nomination and Remuneration Committee and/or the Board of Directors. However, such amendments shall be placed before the Nomination & Remuneration Committee for subsequent noting.



# ALIROX ABRASIVES LIMITED

## ANNEXURE III SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2015

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

To,

The Members,  
Alirox Abrasives Limited  
4, Scindia House,  
New Delhi-110 001

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

Based on my verification of the ALIROX ABRASIVES LIMITED books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31.03.2015 complied with the statutory provisions listed hereunder and also that the company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by ALIROX ABRASIVES LIMITED for the financial year ended on 31.03.2015 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 there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under 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) 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, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009\*;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999\*;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008\*;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding compliance of the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;\* and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;\*

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

## **ALIROX ABRASIVES LIMITED**

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. (Notified w.e.f. 1<sup>st</sup> July, 2015, hence, not applicable to the Company during the Audit period)
- (ii) The Listing Agreement entered into by the Company with Stock Exchanges  
(During the year, the Securities of the Company were listed at Delhi Stock Exchange. However, Securities and Exchange Board of India (SEBI) vide its order dated 19<sup>th</sup> November, 2014 had derecognized Delhi Stock Exchange and the Company has been moved to Disseminate Board of Bombay Stock Exchange by Delhi Stock Exchange as per their letter dated 18<sup>th</sup> May, 2015.

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

### **I further report that**

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

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

Place : New Delhi  
Dated: May 22, 2015

**N.C. KHANNA**  
FCS No.4268  
C.P.No.5143

## ALIROX ABRASIVES LIMITED

### ANNEXURE - IV

#### DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULE, 2014

- (i) The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary during the financial year 2014-15, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-15 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for Financial year 2014-15 (Rs.in thousand)	% increase in Remuneration in the Financial Year 2014-15	Ratio of remuneration of each Director/to median remuneration of employees
1.	Shri J.H. Dalmia Non-Executive Director	1.50	50%	0.005:1
2.	Shri K.V. Mohan* Non-Executive Director	0.25	N.A.	N.A.
3.	Shri C.N. Maheshwari* Non-Executive Director	0.25	N.A.	N.A.
4.	Shri L.N. Goyal** Independent Director	1.50	N.A.	N.A.
5.	Smt. Leena Rawal** Director & Chief Executive Officer	714.65	N.A.	N.A.
6.	Smt. Shweta Chadha** Chief Financial Officer	309.80	N.A.	N.A.
7.	Ms. Bhawana Jain** Company Secretary	119.41	N.A.	N.A.

\* Resigned during the year.

\*\* Appointed during the year.

Note: Other than sitting fees, no other remuneration is being paid to Non-executive and Independent Directors.

- (ii) The percentage increase in median remuneration of employees in the Financial Year- Refer Note 1.
- (iii) There were only two permanent employees on the rolls of Company as on March 31, 2015;
- (iv) Relationship between average increase in remuneration and company performance - Refer Note 1.
- (v) Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company - Refer Note. 2.
- (vi) Variations in  
The market capitalisation of the Company, price earnings ratio, as at the closing date of the current Financial Year and previous Financial Year, and percentage increase or decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with last public offer is not applicable - since there was no trading in shares during financial years 2013-14 and 2014-15 at Delhi Stock Exchange Limited.
- (vii) Comparison of average percentile increase in the salaries of key managerial personnel and employees of the Company - Refer Note.1.
- (viii) Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company. - Refer Note.2.
- (ix) The Non-executive and Independent Directors were only paid sitting fees for attending the Meetings of the Board. There is no variable component in the remuneration paid to the Directors.
- (x) There are no employees in the Company who receive remuneration in excess of the highest paid directors during the year.
- (xi) It is hereby affirmed that the remuneration paid during the year ended March 31, 2015 is as per the Remuneration Policy of the Company.

Note 1. There were no employees in the Company during the financial year 2013-14.

2. All the Key Managerial Personnel (KMPs) were appointed during the year. Hence, comparison not possible.

# **ALIROX ABRASIVES LIMITED**

## **INDEPENDENT AUDITOR'S REPORT**

The Members,

**Alirox Abrasives Limited**

**4, Scindia House, New Delhi-110001**

### **Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of Alirox Abrasives Limited ("the company"), which comprise the Balance Sheet as at March 31, 2015, and the Statement of Profit and Loss and Cash Flow Statement for the year ended, and Notes to Financial Statements comprising of summary of significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards referred to in section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes 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; 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and the matters which are required to be included in the audit report under the provisions of the Act and rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the standalone financial statements give the information required by 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, 2015 and its profit/loss and its cash flows for the year ended on that date.

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

As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

## ALIROX ABRASIVES LIMITED

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 appears from our examination of those books;
- c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the standalone Financial Statements comply with the Accounting Standards referred to in section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of written representations received from the directors as on March 31, 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of section 164(2) of the Act;
- f) In our opinion, and to the best of our information and according to the explanations given to us, there are no matters requiring inclusion in the Auditor's Report in accordance with Rule 11 of the Companies (Audit & Auditor's Report) Rule, 2014.

Place: New Delhi  
Dated: 28.05.2015

**For D.P. KAPOOR & CO.**  
Chartered Accountants  
(FRN: 002251N)  
**SANJAY KAPOOR**  
**PARTNER**  
**M.No.082492**

## **ALIROX ABRASIVES LIMITED**

### **Companies (Auditor's Report) Order, 2015 in terms of sub section 11 of Section 143 of the Companies Act, 2013.**

- (i) (a) The company has generally maintained proper records showing particulars, including quantitative details and situation of fixed assets.  
(b) As explained to us, these fixed assets are physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification.
- (ii) According to information and explanations given to us, the company does not have any inventory. Therefore, the provisions of clause 3(ii) of the Companies (Auditor's Report) Order 2015 are not applicable to the company.
- (iii) On the basis of the records and information and explanations given to us, the company has not granted any loans, secured or unsecured to companies, firms and other parties covered in the register maintained under section 189 of the Companies Act.
- (iv) As there is no purchase of inventory and fixed assets and sale of goods & services clause 3(iv) of the Companies (Auditors' Report) Order 2015 is not applicable to the Company.
- (v) In our opinion and according to the information and explanations given to us, the company has not accepted deposits pursuant to directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.
- (vi) The Central Government has not prescribed maintenance of cost records under sub section (1) of Section 148 of the Companies Act, 2013 in respect of the products dealt with by the Company.
- (vii) (a) According to the records of the company, the company is regular in depositing with appropriate authorities undisputed statutory dues including Provident fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value added tax, Cess and other statutory Dues with the appropriate authorities, wherever applicable.  
(b) According to the records of the company as reported by the management, there are no disputed dues of Sales Tax/Income Tax/Service Tax/Custom Tax/Wealth Tax/Excise Duty/Value Added Tax/Cess.  
(c) The company does not hold any funds required to be transferred to Investor Education & Protection Fund in accordance with the relevant provisions of Companies Act, 1956 (1 of 1956) and rules made there under.
- (viii) According to the records of the company, there are no accumulated losses. The company has not incurred any cash losses during the financial year covered by our audit and immediately preceding financial year.
- (ix) According to the records of the Company and as per the information and explanation given to us, the Company has not raised any loans from Financial Institutions or Banks or Debenture holders.
- (x) As per the records and information and explanation given to us, we are of the opinion that the company has not given guarantee for loans taken by others from bank or financial institutions.
- (xi) As per the information and explanation given to us, the company has not raised any term loan from any financial and other institutions hence clause 3(xi) of the Companies (Auditors' Report) Order 2015 is not applicable to the Company.
- (xii) According to the information and explanation given to us, and to the best of our knowledge and belief, no fraud on or by the company has been noticed or reported by the company during the year.

Place: New Delhi  
Dated: 28.05.2015

**For D.P. KAPOOR & CO.**  
Chartered Accountants  
(FRN: 002251N)  
**SANJAY KAPOOR**  
**PARTNER**  
**M.No.082492**

## ALIROX ABRASIVES LIMITED

### BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2015

Particulars	Note No.	31 <sup>st</sup> March' 2015 Rs.	31 <sup>st</sup> March' 2014 Rs.
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	1	2,400,000	2,400,000
(b) Reserves and Surplus	2	<u>16,666,789</u>	<u>16,338,209</u>
		<b>19,066,789</b>	18,738,209
<b>(2) Share application money pending allotment</b>			
		-	-
<b>(3) Non-current liabilities</b>			
		-	-
<b>(4) Current Liabilities</b>			
(a) Trade payables	3	58,097	27,617
(b) Short term provisions	4	<u>5,850</u>	-
		<u>63,947</u>	<u>27,617</u>
<b>TOTAL</b>		<u><b>19,130,736</b></u>	<u>18,765,826</u>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
<b>(a) Fixed Assets</b>			
(i) Tangible assets	5	51,001	87,431
(b) Non-current investments	6	13,537,805	13,537,805
(c) Long term loans and advances	7	<u>331,038</u>	<u>41,005</u>
		<b>13,919,844</b>	13,666,241
<b>(2) Current Assets</b>			
(a) Current Investments		-	-
(b) Inventories		-	-
(c) Trade receivables		-	-
(d) Cash and Bank Balance	8	4,861,283	4,783,400
(e) Short term loans and advances	9	18,524	4,237
(f) Other Current Assets	10	<u>331,085</u>	<u>311,948</u>
		<u>5,210,892</u>	<u>5,099,585</u>
<b>TOTAL</b>		<u><b>19,130,736</b></u>	<u>18,765,826</u>

The notes attached form an integral part of the financial statements  
 Summary of Significant Accounting Policies 15  
 In Accordance with our Report attached

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

**FOR D.P. KAPOOR & CO.**

Chartered Accountants  
 (FRN : 002251N)

SANJAY KAPOOR  
**PARTNER**  
 M. No.082492  
 New Delhi, May 28, 2015

Shweta Chadha  
**CHIEF FINANCIAL OFFICER**

Leena Rawal  
**DIRECTOR &  
 CHIEF EXECUTIVE OFFICER**  
**(DIN: 03575675)**

J.H. Dalmia  
**DIRECTOR**  
**(DIN:00009717)**

# ALIROX ABRASIVES LIMITED

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015

Particulars	Note No.	31 <sup>st</sup> March' 2015 Rs.	31 <sup>st</sup> March' 2014 Rs.
I. Revenue from Operations		-	-
II. Other Income	11	<u>3,424,445</u>	<u>2,520,556</u>
III. <b>Total revenue (I + II)</b>		<u><b>3,424,445</b></u>	<u><b>2,520,556</b></u>
IV. Expenses			
a) Cost of materials consumed		-	-
b) Purchases of stock in trade		-	-
c) Changes in inventories of finished goods, work in progress and stock in trade		-	-
d) Employee benefits expense	12	<b>1,167,454</b>	-
e) Finance costs		-	-
f) Depreciation and amortization expense	4	<b>36,430</b>	4,602
g) Other expenses	13	<u><b>1,889,483</b></u>	<u>990,961</u>
<b>Total Expenses</b>		<u><b>3,093,367</b></u>	<u>995,563</u>
V. Profit/(Loss) before exceptional and extraordinary items and tax (III - IV)		<b>331,078</b>	1,524,993
VI. Exceptional Items		-	-
VII. Profit/(Loss) before extraordinary items and tax (V - VI)		<b>331,078</b>	1,524,993
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII - VIII)		<b>331,078</b>	1,524,993
X. Tax expense:			
(1) Current tax		-	185,000
(2) Deferred tax		-	-
(3) Tax adjustments of Earlier Years		<u><b>2,498</b></u>	<u>15,309</u>
		<b>2,498</b>	200,309
XI. Profit/(Loss) for the period from continuing operations (IX - X)		<b>328,580</b>	1,324,684
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discontinuing operations		-	-
XIV. Profit/(Loss) from discontinuing operations (after tax) (XII - XIII)		-	-
XV. Profit/(Loss) for the period (XI + XIV)		<b>328,580</b>	1,324,684
XVI. Earning per equity share:	14		
(1) Basic (Nominal Value per equity share Rs.10/-)		<b>1.38</b>	5.58
(2) Diluted (Nominal Value per equity share Rs.10/-)		<b>1.38</b>	5.58

The notes attached form an integral part of the financial statements  
Summary of Significant Accounting Policies 15  
In Accordance with our Report attached

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

**FORD.P. KAPOOR & CO.**

Chartered Accountants  
(FRN : 002251N)

SANJAY KAPOOR  
**PARTNER**  
M. No.082492  
New Delhi, May 28, 2015

Shweta Chadha  
**CHIEF FINANCIAL OFFICER**

Leena Rawal  
**DIRECTOR &  
CHIEF EXECUTIVE OFFICER**  
(DIN: 03575675)

J.H. Dalmia  
**DIRECTOR**  
(DIN:00009717)



# ALIROX ABRASIVES LIMITED

## NOTES TO FINANCIAL STATEMENTS

Particulars	As at 31.03.2015		As at 31.03.2014	
	No.	Rs.	No.	Rs.
<b>1. Share Capital:</b>				
<b>Authorized:</b>				
Equity shares of Rs.10/- each	10,00,000	<u>10,00,000</u>	10,00,000	<u>10,00,000</u>
		<u>10,00,000</u>		<u>10,00,000</u>
<b>Issued, subscribed and fully paid up:</b>				
Equity shares of Rs.10/- each				
At the beginning of the year	<u>240,000</u>	<u>2,40,000</u>	<u>240,000</u>	<u>2,40,000</u>
At the end of the year	<u>240,000</u>	<u>2,40,000</u>	<u>240,000</u>	<u>2,40,000</u>
<b>I. Other Information:</b>				
Particulars of equity share holders holding more than 5% of the total number of equity share capital:				
	<u>No.of Shares</u>	<u>%age</u>	<u>No.of Shares</u>	<u>%age</u>
a. Shri. Jai Hari Dalmia	15,050	6.27	15,050	6.27
b. Mayuka Investment Limited	21,550	8.98	21,550	8.98
c. Kavita Trading & Investment Co. Ltd.	18,700	7.79	18,700	7.79
d. Puneet Trading & Investment Co. Pvt. Ltd.	47,820	19.93	47,820	19.93
<b>2. Reserves and Surplus:</b>				
<b>a. Capital Reserve</b>				
Opening Balance		<u>246,750</u>		<u>246,750</u>
Closing Balance		<u>246,750</u>		<u>246,750</u>
<b>b. Reserve Fund</b>				
Opening Balance		<u>32,800</u>		<u>32,800</u>
Closing Balance		<u>32,800</u>		<u>32,800</u>
<b>c. General Reserve</b>				
Opening Balance		<u>200,000</u>		<u>200,000</u>
Closing Balance		<u>200,000</u>		<u>200,000</u>
<b>d. Surplus</b>				
Opening Balance	15,858,659		14,533,975	
(+) Net Profit/(Net Loss) for the current year		<u>328,580</u>		<u>1,324,684</u>
Closing Balance		<u>16,187,239</u>		<u>15,858,659</u>
<b>Total</b>		<u>16,666,789</u>		<u>16,338,209</u>
<b>3. Trade Payable</b>				
i) To Micro, Small and Medium Enterprises		-		-
ii) Others		<u>58,097</u>		<u>27,617</u>
		<u>58,097</u>		<u>27,617</u>
<b>4. Short Term Provisions</b>				
i) Provision for Leave Encashment		<u>5,850</u>		-
		<u>5,850</u>		-

# ALIROX ABRASIVES LIMITED

## NOTES TO FINANCIAL STATEMENTS

### 5. Fixed Assets:

Particulars	GROSS BLOCK (AT COST)			DEPRECIATION				NET BLOCK		
	As at 1.4.2014	Additions	Deductions	As at 31.3.2015	As at 1.4.2014	For the year	Deductions	As at 31.3.2015	As at 31.3.2015	As at 31.3.2014
Tangible Assets										
Own assets										
Buildings	404,110	-	-	<b>404,110</b>	316,679	36,430	-	<b>353,109</b>	<b>51,001</b>	87,431
	404,110	-	-	<b>404,110</b>	316,679	36,430	-	<b>353,109</b>	<b>51,001</b>	87,431
Intangible assets	-	-	-	-	-	-	-	-	-	-
<b>TOTAL</b>	404,110	-	-	<b>404,110</b>	316,679	36,430	-	<b>353,109</b>	<b>51,001</b>	87,431
Previous Year	404,110	-	-	<b>404,110</b>	312,077	4,602	-	<b>316,679</b>	<b>87,431</b>	92,033

### 6. Non Current Investments:

Details of Investments	As at 31.03.2015			As at 31.03. 2014		
	Face Value	No. of Shares	Amount (Rs.)	Face Value	No. of Shares	Amount (Rs.)
<b>a) Investments in Equity Instruments (fully paid up) - Quoted:</b>						
Carborundum Universal Ltd.	1	5,340	6,954	1	5,340	6,954
John Oakey and Mohan Ltd.	10	50	1	10	50	1
Dalmia Bharat Ltd.	2	120,360	2,484,792	2	120,360	2,484,792
Dalmia Bharat Sugar & Industries Ltd.	2	120,360	1,142,642	2	120,360	1,142,642
Kanknnarah Co. Ltd.	10	300	1	10	300	1
Dalmia Refractories Ltd.	10	247,187	6,571,545	10	247,187	6,571,545
<b>b) Investments in debentures or bonds (fully paid up) - Quoted</b>						
6% NCDs of Dalmia Refractories Ltd.	10	333,187	3,331,870	10	333,187	3,331,870
<b>Total</b>			<b>13,537,805</b>			13,537,805
Less: Provision for diminution in value of investments			-			-
<b>Total</b>			<b>13,537,805</b>			13,537,805

#### Additional Information:

1) Aggregate value of quoted investments:

Cost	<b>13,537,805</b>	13,537,805
Market Value	<b>90,845,313</b>	46,244,792

2) Aggregate value of unquoted investments:

Cost	-	-
------	---	---

3) The following investments have not been carried at cost:

Details of Investments	Basis of valuation	Amount	Amount
John Oakey and Mohan Ltd.	Notional Value (Permanent Demunition)	1	1
Kanknnarah Co. Ltd.	Notional Value (Permanent Demunition)	1	1

4) Market value of Investments has been taken at market value of regularly quoted shares. In cases of unquoted or where recent quotations are not available, At 80% of Book value of shares ascertained from last available audited Balance Sheet and In remaining cases, It is assumed to be at 10% of Face Value of shares.

## ALIROX ABRASIVES LIMITED

### NOTES TO FINANCIAL STATEMENTS

Particulars	As at 31.03. 2015 Amount (Rs.)	As at 31.03. 2014 Amount (Rs.)
<b>7. Long term loans and advances:</b>		
i) Security Deposits	26,000	26,000
ii) Income Tax (net of provisions C.Y.Rs.4,95,000/-, P.Y.Rs.5,95,000/-)	<u>305,038</u>	<u>15,005</u>
	<u>331,038</u>	<u>41,005</u>
<b>Additional Information:</b>		
1) Breakup of above:		
i) Secured, considered good	-	-
ii) Unsecured, considered good	<u>26,000</u>	<u>26,000</u>
<b>Total</b>	<u>26,000</u>	<u>26,000</u>
Less: Provision for doubtful advances	-	-
	<u>26,000</u>	<u>26,000</u>
<b>8. Cash and Bank Balances:</b>		
i) Cash and Cash Equivalents		
- in hand	8,339	4,471
- in Current Account	1,149,365	1,020,657
ii) Deposits Maturing within 12 Months	<u>3,703,579</u>	<u>3,758,272</u>
	<u>4,861,283</u>	<u>4,783,400</u>
<b>9. Short term loans and advances:</b>		
i) Prepaid Insurance	6,672	4,237
ii) Service Tax Receivable	<u>11,852</u>	-
	<u>18,524</u>	<u>4,237</u>
Less: Provision for doubtful advances	-	-
	<u>18,524</u>	<u>4,237</u>
<b>Additional information:</b>		
1) Breakup of above:		
i) Secured, considered good	-	-
ii) Unsecured, considered good	<u>18,524</u>	<u>4,237</u>
iii) Doubtful	-	-
<b>Total</b>	<u>18,524</u>	<u>4,237</u>
Less: Provision for doubtful amounts	-	-
	<u>18,524</u>	<u>4,237</u>
<b>10. Other Current Assets:</b>		
Interest Accrued but not due	<u>331,085</u>	<u>311,948</u>
	<u>331,085</u>	<u>311,948</u>
<b>11. Other Income:</b>		
i) Interest income		
- Long term investments (TDS-C.Y. Rs.19,991/-, P.Y.Rs.19,991/-)	199,912	199,912
- Fixed Deposit (TDS-C.Y. Rs.32,540/-, P.Y.Rs.30,619/-)	<u>325,391</u>	<u>306,183</u>
ii) Dividend Income		
- from long term investments	<u>494,642</u>	<u>649,661</u>
iii) Service Charges Received (TDS-C.Y.Rs.240,000/-, P.Y.Rs.Nil)	<u>2,404,500</u>	-
iv) Office Space Sharing Charges (TDS-C.Y.Rs.Nil, P.Y.Rs.30,000/-)	-	706,800
v) Provision for Dimunition written back	-	<u>658,000</u>
	<u>3,424,445</u>	<u>2,520,556</u>

**ALIROX ABRASIVES LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**

Particulars	As at 31.03.2015 Amount (Rs.)	As at 31.03.2014 Amount (Rs.)
<b>12. Employee Benefits Expenses</b>		
i) Salary & Allowances	<b>1,121,225</b>	-
ii) Welfare Expenses	<b>46,229</b>	-
	<b><u>1,167,454</u></b>	<u>-</u>
<b>13. Other expenses:</b>		
i) Repairs to Building	<b>1,208,000</b>	-
ii) Electricity and Water Charges	<b>336,579</b>	73,109
iii) Advertisement & Publicity	<b>69,636</b>	63,555
iv) Insurance	<b>5,571</b>	4,764
v) Rates and taxes	<b>72,991</b>	72,991
vi) Payment to the auditors		
- as auditor	<b>20,000</b>	22,472
- for other services	<b>7,500</b>	8,989
vii) Provision for diminution in value of investments		
- Others	-	-
viii) Professional and Service charges	<b>58,280</b>	56,979
ix) Directors sitting fees	<b>4,000</b>	4,000
x) Loss on Sale of Current Investment	-	654,213
xi) General Maintenance	<b>42,024</b>	-
xii) Depository Charges	<b>13,786</b>	14,987
xiii) Miscellaneous expenses	<b>51,116</b>	14,902
	<b><u>1,889,483</u></b>	<u>990,961</u>
<b>14. Earnings per share:</b>		
After extraordinary item:		
Profit for the year after tax expense	<b>328,580</b>	1,324,684
Add/Less: Income Tax adjustments for earlier years	<b>2,498</b>	15,309
Profit for Computation of Earning Per Share	<b><u>331,078</u></b>	<u>1,339,993</u>
Weighted average number of equity shares	<b>240,000</b>	240,000
Basic Earning per share	<b>1.38</b>	5.58
Diluted Earning per share	<b>1.38</b>	5.58

# ALIROX ABRASIVES LIMITED

## NOTES TO FINANCIAL STATEMENTS

### NOTE - 15

#### A. SIGNIFICANT ACCOUNTING POLICIES

##### a) Basis of Accounting

The Financial Statements are prepared on the basis of going concern, under historical cost convention, in accordance with generally accepted accounting principles, applicable accounting standards prescribed in the Companies (Accounting Standards) Rules, 2006 in compliance of Section 133 read with Rule (7) of the Companies (Account) Rules, 2014 of the Companies Act, 2013.

##### b) Use of Estimates

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. Differences between actual results and estimates are recognized in the period in which they materialise.

##### c) Revenue Recognition

- i. Dividend income is accounted as and when the right to receive is established.
- ii. Bank Interest Income is accounted on Time - Proportion Basis.

##### d) Fixed Assets

Fixed Assets are stated at cost less depreciation, Depreciation has been provided on written down value method at the rates as prescribed in Schedule II of the Companies Act, 2013.

##### e) Investments

Long Term Investments are stated at cost. Provision for diminution in value, other than temporary, is made wherever necessary.

##### f) Segment Reporting

Segment reporting as defined in Accounting Standard ( AS-17) is not applicable, since the entire operation of the Company relates to one segment.

##### g) Deferred Tax

In terms of Accounting Standard-22 "Accounting for Taxes on Income", the Company has deferred tax assets in the form of brought forward long term capital losses. However, in view of the uncertainty regarding availability of sufficient future capital gain, supported by convincing evidences, deferred tax assets as above have not been recognized in the accounts for the year.

##### h) Provisions, Contingent Liabilities and Contingent Assets

Contingencies are not provided for in the accounts and are separately shown in the Annual Statement of Accounts.

i) The Company is a Small and Medium Sized Company (SMC) as defined in General Instructions in respect of Accounting Standard notified under Companies Act, 2013.

J) Based on the available information, there are no suppliers who could be covered under the Micro, Small and Medium Enterprises Development Act, 2006.

k) Provision for Taxation is being made on the basis of liability ascertained after considering MAT Provisions under Income Tax Act, 1961.

l) MAT credit entitlement after considering current year adjustment is Rs.1,97,672/-

m) Previous year figures have been regrouped and/or rearranged wherever necessary to correspond with current year's classification.

n) The number of employees on the roll of the company has been less than ten throughout the year. Therefore, the law relating to provident fund and gratuity are not applicable. The employees are accumulation of leaves as per the rules. The accruing cost of paid leave on accrual basis is estimated at Rs.5850/- and provided for. Since, these are not considered material, actuarial valuation is not carried out.

## ALIROX ABRASIVES LIMITED

### o) Related Party Disclosures

#### A. Relationships :

##### i) Key Managerial Personnel:-

Ms. Leena Rawal - Chief Executive Officer, Designated as KMP w.e.f. 1.7.2014

Ms. Shweta Chadha - Chief Financial Officer, Designated as KMP w.e.f. 26.08.2014

Ms. Bhawana Jain - Company Secretary, Designated as KMP w.e.f. 1.6.2014 to 6.12.2014

##### ii) Directors of the Company :-

Shri J.H. Dalmia, Shri L.N. Goyal (w.e.f. 28.05.2014) and Smt. Leena Rawal (w.e.f.28.05.2014).

##### iii) Promoters of the Company :-

Shri J.H. Dalmia and Shri Y.H. Dalmia

##### iv) Relatives of the Promoters :-

Shri Gautam Dalmia, Shri Puneet Yadu Dalmia, J.H. Dalmia (HUF), Y.H. Dalmia (HUF), Gautam Dalmia (HUF), Smt. Kavita Dalmia, Smt. Bela Dalmia, Smt. Anupama Dalmia, Smt. Avantika Dalmia, Kumari Shrutipriya Dalmia, Kumari Sukeshi Dalmia, Kumari Vaidehi Dalmia, Kumari Sumana Dalmia, Kumari Avanee Dalmia, Master Priyang Dalmia.

##### v) Enterprises controlled by the Promoters of the Company :-

Kanika Investment Ltd., Ishita Properties Ltd., D.I. Properties Ltd., Dalmia Cement (Bharat) Ltd., Geetee Estates Ltd., Shri Rangam Properties Ltd., Hemshila Properties Ltd., Dalmia Minerals & Properties Ltd., Shree Radha Krishna Broker & Holdings Ltd., Dalmia Power Ltd., Dalmia Bharat Ltd., Arjuna Brokers & Minerals Ltd., DCB Power Ventures Ltd., Sri Shanmugha Mines & Minerals Ltd., Sri Swaminatha Mines & Minerals Ltd., Sri Subramanya Mines & Minerals Ltd., Sri Trivikrama Mines & Properties Ltd., Sri Dhandauthapani Mines & Minerals Ltd., Sri Madhusudana Mines & Properties Ltd., Cosmos Cements Ltd., Sutnga Mines Pvt. Ltd., Rajputana Properties Pvt. Ltd., Golden Hills Resorts Pvt. Ltd., Dalmia Bharat Sugar & Industries Ltd., Rama Investment Company Pvt. Ltd., Puneet Trading & Investment Company Pvt. Ltd., Kavita Trading & Investment Company Pvt. Ltd., Mayuka Investment Ltd., Ankita Pratisthan Ltd., Sita Investment Company Ltd., Himgiri Commercial Ltd., Valley Agro Industries Ltd., Dalmia Refractories Ltd. Shri Chamundeswari Minerals Ltd., Shree Nirman Ltd., Keshav Power Ltd., Avanee & Ashni Securities Pvt. Ltd., OCL India Ltd., ZipAhead.Com Pvt. Ltd., Dalmia Cement East Ltd., Sukeshi Trust, Vaidehi Trust, Sumana Trust, Shrutipriya Dalmia Trust, Priyang Trust, Himshikar Investment Ltd., Dalmia Solar Power Ltd., Dalmia Sugar Ventures Ltd., Avanee Trust, Adhunik Cements Ltd., Calcom Cements India Ltd., Adhunik MSP Cement (Assam) Ltd., Vinay Cement Ltd., RCL Cement Ltd., SCL Cement Ltd., Khappa Coal Company Pvt. Ltd., Dalmia Bharat Cements Holding Ltd., YHD Trusteeship Services Pvt. Ltd., Vastalaya Developers Pvt. Ltd., Yadu Hari Dalmia Parivar Trust, Respect Elders & Co., Love Children & Co., Respect Nature & Society, Shri Brahma Creation Trust, Shri Vishnu Preservation Trust, Shubh Homes Realtors LLP, Vinimay Developers Pvt. Ltd., Shri Rangam Securities & Holdings Ltd., JayeVijay Agro Farms Pvt. Ltd., Glow Homes Technologies Pvt. Ltd., OCL Global Ltd., OCL China Ltd. and Odisha Cement Ltd.

## ALIROX ABRASIVES LIMITED

### NOTES TO FINANCIAL STATEMENTS

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

Nature of Transaction	Key Management Personnel		Promoter controlled enterprises		Total	
	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>Service Charges Received</b>						
Dalmia Refractories Ltd.	-	-	<b>1,348,320</b>	-	<b>1,348,320</b>	-
Keshav Power Ltd.	-	-	<b>1,348,320</b>	-	<b>1,348,320</b>	-
Shri Chamundeswari Minerals Ltd.	-	-	<b>5,056</b>	-	<b>5,056</b>	-
<b>Office Sharing Charges Received</b>						
Dalmia Refractories Ltd.	-	-	-	180,000	-	180,000
Keshav Power Ltd.	-	-	-	300,000	-	300,000
Mayuka Investments Ltd.	-	-	-	180,000	-	180,000
Ankita Pratisthan Ltd.	-	-	-	42,000	-	42,000
Rama Investment Co. Pvt. Ltd.	-	-	-	4,800	-	4,800
<b>Salary and Perquisites</b>						
Ms. Leena Rawal	<b>714,150</b>	-	-	-	<b>714,150</b>	-
Ms. Shweta Chadha	<b>309,805</b>	-	-	-	<b>309,805</b>	-
Ms. Bhawana Jain	<b>119,412</b>	-	-	-	<b>119,412</b>	-
<b>Service Charges Paid</b>						
Dalmia Refractories Ltd.	-	-	-	13,483	-	13,483
<b>Director Sitting Fees</b>						
Ms. Leena Rawal	<b>500</b>	-	-	-	<b>500</b>	-
<b>Dividend Received</b>						
Dalmia Refractories Ltd.	-	-	<b>247,187</b>	370,781	<b>247,187</b>	370,781
Dalmia Bharat Ltd.	-	-	<b>240,720</b>	240,720	<b>240,720</b>	240,720
Dalmia Bharat Sugar & Industries Ltd.	-	-	-	30,090	-	30,090
<b>Interest Received</b>						
Dalmia Refractories Ltd.	-	-	<b>199,912</b>	199,912	<b>199,912</b>	199,912
<b>Amount Receivable/Payable</b>	-	-	-	-	-	-

In Accordance with our Report attached

For and on behalf of the Board of Directors

**FOR D.P. KAPOOR & CO.**

Chartered Accountants  
(FRN : 002251N)

SANJAY KAPOOR  
**PARTNER**  
M. No.082492  
New Delhi, May 28, 2015

Shweta Chadha  
**CHIEF FINANCIAL OFFICER**

Leena Rawal  
**DIRECTOR &  
CHIEF EXECUTIVE OFFICER**  
(DIN: 03575675)

J.H. Dalmia  
**DIRECTOR**  
(DIN:00009717)

# ALIROX ABRASIVES LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015

Particulars	31 <sup>st</sup> March' 2015 Rs.	31 <sup>st</sup> March' 2014 Rs.
<b>Cash flows from operating activities</b>		
Profit before taxation	331,078	1,524,993
Adjustments for:		
Depreciation and amortization expense	36,430	4,602
Loss on sale of Current Investments	-	654,213
Provision for Diminution on Value of Investments written back	-	(658,000)
Interest received	(525,303)	(506,095)
Dividend received	(494,642)	(649,661)
	<u>(652,437)</u>	<u>370,052</u>
(Increase)/decrease in trade and other receivables	(33,424)	3,322
Increase/(decrease) in trade payables	36,330	10,763
	<u>(649,531)</u>	<u>384,137</u>
Direct taxes paid/Refund received (Net)	(292,531)	(182,390)
Net cash from operating activities	<u>(942,062)</u>	<u>201,747</u>
<b>Cash flows from investing activities</b>		
Fixed Deposits made	(800,000)	(1,300,000)
Fixed Deposits Matured	1,078,730	-
Redemption of Mutual Fund	-	345,787
Interest on Fixed Deposits Reinvested in FDR	(224,037)	(189,193)
Interest received	525,303	506,095
Dividend received	494,642	649,661
Net cash from investing activities	<u>1,074,638</u>	<u>12,350</u>
<b>Cash flows from financing activities</b>		
Net cash from financing activities	-	-
<b>Net increase/(decrease) in cash and cash equivalents</b>	<u>132,576</u>	<u>214,097</u>
<b>Cash and cash equivalents as at 1.4.2014</b>	<u>1,025,128</u>	<u>811,031</u>
<b>Cash and cash equivalents as at 31.03.2015</b>	<u>1,157,704</u>	<u>1,025,128</u>
<b>Cash &amp; Cash equivalents:</b>		
Cash and cash equivalents consist of cash on hand and balances with banks, and investments in money market instruments, Cash and cash equivalents included in the statement of cash flows comprise the following amounts in the balance sheet:		
Cash on hand and bank balances	1,157,704	1,025,128
Short term investments	-	-
Cash and cash equivalents as reported	<u>1,157,704</u>	<u>1,025,128</u>
Effect on exchange rate changes	-	-
<b>Cash and cash equivalents as restated</b>	<u>1,157,704</u>	<u>1,025,128</u>

In Accordance with our Report attached

For and on behalf of the Board of Directors

**FOR D.P. KAPOOR & CO.**

Chartered Accountants  
(FRN : 002251N)

SANJAY KAPOOR  
**PARTNER**  
M. No.082492  
New Delhi, May 28, 2015

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**CHIEF FINANCIAL OFFICER**

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