

15th
Annual Report
2007 - 2008

For ALCHEMIST CORPORATION LTD,

Cyan Shil

Company Secretary

ALCHEMIST CORPORATION LIMITED

(FORMERLY KNOWN AS HARYANA FIBRES LIMITED)

Contents	Page No.
1. Company Information	2
2. Notice	3
3. Directors' Report	5
4. Corporate Governance and Shareholder Information	7
5. Management Discussion and Analysis Report	12
6. Certificate of Corporate Governance & Declaration of Compliance of code of conduct	13
7. Auditors' Report	14
8. Balance Sheet	16
9. Profit and Loss Account	17
10. Schedules forming part of Balance Sheet and Profit Loss Account	18
11. Cash Flow Statement	25
12. Balance Sheet Abstract	26
13. Statement Relating to Subsidiary Company	27
14. Kautilya Infotech Ltd. (Subsidiary Company)	28
15. Alchemist Metals Ltd. (Subsidiary Company) (Formerly known as TDT Copper Ltd.)	41
16. Consolidated Financial Statements	57

ALCHEMIST CORPORATION LIMITED

(Formerly known as HARYANA FIBRES LIMITED)

Regd. Office : A-203, New Ashok Nagar, Delhi - 110 096

BOARD OF DIRECTORS

Mr. Sudhish Kumar, *Managing Director*

Ms. Pooja Rastogi, *Director*

Mr. Neeraj Tiwari, *Director*

Mr. Vir Bhushan Rastogi, *Director*

COMMITTEES OF BOARD

AUDIT COMMITTEE

Mr. Sudhish Kumar

Mr. Neeraj Tewari,

Mr. Vir Bhushan Rastogi

Mr. Gyan Sheel, Member Secretary

SHAREHOLDER / INVESTOR'S

GRIEVANCES COMMITTEE

Ms. Pooja Rastogi

Mr. Neeraj Tiwari

Mr. Gyan Sheel, Member Secretary

SHARE TRANSFER COMMITTEE

Ms. Pooja Rastogi

Mr. Neeraj Tiwari

Mr. Gyan Sheel, Member Secretary

REMUNERATION COMMITTEE

Ms. Pooja Rastogi

Mr. Neeraj Tiwari

Mr. Vir Bhushan Rastogi

Mr. Gyan Sheel, Member Secretary

COMPANY SECRETARY

Mr. Gyan Sheel

REGISTERED OFFICE

A-203, New Ashok Nagar,
Delhi - 110 096

CORPORATE OFFICE

B-31, Sector - 5

Noida - 201 301

SUBSIDIARIES

- Kautilya Infotech Limited
- Alchemist Metals Ltd. (formerly known as TDT Copper Ltd.)

BANKERS

ICICI Bank

Sector - 18,

NOIDA (UP)

AUDITORS

M/s Agrawal Atul & Associates

R - 25, Sector-11, Noida - 201 301 (U.P.)

REGISTRAR & SHARE TRANSFER AGENTS

Skyline Financial Services Pvt. Ltd.

246, 1st Floor, Sant Nagar,

East of Kailash, New Delhi - 110 065

ALCHEMIST CORPORATION LIMITED

(FORMERLY KNOWN AS HARYANA FIBRES LIMITED)

NOTICE

NOTICE is hereby given that the Fifteenth Annual General Meeting of the members of Alchemist Corporation Limited (Formerly known as Haryana Fibres Limited) will be held on Tuesday, the 30th day of September, 2008 at 12.30 P.M. at 63-64, Suraj Complex, Adhyapak Nagar, Najafgarh Road, Nangloi, New Delhi – 110041 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2008 and the Profit & Loss Account for the year ended on that date and the report of Auditor's and Director's thereon.
2. To appoint a Director in place of Mr. Vir Bhushan Rastogi, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint M/s Agrawal Atul & Associates, Chartered Accountants, as auditors of the Company & to fix their remuneration.

By order of the Board
For **ALCHEMIST CORPORATION LIMITED**

Sd/-
(GYAN SHEEL)
Company Secretary

Place : Delhi
Date : 01/09/2008

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT A MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND & VOTE INSTEAD OF HIMSELF. SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
2. Member/ Proxies should bring the Attendance Slip sent herewith duly filled in for attending the meeting.
3. The Register of members and Share Transfer books of the Company shall remain closed on Friday, 26th September, 2008 to Tuesday, 30th September, 2008 (both days inclusive).
4. Members are requested to bring copies of Annual Reports at the meeting as a measure of economy.
5. Members desiring any information on the accounts of the Company and its operation may write to the Company at its Registered Office at least 15 days before the meeting so that the desired information may be conveniently provided at the meeting.
6. Members who hold shares in dematerialized form are requested to bring their client ID and DP ID number for easy identification for purpose of attendance at the meeting.
7. Re-appointment of Directors -

At the ensuing Annual General Meeting Mr. Vir Bhushan Rastogi retire by rotation and being eligible offer himself for re-appointment. The information/details pertaining to their Directorship are separately provided in terms of Clause 49 of the Listing Agreement.

By order of the Board
For **ALCHEMIST CORPORATION LIMITED**

Sd/-
(GYAN SHEEL)
Company Secretary

Place : Delhi
Date : 01/09/2008

ALCHEMIST CORPORATION LIMITED

(FORMERLY KNOWN AS HARYANA FIBRES LIMITED)

**DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT IN
THE FORTHCOMING ANNUAL GENERAL MEETING**

(Pursuant to Clause 49 of the Listing Agreement)

Name of the Director	Mr. Vir Bhushan Rastogi
Date of Birth	25/07/1946
Date of Appointment	03/03/2003
Expertise in specific functional areas	Manufacturing Industry
Qualifications	B.E.
List of companies in which outside Directorship held (excludes directorships in private limited companies)	Kautilya Infotech Ltd. Alchemist Metals Ltd.
Chairman/ Member of the committees of the Boards of other companies on which he/she is a Director	NIL

ALCHEMIST CORPORATION LIMITED
(FORMERLY KNOWN AS HARYANA FIBRES LIMITED)

DIRECTORS' REPORT

Dear Shareholders

The Directors of your Company have pleasure in presenting 15th Annual Report together with Audited Accounts for the year ended 31st March, 2008.

FINANCIAL RESULTS

(Rs. In Lacs)

PARTICULARS	For the Year Ended 31.03.2008	Previous Year Ended 31.03.2007
Income (Sales & Other Income)	2,990.09	459.31
Profit before Depreciation	564.04	12.47
Less : Depreciation	2.42	1.79
Less: Provision for Income Tax/ FBT	62.67	1.25
Profit after tax	498.95	9.43

OPERATIONS

During the year under review your company has expanded its trading business in the area of ferrous and non-ferrous metals in addition to different types of fabrics and thereby achieved the trading turnover of Rs. 2,446.36 lacs as against Rs. 451.59 lacs in the previous year. Besides, the Company has also earned a Profit of Rs. 543.73 lacs on Sale of Investments during the year under review as against a profit of Rs. 7.01 lacs in the previous year. The net profit after tax for the period under review was Rs. 498.95 lacs as against Rs. 9.43 lacs in previous year.

CHANGE IN NAME OF THE COMPANY

The name of the Company has been changed from Haryana Fibres Limited to Alchemist Corporation Limited w.e.f. 10th June, 2008 after obtaining approval of Central Government.

DIRECTORS

Mr. Vir Bhushan Rastogi, Director of the Company retires by rotation and being eligible offers himself for re-appointment. Your directors recommend his re-appointment.

DIVIDEND

Your Directors are of the view that profits should be ploughed back in the business and hence have decided not to recommend any dividend for the year 2007-08.

PUBLIC DEPOSITS

The company has not accepted / invited any public deposits during the period under review and hence provisions of Section 58A & 58AA of the Companies Act, 1956 are not applicable to your Company.

AUDITORS & AUDITORS REPORT

M/s Agarwal Atul & Associates, Auditors of the Company hold office until the conclusion of ensuing Annual General Meeting and have offered themselves for reappointment. The Company has received the requisite certificate from them to the effect that their appointment, if made will be within the limits stipulated u/s 224 (1B) of the Companies Act, 1956.

The Report of the Auditors dated 28th June, 2008 is self-explanatory and requires no comments.

COMPLIANCE WITH THE ACCOUNTING STANDARDS

The Company prepares its accounts and other financial statements in accordance with the relevant Accounting Principles and also complies with the Accounting Standards issued by the Institute of Chartered Accountants of India.

SUBSIDIARY COMPANY

In compliance of Section 212 of the Companies Act, 1956, the audited statements of accounts along with the report of the Auditors and Board of Directors of Kautilya Infotech Limited & Alchemist Metals Limited (Formerly known as TDT Copper Limited) are annexed to the Report.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Accounting Standard AS-21 on Consolidated Financial Statements, your Directors have pleasure in attaching the consolidated financial statements, which form part of the Annual Report and accounts.

ALCHEMIST CORPORATION LIMITED

(FORMERLY KNOWN AS HARYANA FIBRES LIMITED)

STOCK EXCHANGE LISTING

The Equity shares of your Company are listed at:

- i) The Bombay Stock Exchange Ltd., Mumbai.
- ii) Delhi Stock Exchange Ltd., New Delhi.
- iii) Jaipur Stock Exchange Ltd., Jaipur.

REVOCATION OF SUSPENSION OF TRADING IN EQUITY SHARES

The Bombay Stock Exchange Ltd., has vide its notification dated 23rd May, 2008 has revoked the suspension of trading in equity shares of the Company w.e.f. 29th May, 2008.

CORPORATE GOVERNANCE

Your Company is committed to maintain the highest standards of Corporate Governance. Your Directors adhere to the requirements set out by the Securities and Exchange Board of India's Corporate Governance practices and have implemented all the stipulations prescribed. A separate report each on Corporate Governance and Management discussions and Analysis is given elsewhere in the annual report are annexed hereto as part of Annual Report along with Auditors' Certificate on its due compliance.

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

- a. **Conservation of Energy & Technology Absorption:** Since the Company is not carrying on any manufacturing activity during the year under review as well as in the previous year, issues relating to conservation of energy & technology absorption are not quite relevant to its functioning.
- b. **Export Activities:** There was no export activity in the Company during the year under review as well as in the previous year.
- c. **Foreign Exchange Earnings and Outgo:** There was no Foreign Exchange Earnings and outgo during the year under review as well as in the previous year.

PERSONNEL

Provisions of Section 217(2A) of the Companies Act 1956, read with Companies (Particulars of Employees) Rules 1975, are not applicable to your Company as no employee of the Company is drawing remuneration equal to or more than the limit specified under Companies (Particulars of Employees) Rules, 1975.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors confirm that: -

1. All applicable accounting standards have been followed in preparing the Annual Accounts and material departures, if any, have been properly explained.
2. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent in respect to the Industry so as to give a true and fair view of the state of affairs of the Company and profit and loss account as at the date of Balance sheet.
3. The Directors have taken proper and sufficient care for;
 - a. Maintenance of adequate accounting records in accordance with the Companies Act, 1956.
 - b. Safeguarding the assets of the Company and
 - c. Preventing and detecting fraud and other irregularities.
4. The Directors have prepared the annual accounts on a going concern basis.

APPRECIATION & ACKNOWLEDGEMENT

Your Directors appreciate the valuable co-operation extended by the Company's Bankers & other Central and State Government departments, for their continued support and also place on record their wholehearted appreciation for your Company's employees at all levels. Your Directors also acknowledge with gratitude the backing of its shareholders.

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Corporate Governance and Management Discussion and Analysis Reports are set out separately.

For and on behalf of Board of Directors

Place : New Delhi
Date : 31/07/2008

Sd/-
SUDHISH KUMAR
Chairman

CORPORATE GOVERNANCE REPORT**COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

The philosophy of the Company on Corporate Governance envisages, inter-alia, attainment of the highest levels of transparency, fairness, accountability and equity in all its actions and enhancement of shareholder value keeping in view the needs and interests of the stakeholders.

Your company believes that the Corporate Governance Code will enhance the growth of benefits to all the stakeholders. The Board, on a continuous basis, monitors implementation of decisions taken and at the same time provides a stable commercial environment to plan and execute strategy.

Your company has complied with the requirements of the code of Corporate Governance as implemented by the regulatory authorities in the year 2001. The broad disclosures as required by the Stock Exchanges and other Regulatory Authorities are given below:

I. BOARD OF DIRECTORS

The Board of Directors of the Company consists of 4 Directors, the details are given below:

Names of Director	Category	Status
Mr. Sudhish Kumar	Managing Director	Executive Director
Ms. Pooja Rastogi	Director	Non-Executive Director
Mr. Neeraj Tiwari	Director	Independent
Mr. Vir Bhushan Rastogi	Director	Independent

A. None of the Directors of the Company has any pecuniary relationship or transaction with the Company.

B. Board Meetings

The Board meets at least once in every quarter, besides the meetings required to comply the statutory provisions of the Companies Act, 1956 and the rules made there under and the Listing Agreement of the various Stock Exchanges with which the share of the company are listed. The meetings are generally held at the registered office / Corporate office of the Company. The Notice and the Agenda for all meetings are delivered in advance to the Board members as a corporate practice.

During the period under review, the Board met Six times.

C. Board Committees

Currently, the Board has four Committees viz. the Audit Committee, the Shareholders / Investor's Grievances Committee, Share Transfer Committee and Remuneration Committee.

The Board from time to time decides the terms of reference. Normally the meetings are held once in every Quarter.

D. Number of Board Meetings, attendance at Board Meetings and previous Annual General Meeting:

During the year under review, the Board met 6 times. During the financial year ended on 31st March, 2008 the Board met six times i.e. on 28/06/2007, 31/07/2007, 30/10/2007, 30/01/2008, 17/03/2008 and 24/03/2008. The Annual General Meeting of the Company is held regularly every year within the stipulated period. The Attendance of Directors in the Board Meeting/AGM is given below:

Name of the Director	Board Meetings held During the Year: 06 Attended	14 th AGM held on 28 th September, 2007 Attended
Mr. Sudhish Kumar	6 (Six)	Yes
Ms. Pooja Rastogi	6 (Six)	No
Mr. Neeraj Tiwari	6 (Six)	Yes
Mr. Vir Bhushan Rastogi	2 (Two)	No

E. Details of other Directorship and Committee Memberships/Chairmanships (excluding directorship in Pvt. Ltd. Company):

Name of the Directors	Other Directorship	Committee Membership	Committee Chairmanship
Mr. Sudhish Kumar	6	1	1
Ms. Pooja Rastogi	4	1	1
Mr. Neeraj Tiwari	1	Nil	Nil
Mr. Vir Bhushan Rastogi	2	1	Nil

ALCHEMIST CORPORATION LIMITED

(FORMERLY KNOWN AS HARYANA FIBRES LIMITED)

BOARD COMMITTEES:**I. AUDIT COMMITTEE**

The Audit Committee of the Company was constituted pursuant to provisions of Cl. 49 (II) (D) of the Listing Agreement and Section 292A of the Companies Act, 1956.

The Committee comprises of three Directors and Member Secretary. The Committee has powers and perform functions as envisaged under Section 292A of the Companies Act, 1956 and the Listing agreement. During the financial year the Committee met four times i.e. on 28.06.2007, 31.07.2007, 30.10.2007 and 30.01.2008.

NAME	STATUS	NUMBER OF MEETING	
		HELD	ATTENDED
Mr. Neeraj Tiwari	Chairman	4	4
Mr. Sudhish Kumar	Member	4	4
Mr. Vir Bhushan Rastogi	Member	4	1
Ms. Pooja Rastogi*	Member	3	3

* Member upto 30.10.2007.

The Audit Committee has been vested with the following powers:

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

II. SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE

The Company constituted a shareholders/investors Grievance Committee to operate in terms of the provisions related thereto in the Listing Agreement of the Stock Exchange and / or the provisions as prescribed or as may be prescribed in this regard by the Companies Act, 1956.

The Committee comprises the following two Directors and Member Secretary:

Ms. Pooja Rastogi Member
Mr. Neeraj Tiwari Member
Mr. Gyan Sheel Member Secretary

This Committee reviews and takes all necessary actions for redressal of investor's grievances and complaints as may be required in the interest of the investors.

Investors may send their queries/complaints at the e-mail: haryanafibres@yahoo.co.in

III. SHARE TRANSFER COMMITTEE

In accordance with Clause 49 para VI (D) of the Listing Agreement of the Stock Exchanges, the Board has delegated the powers of share transfers to the Share transfer Committee consisting of the following two members

Ms. Pooja Rastogi Member
Mr. Neeraj Tiwari Member
Mr. Gyan Sheel Member Secretary

This Committee approves requests for share transfers, transmissions, transpositions, rematerialisation, split and duplicate shares etc.

IV. REMUNERATION COMMITTEE.

In accordance with the provisions of Schedule XIII of the Companies Act, 1956 the Board has delegated the powers of approving the remuneration payable to managerial personnel. The Remuneration Committee consists of following members

Ms. Pooja Rastogi Member
Mr. Neeraj Tiwari Member
Mr. Vir Bhushan Rastogi Member
Mr. Gyan Sheel Member Secretary

DISCLOSURES

Your Company does not have any materially significant transactions with any of the related parties i.e. Promoters, Collaborators and Directors.

ALCHEMIST CORPORATION LIMITED

(Formerly known as Haryana Fibres Limited)

CODE OF CONDUCT

The Company's Board has laid down code of conduct for all Board Members and Senior Management of Company as required under Clause 49 of the Listing Agreement. All Board members and Senior Management Personnel have affirmed compliance with code of conduct. A declaration signed by the Managing Director to this effect is annexed to this Report.

The Company is in the process of developing its website.

MEANS OF COMMUNICATION

The Un-Audited Quarterly & Half yearly results are sent to all the Stock Exchanges, where the shares of the Company are listed. The results of the Company are published in one English daily Newspaper circulating substantially in India and one Regional Newspaper, i.e. Financial Express in English and Jansatta in Hindi.

REPORT ON CORPORATE GOVERNANCE

Running report is on Corporate Governance.

COMPLIANCE

A certificate dated 31/07/2008 obtained from the Statutory Auditor is annexed with the Annual Report and forms part of this report on Corporate Governance.

GENERAL SHAREHOLDERS INFORMATION

a. GENERAL MEETINGS (AGMs, EGMs & Class Meetings)

Details of meetings held during the last three years are given below :-

Date	Time	Venue	Nature of Meeting
28 th Sep. 2007	12.30 P.M	64A, Adhyapak Nagar, Najafgarh Road Nangloi, New Delhi – 110 041	A.G.M
30 th Sep. 2006	12.30 P.M	64A, Adhyapak Nagar, Najafgarh Road Nangloi, New Delhi – 110 041	A.G.M
30 th Sep. 2005	12.00 P.M	64A, Adhyapak Nagar, Najafgarh Road Nangloi, New Delhi – 110 041	A.G.M

During the year ended 31st March 2008, there have been no resolutions passed by the shareholders through postal ballot.

- | | |
|---|--|
| b. Date of forthcoming Annual General Meeting | 30th September, 2008. |
| c. Financial Calendar | 1 st April to 31 st March. |
| d. Period under review | 1 st April 2007 to 31 st March 2008 |
| e. Date of Book Closure | 26th Sept., 2008 to 30th Sept. 2008. (both days inclusive) |
| f. Dividend payment date | NOT APPLICABLE |

LISTING ON STOCK EXCHANGE:

The Shares of the Company are listed on the following Stock Exchanges :

Bombay Stock Exchange Ltd.	Delhi Stock Exchange Ltd.	Jaipur Stock Exchange Ltd.
25, P. J. Towers,	DSE House,	Stock Exchange Building,
Dalal Street,	3/1, Asaf Ali Road,	Malviya Nagar,
Mumbai.	New Delhi.	Jaipur.
Stock Code	at Delhi Stock Exchange	- 08132
	at Mumbai Stock Exchange	- 531409
	at Jaipur Stock Exchange	- 531409

REGISTRAR & SHARE TRANSFER AGENT

The Company has engaged the services of M/s Skyline Financial Services Pvt. Ltd. as their Share Transfer Agents, Electronic & Physical, for processing the Transfers, Sub-division, Consolidation, and Splitting of Securities etc.

The Addresses of Registrar & Transfer agents are as under:

Skyline Financial Services Pvt. Ltd.
246, 1st Floor, Sant Nagar,
East of Kailash, New Delhi - 110065

DEMATERIALIZATION OF SECURITIES & LIQUIDITY

Presently, the Equity Shares of your Company are held both in Dematerialized and physical form and as on 31.03.2008 - 85.65 % of fully paid up share capital are held in electronic form. The ISIN Number of the Company is INE057D01016.

— ALCHEMIST CORPORATION LIMITED —
(FORMERLY KNOWN AS HARYANA FIBRES LIMITED)

CEO/CFO CERTIFICATION

Mr. Sudhish Kumar, Managing Director, who is carrying responsibility of CEO have given CEO certificate as per format prescribed under Clause No. 49 of the Listing Agreement to the Board at its meeting held on 31st July, 2008.

MARKET PRICE DATA

Since the trading in equity shares of the Company was suspended by Bombay Stock Exchange Ltd. during the financial year ended on 31st March, 2008 hence market price data's for the year were not available. However, Bombay Stock Exchange Ltd. has vide its notification dated 23rd May, 2008 has revoked the suspension of trading in equity shares of the Company w.e.f. 29th May, 2008.

COMPLIANCE OFFICER

Mr. Gyan Sheel, Company Secretary is the compliance officer who may be contacted at the Corporate Office of the Company. Contact details are given below:-

NAME	TELEPHONE NO.	FAX NO.
GYAN SHEEL	0120-2423825/26	0120-4352651

SHARE TRANSFER SYSTEM

The share transfers of your Company are presently handled by the Registrar & Transfer Agents i.e. Skyline Financial Services Pvt. Ltd. The share transfers and reports are approved in the meetings of the Committee of the Board of Directors.

DISTRIBUTION OF SHAREHOLDING AS ON QUARTER ENDING 31ST MARCH, 2008

CATEGORY	NO.OF SHARES HELD	%AGE OF HOLDING
A. Promoters Holding		
1. Promoters		
— Indian Promoters	36,56,100	74.40
— Foreign Promoters	20,000	0.40
2. Persons acting in concert	NIL	NIL
SUB TOTAL	36,76,100	74.80
B. Non-Promoters Holding		
3. Institutional Investors		
a. Mutual Funds and UTI	NIL	NIL
b. Banks, Financial Institutions, Insurance Companies, (Central/ State Govt. Institutions/ Non-Government Institutions)	NIL	NIL
c. FIIs	NIL	NIL
SUB TOTAL	NIL	NIL
4. Others		
a. Private Corporate Bodies	2,03,500	4.14
b. Indian Public	2,32,833	4.74
c. NRIs/OCBs	8,01,900	16.32
d. Any Other (Please Specify)	NIL	NIL
SUB-TOTAL	12,38,233	25.20
GRAND TOTAL	49,14,333	100.00
NOTE:		
The Total Foreign Shareholding constituted 16.72% of the total paid up capital, which includes:		
1) Foreign Promoters		20,000
2) NRIs/ OCBs		8,01,900
TOTAL		8,21,900

ALCHEMIST CORPORATION LIMITED
(Formerly known as HARYANA FIBRES LIMITED)

ADDRESS FOR CORRESPONDENCE

The shareholders may address their communication/ suggestions/ grievances/ queries to the Registrar and Share Transfer Agent at their address mentioned above or to:

The Company Secretary,
Alchemist Corporation Ltd.
(Formerly known as Haryana Fibres Ltd.),
Registered Office: A-203, New Ashok Nagar, Delhi-110096
Corporate Office: B-31, Sector – 5, Noida, U.P. - 201301

The above report has been placed before the Board at its Meeting held on 31st July, 2008 and the same was approved.

MANAGEMENT RESPONSIBILITY STATEMENT

The Management of the Company confirms that the financial statements are in full conformity with the requirements of the Companies Act, 1956 and the Generally Accepted Accounting Principles (GAAP) in India. The Management accepts responsibility for the integrity and objectivity of these financial statements as well as for estimates and judgments relating to matters not concluded by the year-end.

The Management believes that the financial statements of operation reflect fairly the form and substance of transactions and reasonably present the Company's financial condition and the results of operations. The Company has an internal control system which is reviewed, evaluated and updated on an ongoing basis. The internal Auditors have conducted periodic audits to provide reasonable assurance that the Company's established policy and procedures have been followed.

The financial Statements have been audited by M/s Agarwal Atul & Associates, Chartered Accountants, and have been discussed with the Audit committee.

INFORMATION PURSUANT TO CLAUSE 49VI(A)(iii) OF THE LISTING AGREEMENT:

Names of companies in which the Directors who are being newly appointed or re-appointed holds directorship.

Name	Name of the Company	Nature of office
Mr. Vir Bhushan Rastogi	1. Kautilya Infotech Ltd.	Director
	2. Alchemist Metals Ltd.	Director

MANAGEMENT DISCUSSION & ANALYSIS REPORT

DISCLAIMER

Readers are cautioned that this discussion and analysis contains forward-looking statements that involve risks and uncertainties. When used in this discussion, the words "anticipate", "believe", "estimate", "intend", "will", and "expected" and other similar expressions as they relate to the Company or its business are intended to identify such forward looking statements. The Company undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of performances or achievements and risks and opportunities could differ materially from those expressed or implied in such forward looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of their date. The following discussion and analysis should be read in conjunction with the Company's financial statements included and notes thereto.

OVERVIEW

The Board of Directors of the Company comprises mainly of persons who are Professional and having vast and rich experience in the field of Administration, Accounts & Finance.

Mr. Sudhish Kumar continues as Managing Director, his appointment was approved by the Shareholders at the Annual General Meeting of the company held on 30th September, 2004. He has almost 23 years of experience in running various kinds of business, particularly business in IT and IT enabled Services viz. BPO sector. It is hoped that the Company will grow significantly under his able guidance. The Directors endeavor would be for a consistent and disciplined growth of the Company.

BUSINESS OPERATIONS

Your Company operates in trading business that relates to purchase and sale of different types of fabrics e.g. Sofa Fabrics, Cotton Fabrics & Grey Clothes and ferrous and non-ferrous metals. Your Company is also in the process of reviewing its operations, together with exploring certain new areas of operations.

REVIEW OF OPERATIONS

During the year under review the Company has expanded its trading business in the area of ferrous and non-ferrous metals in addition to different types of fabrics and thereby achieved the trading turnover of Rs. 2,446.37 lacs. Besides, the Company has also earned Profit of Rs. 543.73 lacs on Sale of certain Quoted Investments during the year under review. The net profit after tax for the year under review was Rs. 498.95 lacs.

RESOURCES AND LIQUIDITY

Your Company presently maintains conservative financial profile so as to build its future based on sound financial resources.

OPPORTUNITIES

We at Alchemist Corporation Limited (Formerly known as Haryana Fibres Limited) are keenly conscious of the emerging opportunities in the business arena, together we shall endeavor to take best of every good opportunity in very best interest of our shareholders.

CHALLENGES

The company is fully equipped and has designed its plans & policies, both short term and long term so as to combat the challenges being faced during this phase. Because of the availability of expert technical advice both in-house and from outside sources, the management is confident to face the unforeseen challenges and threats.

ADEQUACY OF INTERNAL CONTROL

Proper and adequate internal control system are in place to ensure that all the business dealings are performed on sound business ethics and all assets are protected against loss of unauthorized use or disposition and that the transactions are authorized, recorded and properly reported.

The internal control system is designed to ensure that financial and other records are reliable for all purposes.

HUMAN RESOURCES

The Company has a team driven work process with completely flat organization structure. This not only help us nurture leaders but also give us capable and assured colleagues at all levels.

CORPORATE GOVERNANCE

The Company follows principle of effective Corporate Governance. The endeavor of the Company is not only to comply with regulatory requirements but also to practice Corporate Governance principles that lay emphasis on integrity, transparency and overall accountability. The Company adheres to most of the recommendations made by the SEBI and incorporated by the Stock Exchanges in the Standard Listing Agreement.

VALUE CREATION

Your Company is continuously striving to create value in all spheres of its activities. This encompasses not only value for its customers but also for its stakeholders. The Company has adopted Accounting Standards incorporating international best practices and have moved towards transparency in its reporting. We will continuously endeavour to provide insight on the operation of the Company to aid all stakeholders.

AUDITOR'S CERTIFICATE UNDER CLAUSE 49 OF THE LISTING AGREEMENT
AUDITORS CERTIFICATE

We refer to circular dated 21st February, 2000 issued by Securities & Exchange Board of India (SEBI) in respect of incorporation of new clause 49 in the listing agreement for Corporate Governance. We, the statutory Auditors of M/s. Alchemist Corporation Limited (Formerly known as Haryana Fibres Limited) have reviewed the steps taken by the management of the Company to implement requirements of the said clause.

For **AGRAWAL ATUL & ASSOCIATES**
Chartered Accountants

Place : Delhi
Dated : 31/07/2008

Sd/-
(**ATUL AGRAWAL, FCA**)
Partner
Membership No.: 077293

DECLARATION

The Members of
Alchemist Corporation Ltd.
(Formerly known as Haryana Fibres Ltd.)

I, Sudhish Kumar, Managing Director of the Company, hereby certify that the Board members and Senior Management Personnel have affirmed compliance with the rules of Code of Conduct for the financial year ended 31st March, 2008 pursuant to the requirements of Clause 49 of the Listing Agreement as amended.

For **ALCHEMIST CORPORATION LTD.**

Place : Delhi
Date : 31/07/2008

Sd/-
(**SUDHISH KUMAR**)
Managing Director

AUDITORS REPORT

We have audited the attached Balance Sheet of M/s. ALCHEMIST CORPORATION LIMITED (Formerly known as Haryana Fibres Limited), Delhi as at 31st MARCH, 2008 and also the Profit and Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

A. We report that :

1. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
2. 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.
3. The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
4. In our opinion, the Balance Sheet and the Profit and Loss Account dealt with by this report comply with the Accounting Standards referred to in sub section (3C) of Section 211 of the Companies Act, 1956.
5. On the basis of written representation received from the directors as on 31st March 2008 and taken on record by the Board of directors we report that none of directors is disqualified as on 31st March 2008 from being appointed as director in terms of clause (g) of subsection (1) of section 274 of the company Act 1956.
6. In our opinion and to the best of our information and according to the explanations given to us, the said accounts, subject to the above, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
 - i) In the case of the Balance Sheet, of the State of Affairs of the Company as at 31st March, 2008;
 - ii) In the case of the Profit & Loss Account, of the profit for the year ended on that date; and
 - iii) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

B As required by the Companies (Auditor's Report) Order 2003, issued by the Central Government of India in terms of Sub Section (4A) Section 227 of the Companies Act, 1956, we further report on the matters specified in paragraphs 4 and 5 of the said order that :-

- i) (a) Company has maintained proper records showing full particulars, including quantitative details of fixed assets.
 - (b) As per the information and explanation given to us, fixed assets have been physically verified by the management at reasonable interval during the year.
 - (c) No substantial part of fixed assets has been disposed off during the year.
- ii) (a) According to the information and explanations given to us physical verification of inventory has been conducted by the management at regular intervals.
 - (b) In our opinion, the procedure of physical verification of inventories followed by the management is commensurate with the size of the company and nature of its business.
 - (c) In our opinion, company is maintaining proper records of inventory. No material discrepancies have been noticed on physical verification of inventories as compared to books of accounts and minor discrepancies found, have been properly dealt with in the books of accounts.

ALCHEMIST CORPORATION LIMITED

(Formerly known as HARYANA FIBRES LIMITED)

- iii) According to information and explanations given to us, the company has not taken interest free unsecured loans from any of its group Companies during the year.
- iv) In our opinion, and according to information and explanation given to us, there are adequate internal control procedures commensurate with the size of the company & the nature of the business, for the purchase of inventory and Fixed Assets and for the sale of goods.
- v) According to information and explanations given to us, during the year there are no transactions / purchase or sales that need to be entered in the register maintained U/S 301 of Companies Act, 1956. The company is a holding company of Kautilya Infotech Limited and Alchemist Metals Limited (Formerly known as TDT Copper Limited).
- vi) According to information and explanations given to us, the company has not accepted any deposits from public hence provisions of Section 58A of Companies Act, 1956 and rules framed there under are not applicable.
- vii) a) According to the records of the company and explanation given to us, the provisions of Provident Fund and Employees State Insurance are not applicable to the company.
b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, customs duty and excise duty were outstanding as at 31st March 2008 for a period of more than six months from the date these became payable.
- viii) According to information and explanations given to us and from the records of the company, the Company has not defaulted, in repayment of dues of bank.
- ix) As explained to us, company has not given any guarantee for loans taken by others from banks or financial institutions.
- x) According to information and explanations given to us, and from the records of the company, perused by us during the course of audit, term loans have not been raised during the year.
- xi) According to information and explanations given to us and from the records of the company, no short-term funds have been raised during the year.
- xii) According to information and explanations given to us, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained U/S 301 of the Companies Act, 1956.
- xiii) Company has not issued any debenture during the year.
- xiv) According to the information and explanations given to us, company has not raised any money by public issue during the year.
- xv) According to information and explanations given to us and from the records of the company, perused by us during the course of our audit, we have not come across any fraud on or by the company during the year.
- xvi) The other clauses of the Order are not applicable to the Company.

For **AGRAWAL ATUL & ASSOCIATES**

Chartered Accountants

Sd/-

(CA ATUL AGRAWAL, FCA)

Partner

Membership No.: 077293

Place : Delhi

Dated : 28/06/2008

ALCHEMIST CORPORATION LIMITED*(FORMERLY KNOWN AS HARYANA FIBRES LIMITED)***BALANCE SHEET AS AT 31ST MARCH, 2008**

	SCHEDULE	As At 31st March, 2008 Rs.	As At 31st March, 2007 Rs.
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	1	49,143,330.00	49,143,330.00
Reserve & Surplus	2	12,522,106.18	4,280,670.00
		<u>61,665,436.18</u>	<u>53,424,000.00</u>
APPLICATION OF FUNDS			
Fixed Assets	3		
— Gross Block		3,310,930.00	3,310,930.00
— Less : Depreciation		420,985.10	179,339.00
— Net Block		2,889,944.90	3,131,591.00
Investments	4	49,159,368.90	20,807,376.90
Deferred Tax Assets		6,262,500.00	—
Current Assets, Loan & Advances			
Cash & Bank Balances	5	1,841,830.38	41,519.62
Sundry Debtors	6	36,127,971.00	19,213,300.80
Loans & Advances	7	4,684,424.00	6,819,781.00
		<u>42,654,225.38</u>	<u>26,074,601.42</u>
Current Liabilities & Provisions	8	39,300,603.00	44,505,986.70
Net Current Assets		<u>3,353,622.38</u>	<u>(18,431,385.28)</u>
Miscellaneous Expenditure	9	—	—
Profit & Loss Account		—	47,916,417.38
		<u>61,665,436.18</u>	<u>53,424,000.00</u>
SIGNIFICANT ACCOUNTING POLICIES	14		
NOTES TO ACCOUNTS	15		

The schedules referred to above and the notes thereon form an integral part of the Balance Sheet.

As per our Separate report of even date annexed

For **AGRAWAL ATUL & ASSOCIATES**
Chartered Accountants

For and on behalf of Board of Directors

Sd/-
(CA ATUL AGRAWAL, FCA)
Partner

Sd/-
Sudhish Kumar
Managing Director

Sd/-
Neeraj Tiwari
Director

Sd/-
Gyan Sheel
Company Secretary

Place : Delhi
Date : 28.06.2008

ALCHEMIST CORPORATION LIMITED*(Formerly known as HARYANA FIBRES LIMITED)***PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2008**

	SCHEDULE	As At 31st March, 2008 Rs.	As At 31st March, 2007 Rs.
INCOME			
Sales		244,636,682.50	45,159,021.80
Other Income	10	54,372,728.70	771,965.00
		<u>299,009,411.20</u>	<u>45,930,986.80</u>
EXPENDITURE			
Purchases		237,856,341.75	42,967,166.70
Personnel Costs	11	900,175.00	554,174.67
Administrative expenses	12	3,802,094.79	313,388.47
Loss on Sale of Investment		—	45,000.00
Investment W/off		—	381,000.00
Miscellaneous Expenditure w/off		—	423,215.00
		<u>242,558,611.54</u>	<u>44,683,944.84</u>
Profit for the year before depreciation		56,450,799.66	1,247,041.96
Depreciation		241,646.10	179,339.00
Profit before taxation & Period Period Adjustment		56,209,153.56	1,067,702.96
Prior Period Adjustment		46,950.00	300.00
Provision for Income Tax		6,262,500.00	119,800.00
Provision for Fringe Benefit Tax		4,350.00	4,720.00
Profit after Income Tax		49,895,353.56	942,882.96
Add: Deferred Tax Assets for Tax Credit		6,262,500.00	—
(Loss) of earlier years brought forward		(47,916,417.38)	(48,859,300.34)
Profit / (Loss) carried over to Balance Sheet		<u>8,241,436.18</u>	<u>(47,916,417.38)</u>
Earning Per Share	13	10.16	0.19
SIGNIFICANT ACCOUNTING POLICIES	14		
NOTES TO ACCOUNTS	15		

The schedules referred to above and the notes thereon
form an integral part of the Profit & Loss Account.

As per our Separate report of even date annexed

For **AGRAWAL ATUL & ASSOCIATES**
Chartered Accountants

For and on behalf of Board of Directors

Sd/-
(CA ATUL AGRAWAL, FCA)
Partner

Sd/-
Sudhish Kumar
Managing Director

Sd/-
Neeraj Tiwari
Director

Sd/-
Gyan Sheel
Company Secretary

Place : Delhi
Date : 28.06.2008

ALCHEMIST CORPORATION LIMITED
(Formerly known as HARYANA FIBRES LIMITED)

SCHEDULES FORMING PART OF BALANCE SHEET AND PROFIT LOSS ACCOUNT

	As At 31st March, 2008 Rs.	As At 31st March, 2007 Rs.
SCHEDULE - 1 : SHARE CAPITAL		
Authorised :		
75,00,000 Equity Shares of Rs.10/- each	75,000,000.00	75,000,000.00
	<u>75,000,000.00</u>	<u>75,000,000.00</u>
Subscribed		
66,26,600 Equity Shares of Rs.10/- each	66,266,000.00	66,266,000.00
	<u>66,266,000.00</u>	<u>66,266,000.00</u>
Issued & Paid up:		
49,14,333(Previous year 49,14,333) Equity Shares of Rs.10/- each	49,143,330.00	49,143,330.00
	<u>49,143,330.00</u>	<u>49,143,330.00</u>
SCHEDULE - 2 : RESERVES & SURPLUS		
Capital Reserve	4,280,670.00	4,280,670.00
Profit & Loss a/c	8,241,436.18	—
	<u>12,522,106.18</u>	<u>4,280,670.00</u>

SCHEDULE - 3 : FIXED ASSETS

Description	Rate of Dep. %	Gross Block				Depreciation				Net Block	
		As on 01.04.2007	Additions	Deletion	Total As On 31.03.2008	Upto 31.03.2007	For the period	Deletion	Total As On 31.03.2008	As on 31.03.2008	As on 31.03.2007
Land	0	715130.00	0.00	0.00	715130.00	0.00	0.00	0.00	0.00	715130.00	715130.00
Building (Godown)	0.10	2595800.00	0.00	0.00	2595800.00	179339.00	241646.10	0.00	420985.10	2174814.90	2416461.00
Total		3310930.00	0.00	0.00	3310930.00	179339.00	241646.10	0.00	420985.10	2889944.90	3131591.00
Previous Year		0.00	3310930.00	0.00	3310930.00	0.00	179339.00	0.00	179339.00	3131591.00	

ALCHEMIST CORPORATION LIMITED
(FORMERLY KNOWN AS HARYANA FIBRES LIMITED)

SCHEDULES FORMING PART OF BALANCE SHEET AND PROFIT LOSS ACCOUNT

	As At 31st March, 2008 Rs.		As At 31st March, 2007 Rs.	
SCHEDULE - 4 : INVESTMENTS				
LONG TERM(AT COST)				
EQUITY SHARES				
(QUOTED, TRADE & FULLY PAID UP)	Face Value	No. of Shares	No. of Shares	
Triton Corp Ltd.	1/-	40,572,300	19,114,284.90	22,039,350
				20,762,292.90
EQUITY SHARES (UNQUOTED, NON-TRADE & FULLY PAID UP)				
Kautilya Infotech Ltd	10/-	269,300	40,395.00	269,300
Alchemist Metals Ltd.				40,395.00
(Formerly known as TDT Copper Ltd)	2.50	72,323,700	4,689.00	72,323,700
Flowell Plastchem Pvt Ltd.	10/-	50,000	2,500,000.00	—
Gaurav Credits Pvt Ltd	10/-	15,000	15,000,000.00	—
Prayag Chemicals Pvt Ltd.	100/-	5,000	2,500,000.00	—
SNJ Chemex Pvt Ltd	10/-	100,000	4,000,000.00	—
Tara Mercantile Pvt Ltd	10/-	100,000	5,000,000.00	—
Abaris Healthcare Pvt Ltd	10/-	40,000	1,000,000.00	—
			49,159,368.90	20,807,376.90
SCHEDULE - 5 : CASH & BANK BALANCES				
Cash in hand		9,320.00		11,409.00
Balance with Scheduled Bank				
— in Current Accounts		332,510.38		30,110.62
— in Fixed Deposits		1,500,000.00		—
		1,841,830.38		41,519.62
SCHEDULE - 6 : SUNDRY DEBTORS				
a) Debts outstanding for a period exceeding six months (Unsecured)				
Considered Good		4,604,222.00		—
Considered Doubtful		—		—
b) Other Debts (Unsecured)				
Considered Good		31,523,749.00		19,213,300.80
Considered Doubtful		—		—
		36,127,971.00		19,213,300.80
SCHEDULE - 7 : LOANS AND ADVANCES				
(Unsecured-considered goods unless stated otherwise)				
Advances recoverable in cash or kind or value to be received		49,726.00		2,185,083.00
Security Deposits		42,500.00		42,500.00
Share Application Money		4,500,000.00		4,500,000.00
Income Tax Deducted At Source		92,198.00		92,198.00
		4,684,424.00		6,819,781.00

ALCHEMIST CORPORATION LIMITED*(FORMERLY KNOWN AS HARYANA FIBRES LIMITED)***SCHEDULES FORMING PART OF BALANCE SHEET AND PROFIT LOSS ACCOUNT**

	As At 31st March, 2008 Rs.	As At 31st March, 2007 Rs.
<u>SCHEDULE - 8 : CURRENT LIABILITIES & PROVISIONS</u>		
Current Liabilities		
Sundry Creditors	31,533,465.00	17,159,409.70
Liabilities to SSI units	—	—
Other Liabilities	1,502,888.00	27,226,657.00
Provisions		
Provision for Income Tax	6,262,500.00	119,800.00
Provision for Fringe benefit Tax	1,750.00	120.00
	<u>39,300,603.00</u>	<u>44,505,986.70</u>
<u>SCHEDULE - 9 : MISCELLANEOUS EXPENDITURE</u>		
(To the extent not written off or to be adjusted)		
Preliminary Expenses		
Preliminary and Public Issue Expenses	—	423,215.00
Less Written off	—	423,215.00
	<u>—</u>	<u>—</u>
<u>SCHEDULE - 10 : OTHER INCOME</u>		
Profit on Sale of Trade Investments	54,542,562.60	701,000.00
Less:-		
Security Transaction Tax	70,238.00	—
Brokerage/Service charges etc	99,595.90	—
	<u>54,372,728.70</u>	<u>701,000.00</u>
Interest Income on FDR	—	61,220.00
Interest Received	—	1,296.00
Interest on IT Refund	—	8,449.00
	<u>54,372,728.70</u>	<u>771,965.00</u>
<u>SCHEDULE - 11 : PERSONNEL COSTS</u>		
Salary, Wages, Bonus & Other Benefits	877,183.00	535,274.67
Staff Medical Expenses	11,192.00	18,675.00
Staff Welfare	11,800.00	225.00
	<u>900,175.00</u>	<u>554,174.67</u>

ALCHEMIST CORPORATION LIMITED*(Formerly known as HARYANA FIBRES LIMITED)***SCHEDULES FORMING PART OF BALANCE SHEET AND PROFIT LOSS ACCOUNT**

	As At 31st March, 2008 Rs.	As At 31st March, 2007 Rs.
<u>SCHEDULE - 12 : ADMINISTRATIVE EXPENSES</u>		
Postage & Telegram	13,370.00	8,784.00
Rent- Office	72,000.00	45,000.00
Conveyance Expenses	24,497.00	40,631.00
Travelling Expenses	47,125.00	—
Consultancy Charges	2,819,450.00	—
Telephone & Telefax Expenses	16,525.00	10,734.00
Advertisement Expenses	39,238.00	30,610.00
Legal & Professional Charges	525,862.00	46,424.00
Listing Fee	41,300.00	40,500.00
Audit Fee	28,090.00	24,719.00
Printing & Stationery Expenses	24,513.00	14,659.40
Fee & Subscription	9,791.00	7,384.00
Share Processing & Demat Charges	41,354.11	36,764.00
Bank Charges	2,078.13	1,579.07
Electricity & Water Charges	4,020.00	3,600.00
Miscellaneous Expenses	5,279.25	2,000.00
Freight & Cartage	34,857.50	—
Short & Excess	300.80	—
Penalties-SEBI	50,000.00	—
Repair & Maintenance	1,160.00	—
Books & Periodicals Exp	1,284.00	—
	3,802,094.79	313,388.47

SCHEDULE - 13 : EARNING PER SHARE

Net Profit attributable to equity shareholders		
Profit before tax	56,209,153.56	1,067,702.96
Less : Provision for Income Tax	6,262,500.00	119,800.00
Less : Provision for Fringe benefit Tax	4,350.00	4,720.00
Net Profit attributable to equity shareholders	49,942,303.56	943,182.96
Total No. of Equity Shares	4,914,333	4,914,333
EPS	10.16	0.19

SCHEDULE - 14 : SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation of Financial Statement

- a) The financial statements have been prepared under the historical cost convention in accordance with Indian Generally Accepted Accounting Principles comprising the Accounting Standards issued by the Institute of Chartered Accountants of India and provisions of the companies Act, 1956 as adopted consistently by the company.
- b) The company follows mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis except claims, and dividend on investments which are accounted for on cash basis.
- c) The preparation of financial statements in conformity with GAAP requires that the management of the company make estimates and assumptions that affect the reported amount of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as on the date of the financial statements. Examples of such estimates include the useful lives of fixed assets, provision for doubtful debts/advances, future obligations in respect of retirement benefit plans etc. Actual results could differ from these estimates.

Fixed Assets and Depreciation

Fixed assets are accounted for at cost and include cost of installation wherever incurred and incidental expenses related to acquisition/installation wherever applicable.

Depreciation is provided at the rates specified in schedule XIV of the Companies Act 1956 read with the relevant circulars issued by the Department of Company Affairs from time to time wherever applicable.

Foreign Currency Transactions

There is no foreign currency transaction during the year.

Investments

Long-term Investments are stated at cost. No provision for diminution in the value of long-term investments has been made as in the opinion of the management; such decline is temporary in nature.

Retirement Benefits - Gratuity

Provisions for payment of gratuity under payment of Gratuity Act 1972 are not applicable to the company, as none of the employee has completed 5 years of service.

Other retirement benefits are provided as per Company rules and are accounted for in the year of payment.

Revenue recognition

Revenue from sales is recognized when it is completed in accordance with the terms of the contract with the customer. Sales return are adjusted from the sales of the year in which the return takes place.

Miscellaneous Expenditure

Preliminary, Public issue, Preoperative and Capital issue expenses incurred were amortized according to Accounting Standard 26, "Intangible Assets" Issued by the Institute of Chartered Accountants of India.

Claims

Claims against / by the company arising on any account are provided in the books of account on acceptance / receipt basis.

Events occurring after Balance Sheet date

Events occurring after the Balance Sheet date, which are material in nature, have been considered in the preparation of financial statements.

Taxation

The Income Tax liability is ascertained based on assessable profit computed in accordance with the provisions of Income Tax Act, 1961.

Deferred income tax reflects the impact of current year timing difference between taxable income / losses and accounting income for the year and reversal of timing difference of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In respect of carry forward losses, deferred tax assets are recognized only to the extent there is virtual certainty that sufficient future taxable income will be available against which such losses can be set off.

ALCHEMIST CORPORATION LIMITED

(FORMERLY KNOWN AS HARYANA FIBRES LIMITED)

Contingent Liabilities

Depending on facts of each case and after due evaluation of relevant legal aspects, claims against the Company not acknowledged as debts are regarded as contingent liabilities. In respect of statutory matters, contingent liabilities are recognized based on demand(s) that are contested by the Company.

Impairment of Fixed Assets:

At each balance Sheet date, the company reviews the carrying amounts of its Fixed Assets to determine whether there is any indication that these assets suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Accordingly the carrying amount is reduced to its recoverable amount by treating the difference between them as impairment loss and is charged to the Profit and Loss account.

Cash Flow Statement:

The Cash flow statement is prepared by the indirect method set out in AS 3 on "Cash Flow Statement and presents Cash flows by operating, investing and financing activities of the company.

SCHEDULE – 15 : NOTES TO ACCOUNTS

	Current year (Rs.in lacs)	Previous year (Rs.in lacs)
1. Capital Commitments and Contingent Liabilities	Nil	Nil
2. Sundry Creditors/ Debtors includes overdue amounts payable to small scale and ancillary industries.	Nil	Nil
3. Managerial Remuneration		
a) Paid to Directors	Nil	Nil
b) The Computation of Net profit u/s 349 of the Companies Act, 1956 has not been made as no commission is payable to any directors.		
c) Reimbursement of expenses to Directors :	Nil	
4. In the opinion of the management, the current assets, loans and advances are expected to realize unless otherwise stated at least the amount at which they are stated, if realized in the ordinary course of business and provision for all known liabilities has been adequately made in the accounts.		
5. Sundry Creditors		
Sundry creditors include overdue amounts of Rs. Nil payable to small scale and ancillary industries (Previous year - Nil). The information has been compiled to the extent they could be identifiable as small scale and ancillary on the basis of information available.		
6. Sundry Debtors and Sundry creditors are subject to confirmation.		
7. Payments to auditors include the following: Audit fees: (Inclusive of Rs. 3,090/- as service tax) (Previous Year - Rs. 24,719/-)	Rs. 28,090/-	
8. Related Party Disclosure		
Related party disclosures as required under Accounting Standard on "Related Party Disclosures" issued by the Institute of Chartered Accountants of India are given below:		
a) Relationship:		
<u>Promoter Company:</u> Rajendra Seclease Limited		
<u>Subsidiary Companies:</u> Alchemist Metals Limited (Formerly known as TDT Copper Ltd.) Kautilya Infotech Ltd.		
<u>Common Directors:</u>		
1. Maple eSolutions Limited.	2. NDR Hospitals Limited.	
3. Anramu Finvest Private Limited.	4. Supriya Securities Private Limited.	
5. Seagull Shares & Stocks Private Limited.	6. Kasi Ram Softech (India) Limited.	
7. Cyber On-Line Softel Private Limited.	8. Cyber Dot Com Private Limited.	
9. Triton Corp Limited.		

ALCHEMIST CORPORATION LIMITED

(FORMERLY KNOWN AS HARYANA FIBRES LIMITED)

- b) The following transactions were carried out with related parties in the ordinary course of business during the year under review: (Rs. in Lacs)

Particulars	2007-08	2006-07
Rajendra Seclease Limited		
- Purchase of Shares (Maple eSolution Ltd.)	Nil	179.99
- Sale of Shares (Kautilya Infotech Ltd.)	Nil	7.35
Alchemist Metals Limited		
- Investment in Shares	Nil	Nil
- Unsecured Loans Paid	Nil	2.30
- Interest Received	Nil	0.01
Triton Corp Ltd.		
- Sale of Shares (Maple eSolutions Ltd.)	Nil	348.00

9. Information pursuant to provisions of Part-II of schedules VI of Companies Act 1956

Particulars in respect of Purchases, Sales and Stock of finished goods

S.No.		2007-08		2006-07	
		Quantity (Meter)	Amount (in Rs.)	Quantity (Meter)	Amount (in Rs.)
a.	Opening Stock	NIL	NIL	NIL	NIL
b.	Purchase	(Meter)	(in Rs.)	(Meter)	(in Rs.)
	Fabrics	1476371	189949291.800	595713	42967167.70
		(Kgs.)	(in Rs.)	(Kgs.)	(in Rs.)
	Copper Scrap	28180.000	8735800.00	Nil	Nil
	HMS	1278730.000	24040124.00	Nil	Nil
	Tin Ingots	26315.000	15131125.00	Nil	Nil
c.	Sales	(Meter)	(in Rs.)	(Meter)	(in Rs.)
	Fabrics	1476371	196139849.50	595713	45159021.80
		(Kgs.)	(in Rs.)	(Kgs.)	(in Rs.)
	Copper Scrap	28170.000	8873550.00	Nil	Nil
	HMS	1278730.000	24231934.00	Nil	Nil
	Tin Ingots	26310.000	15391350.00	Nil	Nil
d.	Wastage	(Kgs.)	(in Rs.)	(Kgs.)	(in Rs.)
	Copper Scrap	10.000		Nil	Nil
	Tin Ingots	5.000		Nil	Nil
e.	Closing Stock	Nil	Nil	Nil	Nil

10. Previous Year figures have been regrouped / recast wherever necessary to make figures comparable.

As per on Separate report of even date annexed

For **AGRAWAL ATUL & ASSOCIATES**
Chartered Accountants

For and on behalf of Board of Directors

Sd/-
(CA ATUL AGRAWAL, FCA)
Partner

Sd/-
Sudhish Kumar
Managing Director

Sd/-
Neeraj Tiwari
Director

Sd/-
Gyan Sheel
Company Secretary

Place : Delhi
Date : 28.06.2008

ALCHEMIST CORPORATION LIMITED*(Formerly known as HARYANA FIBRES LIMITED)***CASH FLOW STATEMENT FOR THE YEAR ENDED AS ON 31ST MARCH, 2008**

	For the year Ended on 31st March, 2008 Rs.	For the year Ended on 31st March, 2007 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net (Loss)/Profit before tax & extra ordinary items	56,209,153.56	1,067,702.96
Add : Adjustment for		
Depreciation	241,646.10	179,339.00
Preliminary /Pre-operative Expenses Written Off	—	423,215.00
Sundry balances written off	—	—
Loss on sale of Shares	—	45,000.00
Interest Paid/ (Received)	—	(70,965.00)
Gain on sale of Investments	(54,372,728.70)	(701,000.00)
Premium on Redemption of Debentures	—	—
Investments written off	—	381,000.00
Operating Profit before working capital changes	2,078,070.96	1,324,291.96
Adjustment for Working Capital changes		
Decrease /(Increase) in sundry debtors & Other receivable	(14,779,313.20)	(23,787,217.80)
Increase / (Decrease) in Current Liabilities	(11,349,713.70)	26,506,899.70
Cash generated from operations	(24,050,955.94)	4,043,973.86
Interest Paid	—	—
Income Tax & FBT Paid	(122,520.00)	(4,600.00)
Extra ordinary items	(46,950.00)	(300.00)
Net Cash generated from operations	(24,220,425.94)	4,039,073.86
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	—	(3,310,930.00)
Purchase of investments	(30,000,000.00)	—
Interest Income	—	70,965.00
Sale of Investments (value at cost)	1,648,008.00	16,834,500.00
Add: Gain/(Loss) on sale of Investments	54,372,728.70	656,000.00
Premium on Redemption of Debentures	—	—
Net cash outflow from investing activities	26,020,736.70	14,250,535.00
C. CASH FLOW FROM FINANCING ACTIVITIES		
Decrease in Share Application Money	—	(24,570,228.00)
Reissue of Share Capital	—	—
Net cash from financing activities	—	(24,570,228.00)
Net Increase in cash and cash equivalents	1,800,310.76	(6,280,619.14)
Cash and cash equivalents (Opening Balance)	41,519.62	6,322,138.76
Cash and cash equivalents (Closing Balance)	1,841,830.38	41,519.62
D. NOTES ON CASH FLOW STATEMENT		
Figures in bracket represent cash outflow		

As per on Separate report of even date annexed

For **AGRAWAL ATUL & ASSOCIATES**

Chartered Accountants

Sd/-

(CA ATUL AGRAWAL, FCA)

Partner

Place : Delhi

Date : 28.06.2008

For and on behalf of Board of Directors

Sd/-

Sudhish Kumar
Managing Director

Sd/-

Neeraj Tiwari
Director

Sd/-

Gyan Sheel
Company Secretary**AUDITORS' CERTIFICATE**

We have verified the annexed Cash Flow Statement of Alchemist Corporation Ltd. (Formerly known as Haryana Fibres Ltd.) for the year ended 31st March' 2008 together with the notes thereon. This statement is derived from the audited accounts of the Company for the period ended 31st March'2008 and has been prepared in accordance with the requirement prescribed by the Securities and Exchange Board of India (SEBI)

For **AGRAWAL ATUL & ASSOCIATES**

Chartered Accountants

Sd/-

(CA ATUL AGRAWAL, FCA)
Partner

Place : Delhi

Date : 28.06.2008

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No.	:	55768	State Code	:	55
Balance Sheet Date	:	31/03/2008			

II. Capital raised during the year (Amount in Rs. Lacs)

Public Issue	:	NIL	Right Issue	:	NIL
Bonus Issue	:	NIL	Private Placement	:	NIL

III. Positions of mobilisation and deployment of funds (Amount in Rs.lacs)

Total liabilities	:	616.65	Total assets	:	616.65
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Source of funds

Paid-up capital	:	491.43	Reserves and surplus	:	125.22
Share Application Money	:	—	Unsecured loans	:	—

Application of funds

Net fixed assets	:	28.90	Investments	:	491.59
Net current assets	:	33.54	Deferred Tax Assets	:	62.63
Accumulated losses	:	—			

IV. Performance of company (Amount in Rs. Lacs)

Turnover	:	2,990.09	Total Expenditure	:	2,428.00
Profit/loss before tax	:	562.09	Profit/loss after tax	:	498.95
Earning per share in Rs.	:	10.16	Dividend rate %	:	NIL

V. Generic names of two principal products/services of company (as per monetary terms)

Item Code No.	:	6304	
(ITC Code)	:	6304	
Product description	:	Furnishing Fabrics	
Item Code No.	:	7404	
(ITC Code)	:	7404	
Product description	:	Ferrous & Non Ferrous Metals	

For **AGRAWAL ATUL & ASSOCIATES**
Chartered Accountants

For and on behalf of Board of Directors

Sd/-
(CA ATUL AGRAWAL, FCA)
Partner

Sd/-
Sudhish Kumar
Managing Director

Sd/-
Neeraj Tiwari
Director

Sd/-
Gyan Sheel
Company Secretary

Place : Delhi
Date : 28.06.2008

ALCHEMIST CORPORATION LIMITED*(FORMERLY KNOWN AS HARYANA FIBRES LIMITED)***STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956
RELATED TO SUBSIDIARY COMPANIES**

S.No.	Particulars	Kautilya Infotech Limited	Alchemist Metals Ltd. (Formerly known as TDT Copper Limited)
1	Financial year ended on	31/03/2008	31/03/2008
2	Shares of the Subsidiary held by the Company on the above date		
	a. Number of shares	269300	72323700
	b. Face value per share	Rs. 10/-	Rs. 2.50/-
	c. Extent of holding	53.86%	54.35%
3	The net aggregate of profit/(loss) of the subsidiary so far as they concern to the members of the Company:	(Rs. in Lacs)	(Rs. in Lacs)
	a. Dealt within the accounts of the Company for the year ended 31 st March, 2008	(0.32)	7.45
	b. Not dealt within the accounts of the Company for the year ended 31 st March, 2008	Nil	Nil
4	The net aggregate of profit/(loss) of the subsidiary of the previous Financial Years, since it became subsidiary so far as they concern to the members of the Company:	(Rs. in Lacs)	(Rs. in Lacs)
	a. Dealt within the accounts of the Company for the year ended 31 st March, 2008	(37.62)	8109.38
	b. Not dealt within the accounts of the Company for the year ended 31 st March, 2008	Nil	Nil
5	Changes in the holding Company's interest in the Subsidiary between the end of financial year of the subsidiary and the end of the holding Company's financial year	As the financial year of the Subsidiary Company coincides with the financial year of the Holding Company, Section 212(5) of the Companies Act, 1956 is not applicable.	As the financial year of the Subsidiary Company coincides with the financial year of the Holding Company, Section 212(5) of the Companies Act, 1956 is not applicable
6	Material changes which have occurred between the end of the aforesaid financial year of the subsidiary and the end of the holding Company's financial year in respect of :	As the financial year of the Subsidiary Company coincides with the financial year of the Holding Company, Section 212(5) of the Companies Act, 1956 is not applicable	As the financial year of the Subsidiary Company coincides with the financial year of the Holding Company, Section 212(5) of the Companies Act, 1956 is not applicable
	a. the subsidiary's fixed assets		
	b. its investments		
	c. monies lent by the Subsidiary Company		
	d. the money borrowed by it for any purpose other than that of meeting current liabilities		

For and on behalf of Board of Directors

Place : Delhi
Date : 31.07.2008**Sd/-**
Sudhish Kumar
Managing Director**Sd/-**
Neeraj Tiwari
Director**Sd/-**
Gyan Sheel
Company Secretary

KAUTILYA INFOTECH LTD.

Regd. Office : 15, Mandakini, First Floor, NRI Complex, New Delhi – 110 019.

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors present the 12TH ANNUAL REPORT on the affairs of the Company together with the Audited Accounts for the financial year ended 31st March, 2008.

FINANCIAL RESULTS

During the year under review, your Company has incurred a loss of Rs. 31,899/- as against a loss of Rs. 94,581/- in the previous year.

DIRECTORS

Ms. Pooja Rastogi, Director of the Company retires by rotation and being eligible offer herself for re-appointment. Your directors recommend her re-appointment.

AUDITORS

M/s Ahmad Shukla Jain & Associates, Chartered Accountants, Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. A certificate under section 224(1B) of the Companies Act, 1956 regarding their eligibility for the proposed re-appointment has been obtained.

AUDITORS' REPORT

Comments made by the Statutory Auditors in the Auditors' Report dated 28th April, 2008 are self-explanatory and do not require any further clarification.

SECRETARIAL COMPLIANCE CERTIFICATE

In terms of the provisions of section 383A of the Companies Act, 1956 read with the Companies (Compliance Certificate) Rules, 2001, the Company has obtained the necessary Compliance Certificate from M/s Amit Gupta & Associates, Company Secretaries, Delhi. The Compliance Certificate dated 21st July, 2008 is annexed herewith and forms part of this Report. Comments made in the Compliance Certificate are self-explanatory and do not require any further clarification.

DIVIDEND

In view of loss suffered by the Company, your Directors regret their inability to recommend any dividend.

PUBLIC DEPOSITS

During the year under report, your Company did not accept any deposits from the public in terms of the provisions of section 58A & 58AA of the Companies Act, 1956.

MATERIAL CHANGES ETC.

Save as mentioned elsewhere in this Report, no material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company i.e. 31st March, 2008 and the date of this Report.

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

- a. Conservation of Energy & Technology Absorption: Since the Company is not engaged in any manufacturing activity during the year under review as well as in the previous year, issues relating to conservation of energy and technology absorption are not quite relevant to its functioning.
- b. Export Activities: There was no export activity in the Company during the year under review as well as in the previous year.

- c. **Foreign Exchange Earnings and Outgo:** There was no Foreign Exchange earnings and outgo during the year under review as well as in the previous year.

PARTICULARS OF EMPLOYEES

During the financial year under review, none of the Company's employees was in receipt of remuneration as prescribed under section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, and hence no particulars are required to be disclosed in this Report.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of the provisions of section 217(2AA) of the Companies Act, 1956, and to the best of their knowledge and belief and according to the information and explanations obtained by them and save as mentioned elsewhere in this Report, the attached Annual Accounts and the Auditors' Report thereon, your Directors confirm that:

- a. in preparation of the annual accounts, the applicable accounting standards have been followed;
- b. the Directors have 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 as at 31st March, 2008 and of the loss of the Company for the year ended on that date;
- c. the Directors have 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 fraud and other irregularities; and
- d. the Directors have prepared the Annual Accounts on a going concern basis.

ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation for the whole-hearted and sincere co-operation received from its Bankers, employees and shareholders.

For and on Behalf of the Board of Directors

Place : New Delhi
Date : 21.08.2008

Sd/-
Pooja Rastogi
Chairman

Amit Gupta & Associates
Company Secretaries
A-138, Ground Floor, Majlis Park, Delhi - 110 033

Phone : 011-64664673
9811014280
E-mail : amitacs@rediffmail.com

COMPLIANCE CERTIFICATE

Registration No.: 55-081342

Nominal Capital : Rs. 50,00,000/-

To The Members
KAUTILYA INFOTECH LIMITED
15, Mandakini, First Floor,
NRI complex, New Delhi-110034.

I have examined the registers, records, Books and papers of KAUTILYA INFOTECH LIMITED as required to be maintained under the Companies Act, 1956 (the Act and the Rules thereunder) and also the provisions contained in the Memorandum and Articles of Association of the company for the financial year ended on 31st March 2008. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the company, its officers and agents, I certify in respect of the aforesaid financial year: -

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The company has filed the forms and applicable returns as stated in Annexure 'B' to the certificate, with the Registrar of Companies.
3. The Company being a public limited company, the comments are not required.
4. The Board of Directors duly met 4 times on [17/05/2007, 30/07/2007, 16/11/2007 & 25/03/2008] in respect of which proper notices were given and proceedings were properly recorded and signed including circular resolutions passed in the minutes book maintained for the purpose.
5. The company was not required to close its Register of members, during the financial year under Scrutiny.
6. The Annual General Meeting of the financial year ended on 31.03.2007 was held on 27.09.2007 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra-General Meeting was held during the financial year.
8. The company has not advanced any loan to the directors and/or persons or firms or companies referred in the section 295 of the act.
9. The Company has not entered into any contracts falling within the purview of section 297 of the Act.
10. The company was not required to make any entries in the Register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, the company has not obtained any approval from the Members or Central Government.
12. The Company has not issued any duplicate share certificate, during the financial year.
13. The Company: -
 - a. has issued share certificates on transfer of shares as per law.
 - b. has not declared any dividend or interim dividend.
 - c. was not required to post warrants to any members of the company as no dividend was declared during the year.
 - d. was not required to transfer any amount in Investor Protection Fund as there is no amount outstanding in unpaid dividend account, application money due for refund, matured deposits, matured debenture and interest thereon,
 - e. has duly complied with the requirement of section 217 of the Act.
14. The Board of directors of the Company is duly constituted and there is not any appointment of Director/Additional Director.
15. The Company has not appointed any Managing director/ Whole-time Director during the financial year.
16. The company has not appointed any sole-selling agents during the financial year.
17. The Company was not required to obtain approval of Central Government, Company Law Board or any other authority designated under the Act, during the financial year.
18. The directors have disclosed their interest in other firms/ companies to the board of Directors pursuant to the provisions of the Act and the rules made there under.

ALCHEMIST CORPORATION LIMITED **KAUTILYA INFOTECH LTD.**
(FORMERLY KNOWN AS HARYANA FIBRES LIMITED)

19. The Company has not issued any Securities during the Financial Year under Scrutiny.
20. The company has not bought back any shares during the financial year.
21. There company has not issued any preference shares/ debentures.
22. There was no transaction necessitating the company to keep in abeyance rights to dividend, rights shares or bonus shares pending registration of transfer of shares.
23. The company has not invited / accepted any deposits including any unsecured loans falling within the purview of section 58 A during the financial year.
24. The Company has not made any borrowing during the financial year ended 31st March, 2008.
25. The company has duly complied with the Provisions of Sec 372A of the Act.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the company's registered office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the company, during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to the name of the company, during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to the share capital of the company, during the year under scrutiny.
30. The company has not altered its Articles of Association during the financial year.
31. There was no prosecution initiated against or show cause notices received by the company, no fines and penalties or any other punishment imposed on the company during the financial year for the offences under the Act.
32. The company has not received any money as security from its employees during the financial year.
33. The Provision of Provident Fund Act & E.S.I. is not applicable on the Company.

For **AMIT GUPTA & ASSOCIATES**

Company Secretaries

Sd/-

(AMIT GUPTA)

Prop.

C.P. 5470

Place : Delhi

Date : 21.08.2008

ANNEXURE 'A'

Registers as maintained by the company

1. Register of members U/S 150
2. Minute Books of Board of Directors U/S 193
3. Minute Books of Proceedings of General Meeting U/S 193 & 196
4. Books of Accounts U/S 209 (1) & 209 A(1)
5. Register of Managing Director, Manager Secretary and Directors U/S 303(1) & 304 (1)
6. Register of Directors shareholding U/S 307(1)
7. Register of Directors Shareholding.
8. Register of Fixed Assets

ANNEXURE 'B'

Forms and returns as filed by the company with the Registrar of Companies, Regional Director, Central Government, or other authorities during the financial year ending on 31st March 2008.

1. Annual Returns for the year 2006-07 u/s 159 as per Schedule V was filed on 24.11.2007.
2. Annual Accounts for the year 2006-07 u/s 220 as per Schedule VI is filed on 24.10.2007.
3. Compliance Certificate for the Year 2006-07 u/s 383A is filed on 24.10.2007.

Ahmad Shukla Jain & Associates**CHARTERED ACCOUNTANTS**

Tel. No. : 25812817
303, 1/926, Naiwala, Karol Bagh,
New Delhi-110005

AUDITORS' REPORT TO THE MEMBERS

We have audited the attached Balance Sheet of M/s. KAUTILYA INFOTECH LIMITED as on 31st March, 2008 and the Profit & Loss Account of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit:

We conduct our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes assessing the accounting principles used and significant estimates made by the management as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies Auditor's Report Order, 2003 issued by the Central Govt. in terms of Section 227 (4A) of the Companies Act 1956, we enclose in the Annexure a statement on the matters specified in the said order.
2. Further to our comments in the Annexure referred to in Paragraph 1 & 2 above we state that.
 - a) We have 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 such books.
 - c) The Balance Sheet and the Profit & Loss Account referred to in this report are in agreement with the books of accounts.
 - d) We are of the opinion that the Profit & Loss account and the Balance Sheet referred to in this report comply with the Accounting Standards referred to in Sec. 211 (3C) of the Companies Act, 1956.
 - e) As per the explanation given to us, none of the directors is disqualified as on 31st March 2008 from being appointed as a Director U/S 274 (1)(g) of the Companies Act, 1956.
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet and the Profit & Loss Account read together with the notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view: -
 - i) In so far as it relates to the Balance Sheet of the state of affairs of the company as at 31st March, 2008 and
 - ii) In so far as it relates to the Profit & Loss Account, of the Loss of the company for the year ended on that date.

For **AHMAD SHUKLA JAIN & ASSOCIATES**
CHARTERED ACCOUNTANTS

Sd/-
(DEEPAK JAIN)
PARTNER

Place : New Delhi
Date : 28.04.2008

Annexure to the Auditor's Report of even date on the accounts of M/s KAUTILYA INFOTECH LIMITED For the period ended 31st March 2008.

(Referred to in Paragraph (1) of our Report of even date)

1. The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
2. These fixed assets have been physically verified by the management at reasonable intervals. No material discrepancies have been noticed on such verification.
3. No substantial part of fixed assets have been disposed off during the year, affecting the going concern.
4. The Inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.

5. The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
6. The company is maintaining the proper records of inventory and no discrepancies were noticed on verification between the physical stocks and book records.
7. As per the records maintained and explanation given to us, The company has not taken / given any loan secured or unsecured to / from companies, firms or other parties covered in the Register maintained under Section 301.
8. During the year, there are no transaction related to purchase of inventory, fixed assets and for the sale of goods, however, the internal control procedures of the company are commensurate with the size of the company and nature of its business.
9. There is no transaction, which requires to be entered into a register in pursuance of section 301 of the Act.
10. During the period under audit, the company has not accepted any deposits from the public as per the provision of sections 58A & 58AA of the Act and the rules framed there under.
11. In our opinion, as per information and explanations given to us, the internal audit system is commensurate with the size of the company and nature of its business.
12. According to the explanations given to us by the management, the Central Government has not prescribed maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956.
13. According to the information and explanations given to us, rules relating to PF and Employees' State Insurance are not applicable to the company. No Income Tax, Wealth Tax, Sales Tax, Custom Duties, Excise Duties and cess dues were outstanding at the year-end. The company has no arrears of outstanding statutory dues with the appropriate authorities as at the last day of the financial year concerned for a period of more than six months from the date they became payable.
14. There are no dues of sales tax / income tax / custom tax / wealth tax / excise duty/ cess which have not been deposited on account of any dispute.
15. The company has accumulated losses. The company has incurred cash losses during the year and in the immediately preceding financial year.
16. The company has no dues to a financial institution or bank or debenture holders.
17. The Company has not granted loans and advances on the basis of security by way of pledge of shares, debenture or other securities.
18. In our opinion , the company is not a chit fund or a nidhi or mutual benefit fund / society, therefore, the provision of clause 4 (xiii) of the Companies (Auditor's Report) order 2003 are nor applicable to the company.
19. In our opinion and as per explanations given to us, the Company is not dealing in or trading in shares, securities , debentures and other investments since the company purchase investments with a view to hold such investments to earn income from dividend etc.
20. The company has not given any guarantee for loans taken by the other from any bank or financial institution.
21. No term loan was raised during the year.
22. According to overall examination of accounts of the company no fund raised for the short term basis has been used for long term investments and no long term funds has been used to finance short term assets except permanent working capital.
23. The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under sections 301 of the Act.
24. As per the records maintained and explanation given to us, no fraud on or by the company has been noticed or reported during the year.
25. Other provisions of the order are not applicable to the company.

For **AHMAD SHUKLA JAIN & ASSOCIATES**
CHARTERED ACCOUNTANTS

Sd/-
(DEEPAK JAIN)
PARTNER

Place : New Delhi
Date : 28.04.2008

KAUTILYA INFOTECH LTD.

BALANCE SHEET AS AT 31ST MARCH, 2008

Description	Schedule	Amount As on 31.03.2008	Amount As on 31.03.2007
<u>SOURCES OF FUNDS</u>			
SHAREHOLDER'S FUNDS			
Share Capital	A	5000000.00	5000000.00
TOTAL		5000000.00	5000000.00
<u>APPLICATION OF FUNDS</u>			
(1) Fixed Assets	B		
Gross Block		265535.00	677945.00
Less : Depreciation		111302.00	506904.00
Net Block		154233.00	171041.00
(2) Investment	C	1000150.00	1000150.00
(3) Current Assets, Loan & Advances			
Inventories	D	12500000.00	0.00
Cash and Bank Balances	E	55234.16	70325.16
Loans and Advances	F	500000.00	0.00
		13055234.16	70325.16
Less : Current Liabilities & Provisions	G	13003371.00	3371.00
Net Current Assets		51863.16	66954.16
Profit & Loss Account		3793753.84	3761854.84
TOTAL		5000000.00	5000000.00

Notes to Accounts J

Schedule A to G and J forms an intergral part of the Balance Sheet

As per our report of even date annexed

For **Ahmad Shukla Jain & Associates**
Chartered Accountants

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Sd/-
(DEEPAK JAIN)
Partner

Sd/-
(VIR BHUSHAN RASTOGI)
Director

Sd/-
(SUDHISH KUMAR)
Director

Place : New Delhi
Date : 28.04.2008

KAUTILYA INFOTECH LTD.
PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDING 31ST MARCH, 2008

Description	Schedule	Amount As on 31.03.2008	Amount As on 31.03.2007
INCOME			
Sales		0.00	0.00
Increase in Stock	H	12500000.00	0.00
TOTAL		12500000.00	0.00
EXPENDITURE			
Purchases		12500000.00	0.00
Administrative Expenses	I	15091.00	10958.00
Depreciation		16808.00	83623.00
TOTAL		12531899.00	94581.00
Profit / Loss before Taxation		-31899.00	-94581.00
Add : Balance Carried from previous year		-3761854.84	-3667273.84
		-3793753.84	-3761854.84

Notes to Accounts

J

Schedule H to J forms an Integral part of the Profit & Loss Account

As per our report of even date annexed

For **Ahmad Shukla Jain & Associates**
Chartered Accountants

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Sd/-
(DEEPAK JAIN)
Partner

Sd/-
(VIR BHUSHAN RASTOGI)
Director

Sd/-
(SUDHISH KUMAR)
Director

Place : New Delhi
Date : 28.04.2008

KAUTILYA INFOTECH LTD.

SCHEDULE FORMINIG PART OF BALANCE SHEET AS ON 31ST MARCH 2008

Description	Amount As on 31.03.2008	Amount As on 31.03.2007
SCHEDUEL "A" : SHARE CAPITAL		
1. AUTHORISED CAPITAL		
5,00,000 Equity Shares of Rs. 10/- each	5000000.00	5000000.00
(Previous year 5,00,000 Equity shares of Rs. 10/- each)		
2. ISSUED , SUBSCRIBED & PAID UP		
5,00,000 Equity Shares of Rs. 10/- each	5000000.00	5000000.00
(Previous year 5,00,000 Equity shares of Rs. 10/- each)		
As per Balance Sheet	5000000.00	5000000.00

SCHEDULE 'B': FIXED ASSETS

Description	Rate of Dep. %	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As on 01.04.2007	Additions	Deletion	Total As On 31.03.2008	Upto 31.03.2007	For the Period	Deletion	Total as on 31.03.2008	As on 31.03.2008	As on 31.03.2007
Furniture & Fixture	6.33	265535.00	0.00	0.00	265535.00	94494.00	16808.00	0.00	111302.00	154233.00	171041.00
Total		265535.00	0.00	0.00	265535.00	94494.00	16808.00	0.00	111302.00	154233.00	171041.00
Previous Year		677945.00	0.00	0.00	677945.00	423281.00	83623.00	0.00	506904.00	171041.00	

SCHEDULE "C" : INVESTMENTS

Name of the Company	No. of Share		No. of Share	
UNQUOTED (Face Value Rs 10/- each)				
TDT Copper Ltd	33000	150.00	33000	150.00
Ritvic Fincom Pvt Ltd.	100000	1000000.00	100000	1000000.00
As per Balance Sheet		1000150.00		1000150.00

SCHEDULE "D" : INVENTORIES

Inventory of Stores	12500000.00	0.00
(As taken, valued and certified by the Management)		
As per Balance Sheet	12500000.00	0.00

ALCHEMIST CORPORATION LIMITED **KAUTILYA INFOTECH LTD.**
(FORMERLY KNOWN AS HARYANA FIBRES LIMITED)

Description	Amount As on 31.03.2008	Amount As on 31.03.2007
<u>SCHEDULE "E" : CASH & BANK BALANCE</u>		
— Cash in Hand	44345.50	59436.50
— With Schedule Banks in Current Account	10888.66	10888.66
As per Balance Sheet	<u>55234.16</u>	<u>70325.16</u>
<u>SCHEDULE "F" : LOANS & ADVANCES</u>		
Advances recoverable in cash or kind or value to be received	500000.00	0.00
	<u>500000.00</u>	<u>0.00</u>
<u>SCHEDULE "G" : CURRENT LIABILITIES AND PROVISIONS</u>		
CURRENT LIABILITIES		
i) Sundry Creditors for SSI Unit	0.00	0.00
ii) Sundry Creditors for Others	13000000.00	0.00
iii) Other Current Liabilities	3371.00	3371.00
As per Balance Sheet	<u>13003371.00</u>	<u>3371.00</u>
<u>SCHEDULE "H" : INCREASE / (DECREASE) IN STOCK</u>		
Opening Stock	—	—
Closing Stock	12500000.00	0.00
Increase / (Decrease) in Stock	<u>12500000.00</u>	<u>0.00</u>
<u>SCHEDULE "I" : ADMINISTRATIVE EXPENSES</u>		
Audit Fee	3371.00	3371.00
Conveyance Expenses	1913.00	823.00
Legal & Professional Charges	1100.00	1684.00
Miscellaneous Expenses	2608.00	2189.00
Entertainment Expenses	965.00	346.00
FBT Expenses	0.00	165.00
Printing & Stationery	1351.00	739.00
Postage & Telegrams	655.00	478.00
Telephone Expenses	3128.00	1163.00
As per Profit & Loss A/c	<u>15091.00</u>	<u>10958.00</u>

SCHEDULE 'J' : ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

A. ACCOUNTING POLICIES :

1. Basis of Preparation of Financial Statements:

- a) The financial statements have been prepared under the historical cost convention in accordance with the Indian Generally Accepted Accounting Principles (GAAP) comprising of the Accounting Standards issued by the Institute of Chartered Accountants of India and provisions of the Companies Act, 1956 as adopted consistently by the Company.
- b) The Company follows mercantile systems of accounting and recognises significant items of income and expenditure on accrual basis except claims and dividend which are accounted for on cash basis.

2. Valuation of Inventory :

Inventories are valued at the lower of cost or net realisable value.

3. Investments :

Investments have been classified as long term investments and valued at cost unless there is a permanent fall in the value as at the date of the Balance Sheet.

4. Fixed Assets:

- a) Fixed Assets are stated at their original cost of acquisition less accumulated depreciation.
- b) Depreciation : Depreciation on fixed assets is provided at the rates & manner prescribed in schedule XIV to the Companies Act, 1956. The method of providing depreciation is Straight Line Method (S.L.M.). The depreciation on the assets acquired during the year has been calculated on pro rata basis from the date of acquisition.

5. Amortisation of Preliminary Expenses:

Preliminary expenses are amortised over a period of five years in accordance with the provision of Section 35D of the Income Tax Act, 1961.

6. Retirement Benefits:

The liability on account of retirement benefits such as provident fund, gratuity, encashment of leaves, Superannuations etc. are accounted for on cash basis and not on accrual basis.

7. Revenue Recognition:

Items of revenue are recognised in accordance with the Accounting Standards (AS-9). Accordingly wherever there are uncertainties in realisation, the same is not accounted for.

8. Taxation:

In view of Net loss incurred during the year no provision for tax has been made.

9. Deferred Tax Liabilities:

No provision has been made for tax liabilities due to current losses. No deferred Tax Assets on carried forward losses have been recognized in the absence of reasonable certainty about future taxable income.

B) NOTES TO ACCOUNTS :

- (1) Previous year figures have been regrouped / rearranged wherever necessary.
- (2) There are no Liabilities of Contingent nature as explained by the Management.
- (3) Management is of the opinion that Current Assets, Loan and Advances are stated in the Balance Sheet at an amount which is at least equal to the amount expected to be realised in the ordinary course of business.
- (4) The Computation of Profit u/s 349 of the Companies Act, 1956 has not been made, as no commission is payable to any director.
- (5) Additional information pursuant to provisions of Part-II of schedules VI of Companies Act 1956 as certified by the management on which auditors have placed reliance are as under:

ALCHEMIST CORPORATION LIMITED **KAUTILYA INFOTECH LTD.**
(Formerly known as HARYANA FIBRES LIMITED)

	2007-2008 (fig.in Rs.)	2006-2007 (fig.in Rs.)
(i) Foreign Exchange Earning / Expenses :		
a) Foreign Exchange Earning		
— FOB Value of Exports	-NIL-	- NIL -
b) Foreign Exchange Expenditure		
— CIF Value of Import	-NIL-	- NIL -
(ii) Payment to Auditors		
Audit Fees (including Service Tax)	3,371/-	3,371/-
(iii) Information pursuant to provisions of Part-II of schedules VI of Companies Act 1956 Particulars in respect of purchases, sales and stock of finished goods opening stock.		

	2007-2008		2006-2007	
	Qty.	(Rs.)	Qty.	(Rs.)
Opening Stock	NIL	NIL	NIL	NIL
Purchases				
Software Licenses with User pack (Speed)	1	4300000/-	NIL	NIL
Software Licenses with User pack (Team Connect)	1	8200000/-	NIL	NIL
		<u>12500000/-</u>		<u>NIL</u>
Sales	NIL	NIL	NIL	NIL
Closing Stock				
Software Licenses with User pack (Speed)	1	4300000/-	NIL	NIL
Software Licenses with User pack (Team Connect)	1	8200000/-	NIL	NIL
		<u>12500000/-</u>		<u>NIL</u>

As per our report of even date annexed

For **Ahmad Shukla Jain & Associates**
Chartered Accountants

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Sd/-
(DEEPAK JAIN)
Partner

Sd/-
(VIR BHUSHAN RASTOGI)
Director

Sd/-
(SUDHISH KUMAR)
Director

Place : New Delhi
Date : 28.04.2008

KAUTILYA INFOTECH LTD.
BALANCE SHEET ABSTRACT AND COMPANIES GENERAL BUSINESS PROFILE AS
PER SCHEDULE VI, PART IV OF THE COMPANIES ACT, 1956.

I. Registration Details

Registration No.	:	55-27811	State Code	:	55
Balance Sheet Date	:	31st March 2008			

II. Capital raised during the year (Amount in Rs Thousands)

Public Issued	:	NIL	Bonus Issue	:	NIL
Right Issue	:	NIL	Private Placement	:	NIL

III. Position of Mobilisation and deployment of funds (Amount in Rs. Thousands)

Total Liabilities	:	5000.00	Total Assets	:	5000.00
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SOURCES OF FUNDS

Paid up Capital	:	5000.00	Reserve & Surplus	:	0.00
Secured Loan	:	0.00	Unsecured Loan	:	0.00

APPLICATION OF FUNDS

Net Fixed Assets	:	154.23	Investment	:	1000.15
Net Current Assets	:	51.86	Miscellaneous Expenditure (To the extent not written off)	:	0.00
Profit & Loss Account	:	3793.75			

IV. Performance of the Company (Amount in Rs Thousands)

Turnover including other income	:	12500	Total Expenditure	:	12531.90
Loss / Profit before tax	:	-31.90	Loss after tax	:	-31.90
Earning per Share (annualised) Rs.	:	NIL	Dividend % (Proposed)	:	NIL

V. Generic Names of Three Principal Products/Services of the Company (in monetary terms)

Item Code No. (ITC Code)	:	892.3
Product Description	:	Computer Software

As per our report of even date annexed

For **Ahmad Shukla Jain & Associates**
Chartered Accountants

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Sd/-
(DEEPAK JAIN)
Partner

Sd/-
(VIR BHUSHAN RASTOGI)
Director

Sd/-
(SUDHISH KUMAR)
Director

Place : New Delhi
Date : 28.04.2008

ALCHEMIST METALS LIMITED

(Formerly known as TDT COPPER LIMITED)
Regd. Office: A-203, New Ashok Nagar, Delhi -110096

DIRECTORS' REPORT

Dear Shareholders,

Your directors have pleasure in presenting the Annual Report together with Audited Accounts for the year ended 31st March 2008.

FINANCIAL RESULTS	(Rs. In lacs)	
	2007-08	2006-07
Sales & Other Income	1,229.04	842.71
Profit / (Loss) before Depreciation	7.48	37.59
Less : Depreciation	—	262.42
Less : Provision for Income Tax / FBT	0.03	0.02
Profit/(Loss) after Tax for the year	7.45	(224.85)

During the year under review, your Company achieved a trading turnover of Rs 1,229.04 lacs as against Rs. 842.71 lacs during the previous year. The net profit for the period under review was Rs. 7.45 lacs without providing Depreciation as against net loss of Rs. 224.85 lacs during the previous year after providing depreciation of Rs. 262.42 lakhs.

DIRECTORS

Mr. Ved Prakash, Director of the Company retires by rotation and being eligible offers himself for re-appointment. Your directors recommend his re-appointment.

AUDITORS

M/s J P G & Associates, Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and have offered themselves for reappointment. The Company has received the requisite certificate from them to the effect that their appointment, if made, will be within the limits stipulated under section 224 (1B) of the Companies Act, 1956.

DIVIDEND

In view of accumulated loss of the Company, your Directors regret their inability to recommend any dividend.

FIXED DEPOSITS

During the year under review, the Company has not accepted any deposit under Section 58A & 58AA of the Companies Act, 1956 read with Companies (Acceptance of Deposit) Rules, 1975.

AUDITORS' REPORT

As regards the observation in respect of old outstanding of Rs. 57,62,242/- recoverable from insurance company, made by the Auditors in their report dated 21st April, 2008 it is clarified that the management is of the view that these amounts are recoverable and hence no provision for its doubtfulness was necessary as stated under Note No. 2 in the Schedule 15(B) of the Balance Sheet for the year under review.

As regards the observation in respect of "Sales Tax Demand" made by the Auditors in their Report dated 21st April, 2008 it is clarified that the said sales tax demand has been shown in the Balance Sheet under the head Contingent Liability and that an appeal against the demand is pending before the Hon'ble High Court of Punjab & Haryana, Chandigarh as stated under Note No. 8 in Schedule 15(B) of the Balance Sheet under review.

As regards the observation in respect of non-provision of Depreciation on Fixed Assets of Rs. 2,62,42,002/- made by the Auditors in their Report dated 21st April, 2008 it is clarified that since the unit was not in operation hence no depreciation has been provided as stated under Note No. 9 in Schedule 15(B) of the Balance Sheet under review.

AUDIT COMMITTEE

The Company has constituted an audit committee as required under Section 292A of the Companies Act, 1956, comprising of Mr. K.C.Gupta, Mr Vir Bhushan and Mr. Sudhish Kumar, Directors of the Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

- a. Conservation of Energy & Technology Absorption: Since the Company has not carried any manufacturing activity during the year under review as well as in the previous year, issues relating to conservation of energy & technology absorption are not quite relevant to it's functioning.
- b. Export Activities: There was no export activity in the Company during the year under review as well as previous year.
- c. Foreign Exchange Earnings and Outgo: There was no Foreign Exchange Earnings and outgo during the year under review as well as in the previous year.

PARTICULARS OF EMPLOYEES

Provisions of Section 217(2A) of the Companies Act 1956, read with Companies (Particulars of Employees) Rules 1975, are not applicable to your Company as no employee of the Company is drawing remuneration equal to or more than the limit specified under Companies (Particulars of Employees) Rules, 1975.

RESPONSIBILITY STATEMENT OF THE BOARD OF DIRECTORS

In terms of provisions of Section 217 (2AA) of the Companies Act, 1956, your directors hereby confirm as under:

1. That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures; if any,
2. The Directors have selected and applied accounting policies and applied them consistently and have made judgments and estimates that are reasonable and prudent in respect to the industry so as to give a true and fair view of the state of affairs of the Company and Profit or Loss account as at the date of Balance Sheet.
3. That the directors had taken proper and sufficient care for;
 - (a) The maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956.
 - (b) Safeguarding the assets of the Company and
 - (c) Preventing and detecting fraud and other irregularities;
4. That the directors had prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENT

The Board of Directors record their appreciation of the co-operation extended by all the Government Authorities and Bankers of the Company. They also record their appreciation for the devoted services rendered by the employees of the Company.

For and on behalf of the Board of Directors

Sd/-
SUDHISH KUMAR
Chairman

Place : Delhi
Dated : 25.08.2008

AUDITOR'S REPORT

To the Members of **M/S ALCHEMIST METALS LIMITED (FORMERLY KNOWN AS TDT COPPER LIMITED)**

1. We have audited the attached Balance Sheet of ALCHEMIST METALS LIMITED (FORMERLY KNOWN AS TDT COPPER LIMITED) as at 31st March 2008 and also the Profit & Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
As stated in note no. 2 of Schedule 15 (B) of the financial statements, an old outstanding Rs.5762242/- recoverable from insurance company has been considered doubtful for recovery but no provision has been created. We are unable to form our opinion on the recoverability of the same.
As stated in note no.9 of Schedule 15 (B) of the financial statements, depreciation amounting to Rs.26242002/- has not been provided by the company during the year.
If the aforesaid depreciation would have been provided by the company there would have been a loss of Rs.25496522/- for the year instead of profit of Rs.745480/- and net block of Fixed assets would have been Rs.1004039534/- instead of Rs.1030281536/-.
We draw attention to note 1 of schedule 15 (B) of the financial statements, the company has not been able to start its operations since long. However, the company has started some trading activities and is taking effective steps for converting the unit into EOU and negotiating with the various banks for finance arrangements to restart the unit.
- 3) As required by the Companies (Auditor's Report) Order 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure hereto a statement on the matters specified in paragraphs 4 & 5 of the said order.

Further to our Comments in the Annexure referred to above, we report that :-

- (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes 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 Company's Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of accounts;
- (d) In our opinion, the Balance Sheet, and Profit and Loss Account dealt with by this report comply with the accounting standards referred to in sub-section (3c) of section 211 of the Companies Act, 1956.
- (e) On the basis of written representations received from the directors, as on 31st March 2008 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2008 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- (f) In the absence of any notification in the Official Gazette by the Central Government no cess is payable u/s 441A by the Companies Act, 1956 for the year ended 31.03.2008.

In our opinion and to the best of our information and according to the explanations given to us, subject to the effect on the financial statements of the matters referred to in preceding paragraph, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :-

- (a) In the case of the Balance Sheet, of the state of affairs of the company as at 31st March 2008.
- (b) In the case of the Profit and Loss Account, of the Profit for the year ended on that date.

For **J P G & ASSOCIATES**
Chartered Accountants
Sd/-
(J. P. GUPTA)
Prop.
M No. 85303

Place : New Delhi
Date : 21-04-2008

ANNEXURE

REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE,

- 1) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) All the fixed assets of the company have been physically verified by the management during the year according to a regular programme of verification which, in our opinion is reasonable having regard to the size of the company and the nature of its business. No material discrepancies were noticed on such verification.
(c) During the year, the company has not disposed off any part of the plant and machinery.
- 2) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
(b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
(c) The company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- 3) (a) According to the information and explanations given to us, the company has taken loan from companies covered in the register maintained under section 301 of the companies Act, 1956. There are no firms covered in the register maintained under section 301 of the Companies Act, 1956 to which the company has granted loans.
(b) In our opinion, the rate of interest and other terms and conditions on which loans have been taken from/ granted to companies, firms or other parties listed in the register maintained under section 301 of the companies Act, 1956 are not, prima facie, prejudicial to the interest of the company.
(c) The company is regular in repaying the principal amounts as stipulated and has been regular in the payment of interest.
- 4) In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- 5) (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- 6) In our opinion and according to the information and explanations given to us, the provisions of sections 58A and 58AA of the Companies Act and Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits are not applicable to company.
- 7) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- 8) According to the information & explanation given to us the Rules made by the Central Government for the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 are not applicable to the company.
- 9) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees's state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, cess and their material statutory dues applicable to it. According to the information and explanation given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty, excise duty and cess were in arrears, as at 31.03.2008 for a period of more than six months from the date they became payable.
(b) According to the records of the company the dues outstanding of Sales Tax, Income Tax, Wealth Tax, Service Tax, Custom duty, Excise duty and Cess on account of any dispute, are as under:

— ALCHEMIST CORPORATION LIMITED — ALCHEMIST METALS LTD.
(Formerly known as HARYANA FIBRES LIMITED)

Demand of Rs. 124073134/- including interest of Rs.60842959/-for the assessment year 1996-97 to 2002-03 was raised by Sales Tax Department on 15.09.2003.The company has disputed the demand and deposited Rs.14000000/-under protest. The matter is pending before the Hon'ble High Court of Punjab and Haryana, Chandigarh.

- 10) In our opinion, the accumulated losses of the company are not more than fifty percent of its net worth . The company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- 11) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- 12) We are of the opinion that the company has not granted loans and advances on the basis of the security by way of pledge of shares, debentures and other securities .
- 13) In our opinion, the company is not a chit fund or a nidhi mutual benefit fund / society. Therefore the provisions of clause 4(xiii) of the Companies (Auditor's Report) order 2003 are not applicable to the company .
- 14) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments . Accordingly, the provisions of clause (4xiv) of the Companies (Auditor 's Report) Order, 2003 are not applicable to the company.
- 15) In our opinion , the terms & conditions on which the company has given gurantees for loans taken by others , from banks and financial institutions are not prejudicial to the interest of the company.
- 16) In our opinion, the term loans have been applied for the purpose for which they were raised.
- 17) According to the information and explanation given to us, no short-term loans have been used for long-term investment and vice versa.
- 18) According to the information and explanations given to us , the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- 19) According to the information and explanations given to us, during the period covered by our audit report, the company had not issued any debentures.
- 20) Company has not raised any money from public issue.
- 21) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

Place : New Delhi
Date : 21-04-2008

For J P G & ASSOCIATES
Chartered Accountants
Sd/-
(J. P. GUPTA)
Prop.
M No. 85303

ALCHEMIST METALS LIMITED

(Formerly known as TDT COPPER LIMITED)

Regd. Office: A-203, New Ashok Nagar, Delhi -110096

BALANCE SHEET AS AT 31.03.2008

Particulars	Schedule	As At 31-Mar.-2008 (Rupees)	As At 31-Mar.-2007 (Rupees)
<u>SOURCES OF FUNDS</u>			
Share Capital	1	392,650,000	332,650,000
Reserves & Surplus	2	747,772,690	778,990,233
<u>Loan Funds</u>			
Unsecured Loans	3	1,087,295	1,029,754
		<u>1,141,509,985</u>	<u>1,112,669,987</u>
<u>APPLICATION OF FUNDS</u>			
1. Fixed Assets	4		
Gross Block		1,406,865,555	1,406,865,555
Less : Depreciation		376,584,019	344,620,996
Net Block		<u>1,030,281,536</u>	<u>1,062,244,559</u>
2. Current Assets, Loans & Advances			
Inventories	5	23,115,723	13,971,188
Sundry Debtors	6	47,128,771	52,744,116
Cash and Bank Balances	7	457,123	35,610
Loans and Advances	8	61,132,046	34,625,732
		<u>131,833,664</u>	<u>101,376,645</u>
Less :Current Liabilities & Provisions	9	20,605,214	50,951,216
Net Current Assets		<u>111,228,450</u>	<u>50,425,429</u>
		<u>1,141,509,985</u>	<u>1,112,669,987</u>
Significant Accounting Policies & Notes on Accounts	15		

As per our Seprate Report of even date attached

For J P G & ASSOCIATES
Chartered Accountants

For and on Behalf of the Board of Directors

Sd/-
J. P. GUPTA
Proprietor

Sd/-
K. C. GUPTA
Managing Director
& Company Secretary

Sd/-
SUDHISH KUMAR
Director

Place : Delhi
Dated : 21.04.2008

ALCHEMIST METALS LIMITED

(Formerly known as TDT COPPER LIMITED)

Regd. Office: A-203, New Ashok Nagar, Delhi -110096

PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED 31.03.2008

	Schedule	For the period ended 31.03.2008 (Rupees)	For the year ended 31.03.2007 (Rupees)
<u>INCOME</u>			
Sales		113,759,636	81,612,558
Other Income	10	—	2,658,251
Increase / (Decrease) in Stocks	11	9,144,535	—
		<u>122,904,171</u>	<u>84,270,809</u>
<u>EXPENDITURE</u>			
Purchases		119,785,413	79,632,825
Payments & Benefits to Employees	12	292,767	210,662
Administrative, Selling & Other Expenses	13	1,985,120	556,788
Interest & Finance charges	14	92,342	111,455
		<u>122,155,641</u>	<u>80,511,730</u>
Profit /(Loss) before depreciation		748,530	3,759,079
Depreciation		—	26,242,002
Profit /(Loss) before tax		<u>748,530</u>	<u>(22,482,923)</u>
Income Tax / FBT		3,050	1,842
Profit/(Loss) after tax		<u>745,480</u>	<u>(22,484,765)</u>
Profit/(Loss) carried to Reserves & Surplus		<u>745,480</u>	<u>(22,484,765)</u>
Basic/Diluted Earning Per Share		0.01	(0.17)
Significant Accounting Policies & Notes on Accounts	15		

As per our Separate Report of even date attached

For **J P G & ASSOCIATES**

Chartered Accountants

For and on Behalf of the Board of Directors

Sd/-

J. P. GUPTA

Proprietor

Sd/-

K. C. GUPTA

Managing Director
& Company Secretary

Sd/-

SUDHISH KUMAR

Director

Place : Delhi

Dated : 21.04.2008

SCHEDULE FORMING PART OF BALANCE SHEET

Particulars	As At 31-Mar.-2008 (Rupees)	As At 31-Mar.-2007 (Rupees)
<u>SCHEDULE - 1 : SHAREHOLDERS' FUNDS</u>		
SHARE CAPITAL		
AUTHORISED		
24,80,00,000 Equity Shares of Rs.2.50/- Each	620,000,000	620,000,000
(Previous Year 24,80,00,000 Equity Shares of Rs. 2.50 each)		
1,00,00,000 - 10% Optionally Convertible	100,000,000	100,000,000
Redeemable Cumulative Preference Shares of Rs 10/- each		
	<u>720,000,000</u>	<u>720,000,000</u>
ISSUED, SUBSCRIBED & PAID-UP		
13,30,60,000 Equity Shares of Rs. 2.50/- each	332,650,000	332,650,000
(Previous year 13,30,60,000 Equity Shares of Rs. 2.50 each)		
Share Warrants Optionally Convertible into Equity Shares		
2,40,00,000 Share Warrants of Rs. 2.50/- each	60,000,000	—
(Previous year Nil)		
	<u>392,650,000</u>	<u>332,650,000</u>
<u>SCHEDULE - 2 : RESERVES & SURPLUS</u>		
Securities Premium Account	91,618,250	91,618,250
Revaluation Reserve -Fixed Assets		
Opening Balance	760,487,214	792,450,237
Less- Depreciation During the Year	31,963,023	31,963,023
	<u>728,524,191</u>	<u>760,487,214</u>
Profit & Loss A/c :-		
Opening Balance	(73,115,231)	(50,630,466)
Addition During the year	745,480	(22,484,765)
	<u>(72,369,751)</u>	<u>(73,115,231)</u>
Total	<u><u>747,772,690</u></u>	<u><u>778,990,233</u></u>
<u>SCHEDULE - 3 : UNSECURED LOANS</u>		
Rajendra Seclease Ltd	1,087,295	1,029,754
Total	<u><u>1,087,295</u></u>	<u><u>1,029,754</u></u>

SCHEDULE - 4 : FIXED ASSETS

Description	GROSS BLOCK				DEPRECIATION					NET BLOCK	
	As At 1-Apr-07 (Rupees)	Revalu- ation (Rupees)	Deduction/ Transfers (Rupees)	As At 31-Mar-08 (Rupees)	Upto 31-Mar-07 (Rupees)	During the year (Rupees)	Revaluation Depreciation (Rupees)	deductions/ Adjustments (Rupees)	Upto 31-Mar-08 (Rupees)	As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)
Land	162,997,000	—	—	162,997,000	—	—	—	—	—	162,997,000	162,997,000
Building	63,219,272	—	—	63,219,272	13,906,528	—	725,310	—	14,631,838	48,587,434	49,312,744
Plant & Machinery	1,126,547,728	—	—	1,126,547,728	310,699,377	—	30,072,214	—	340,771,591	785,776,137	815,848,351
Electrical Installations	43,023,643	—	—	43,023,643	14,534,322	—	759,190	—	15,293,512	27,730,131	28,489,321
Furniture & Fixtures	5,397,823	—	—	5,397,823	2,463,595	—	138,484	—	2,602,079	2,795,744	2,934,228
Office & Other Equipment	5,680,089	—	—	5,680,089	3,017,174	—	267,825	—	3,284,999	2,395,090	2,662,915
TOTAL	1,406,865,555	—	—	1,406,865,555	344,620,998	—	31,963,023	—	376,584,019	1,030,281,536	1,062,244,559
Previous Year	1,406,865,555	—	—	1,406,865,555	286,415,971	26,242,002	31,963,023	—	344,620,996	1,062,244,559	

Particulars	As At 31-Mar-2008 (Rupees)	As At 31-Mar-2007 (Rupees)
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SCHEDULE - 5 : INVENTORIES

(As taken, valued and certified by the Management)

Stores & Spares	13,960,473	13,971,188
Non Ferrous Metals	9,155,250	-
	<u>23,115,723</u>	<u>13,971,188</u>

SCHEDULE - 6 : SUNDRY DEBTORS (Unsecured)

a) Debts outstanding for a period exceeding six month		
Considered Good	20,049,580	-
b) Others Debts		
Considered Good	27,079,191	52,744,116
	<u>47,128,771</u>	<u>52,744,116</u>

Particulars	As At 31-Mar.-2008 (Rupees)	As At 31-Mar.-2007 (Rupees)
<u>SCHEDULE - 7 : CASH & BANK BALANCES</u>		
Cash in hand (as certified by the management)	13,009	2,055
Balances with Scheduled Banks		
— On Current Account	444,114	33,555
	<u>457,123</u>	<u>35,610</u>
<u>SCHEUDLE - 8 : LOANS & ADVANCES</u>		
(Unsecured , considered good, unless otherwise stated)		
Considered Good		
Advances recoverable in cash or in kind or for value to be received		
	1,657,131	810,816
Share Application Money Paid-Pending Allotment	6,000,000	-
Balances with Excise Authorities	14,048,748	14,048,748
Income Tax Advance (TDS) / FBT	3,926	3,926
Sales Tax Recoverable	14,000,000	14,000,000
Advance to Suppliers	19,660,000	-
Considered Doubtful		
- Insurance Claim Receivable	5,762,242	5,762,242
	<u>61,132,046</u>	<u>34,625,732</u>
<u>SCHEDULE - 9 : CURRENT LIABILITIES & PROVISIONS</u>		
CURRENT LIABILITIES		
Sundry Creditors for SSI units	—	—
Sundry Creditors for Goods	20,459,245	48,989,725
Sundry Creditors(Others)	80,371	27,363
Advances from Customers	—	1,800,000
Other Liabilities	64,548	134,128
PROVISIONS		
Provision for Fringe Benefit Tax	1,050	—
	<u>20,605,214</u>	<u>50,951,216</u>

ALCHEMIST CORPORATION LIMITED **ALCHEMIST METALS LTD.**
(FORMERLY KNOWN AS HARYANA FIBRES LIMITED)

Particulars	For the period 31.03.2008 (Rupees)	Previous period 31.03.2007 (Rupees)
<u>SCHEDULE - 10 : OTHER INCOME</u>		
Misc. Income	—	24,948
Interest Received on I.Tax Refund	—	133,303
Sundry Balances Written Back	—	2,500,000
	<u>—</u>	<u>2,658,251</u>
<u>SCHEDULE - 11 : INCREASE / (DECREASE) IN STOCK</u>		
Opening Stock	13,971,188	13,971,188
Closing Stock	23,115,723	13,971,188
	<u>9,144,535</u>	<u>—</u>
Increase / (Decrease) in Stock		
<u>SCHEDULE - 12 : PAYMENTS AND BENEFITS TO EMPLOYEES</u>		
Salary and Wages	277,500	195,597
Employees' Welfare	15,267	15,065
	<u>292,767</u>	<u>210,662</u>
<u>SCHEDULE - 13 : ADMINISTRATIVE, SELLING & OTHER EXPENSES</u>		
Godown Rent	62,700	—
Rates and Taxes	3,207	20,185
Insurance	135,250	160,697
Travelling and Conveyance	45,061	22,067
Postage, Telephone and Telex	15,611	5,799
Printing and Stationery	13,548	3,198
Legal & Professional Expenses	1,164,543	22,439
D.G.Set Running and Maint. Expenses	105,930	113,767
Repair & Maint. - Others	2,810	210
Audit Fee	20,899	11,236
Security Expenses	319,581	165,600
Preliminary Expenses Written off	—	2,992
Photocopier Charges	—	3,000
Internet Expenses	—	495
Miscellaneous Expenses	95,980	25,103
	<u>1,985,120</u>	<u>556,788</u>
<u>SCHEDULE - 14 : INTEREST & FINANCE CHARGES</u>		
Finance Charges	92,342	111,455
	<u>92,342</u>	<u>111,455</u>

SCHEDULE 15 - SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS

(A). SIGNIFICANT ACCOUNTING POLICIES :-

1 Basis of Preparation of Financial Statements

The Financial Statements have been prepared on accrual basis, in accordance with the applicable accounting standards and relevant presentational requirements of the Companies Act, 1956 and are based on the Historical cost convention.

2 Fixed Assets and Depreciation

All Fixed assets are stated at cost which includes basic cost and all direct expenses on assets and Revaluation reserve.

MODVAT claim, wherever applicable.

Depreciation on fixed assets is provided on Straight Line Method on pro-rata basis at the rates in manner as specified in Schedule XIV to the Companies Act, 1956.

3 Foreign Currency Transactions

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction. Current asset and liabilities are restated at the exchange rate prevailing at the year end and exchange gain/loss so determined is recognised as income or expense in the profit and loss account.

4 Modvat

Purchases are shown net of MODVAT claim and MODVAT recoverable at the year end has been included in advances.

5 Inventories

Raw Materials, Stores & Spares and Stock-in-process are valued at cost or net realisable value whichever is less.

Cost computed on FIFO basis. Scrap is valued at net realisable value.

6 Revenue Recognition

Sale is recognised at the point of dispatch to the customer and is shown inclusive of Excise duty and Trade discounts.

Other Income is accounted for on accrual basis.

7 Preliminary Expenses

Preliminary expenses are written off over a period of ten years.

8 Deferred Taxation

Deferred tax assets are recognised for all deductible timing differences and carried forward to the extent there is reasonable certainty that future taxable profits will be available against which such deferred tax assets can be realised.

Deferred tax assets & liabilities are measured using the tax rates and the tax laws that have been enacted at the balance sheet date.

The Income Tax liability is ascertained based on assessable profit computed in accordance with the provisions of The Income Tax Act, 1961

9 Retirement Benefits

Provisions for payment of gratuity under Payment of Gratuity Act, 1972 are not applicable to the Company

Other retirement benefits are provided as per Company rules, and is accounted for in the year of payment.

10 Events occurring after Balance Sheet date

Events occurring after the Balance Sheet date, which are material in nature, have been considered in the preparation of financial statements

11 Contingent Liabilities

Depending on the facts of each case and after due evaluation of relevant legal aspects, claims against the Company not acknowledged as debts are regarded as contingent liabilities. In respect of statutory matters, contingent liabilities are recognised based on demand(s) that are contested by the Company.

(B). NOTES ON ACCOUNTS :-

1. There have been no manufacturing operations during the year, however the accounts for the year ended 31st March, 2008 have been prepared on the going concern basis.

— ALCHEMIST CORPORATION LIMITED — ALCHEMIST METALS LTD.
(Formerly known as HARYANA FIBRES LIMITED)

During the previous year the company had started trading activities and now is making all out efforts for re-start of manufacturing operations and for this purpose the necessary application for converting the unit into an Export Oriented Unit (E.O.U.) has been made and the discussions are already on with various banks/ financial institutions for necessary financial facilities.

2. Loans & Advances considered doubtful in Schedule 8 include old outstanding aggregating Rs.57,62,242/- (Previous year Rs.57,62,242/-) recoverable from insurance company for which no provision is considered necessary as the management is of the view that these are recoverable.
3. Balances with Debtors / Creditors are subject to confirmation.
4. No provision for Income tax has been made in view of accumulated losses.
5. **Accounting For Taxes on Income**
Deferred Tax Asset of is not recognized in the books of accounts as per Para 15 to 18 of AS-22 (Accounting For Taxes on Income), keeping in view of principle of prudence, since there is no reasonable certainty as to realisation of the deferred tax assets in the near future due to economic environment.
6. The basic /diluted earning per share calculated as per the Accounting Standard -20 issued by The Institute Chartered Accountants of India is as under:

	<i>Current Year</i> (Rs.)	<i>Previous Year</i> (Rs.)
Net Profit after tax	745,480	(22,484,765)
Total No. of Equity Shares	133,060,000	133,060,000
Nominal Value of Share(Rupees)	2.50/=	2.50/=
Basic/Diluted Earning Per Share	0.01	(0.17)

7. **Auditors' Remuneration:***

Audit Fees	14,045	11,236
Tax Audit Fees	6,854	Nil
Others	1686	Nil
* including service tax		

8. **Contingent Liability**

Sales Tax under protest deposited Rs.140,00,000/- against the demand of Rs. 12,40,73,134/- (including interest of Rs.6,08,42,959/-) of Assessment Years' 1996-97 to 2002-03 by Sales Tax Department on 15.09.2003. The company has filed appeal before the Hon'ble High Court of Punjab & Haryana, Chandigarh against the impugned order of the sales tax assessing authorities.

9. During the year, no depreciation on fixed assets has been provided since the unit was not in operation.

10. **Related Party Disclosure**

Related party disclosures as required under Accounting Standard 18 on "Related Party Disclosures" issued by the Institute of Chartered Accountants of India are given below :

a) **Relationship**

Hoding Company
Haryana Fibres Ltd.

Particulars	<i>2007-08</i> (Rs.)	<i>2006-07</i> (Rs.)
Opening Balance	Nil	Nil
Unsecured Loans Received	Nil	230000.00
Interest Credited (Interest Less TDS)	Nil	1296.00
	Nil	231296.00
Less :- Refund of Unsecured Loans & Interest	Nil	231296.00
Closing Balance	Nil	Nil

— ALCHEMIST CORPORATION LIMITED — ALCHEMIST METALS LTD.
(FORMERLY KNOWN AS HARYANA FIBRES LIMITED)

Associates Concern
Rajendra Seclease Ltd.

Particulars	2007-08 (Rs.)	2006-07 (Rs.)
Opening Balance	1029754.00	1366482
Unsecured Loans Received	0.00	0.00
Interest Credited (Interest Less TDS)	57541.00	63272.00
	1087295.00	1429754.00
Less :- Refund of Unsecured Loans	0.00	400000.00
Closing Balance	1087295.00	1029754.00

11. Additional Informations pursuant to para 3 & 4 of Part II and information as per Part IV of the Schedule VI to the Companies Act, 1956 are annexed hereto.
12. The Company revalued its fixed assets during the year 2004-2005. Depreciation on Revaluation part has been charged on straight line method and the same has been debited to Revaluation Reserve Account.
13. Previous year's figures have been re-grouped / re-arranged, wherever considered necessary.

As per our Seprate Report of even date attached

For **J P G & ASSOCIATES**
Chartered Accountants

Sd/-
J. P. GUPTA
Proprietor

Place : Delhi
Dated : 21.04.2008

For and on Behalf of the Board of Directors

Sd/-
K. C. GUPTA
Managing Director
& Company Secretary

Sd/-
SUDHISH KUMAR
Director

**ADDITIONAL INFORMATION PURSUANT TO THE PROVISIONS OF
PARA 3 & 4 OF PART II OF SCHEDULE VI TO THE COMPANIES ACT, 1956**

Capacities (Electrolytic Continuous Cast Copper Rods)	Unit	2007-2008	2006-2007
Licensed Capacity	MT	54000	54000
Installed Capacity	MT	54000	54000

Actual Production, Turnover & Stocks

	Opening Stock		Production	Purchases		Sales		Closing Stock	
	Quantity	Amount	Quantity	Quantity	Amount	Quantity	Amount	Quantity	Amount
	(MT)	(Rs.in Lacs)	(MT)	(MT)	(Rs.in Lacs)	(MT)	(Rs.in Lacs)	(MT)	(Rs.in Lacs)
Manufacturing Goods									
Electrolytic Continuous Cast Copper Rods	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	(Nil)	(Nil)	Nil	(Nil)	(Nil)	Nil	Nil	(Nil)	(Nil)

Notes : Figures within brackets pertain to previous year.

	2007-2008		2006-2007	
	Quantity	Amount	Quantity	Amount
	(MT)	(Rs.in Lacs)	(MT)	(Rs.in Lacs)
Raw Material consumed				
Electrolytic Copper Cathode	Nil	Nil	Nil	Nil
	Amount	%	Amount	%
	(Rs.in Lacs)		(Rs.in Lacs)	
Value of Raw Material consumed				
Imported	Nil	Nil	Nil	Nil
Indigenous	Nil	Nil	Nil	Nil
Value of Stores & Spares parts consumed				
Imported	Nil	Nil	Nil	Nil
Indigenous	Nil	Nil	Nil	Nil

Turnover & Stocks - Trading Activities

	Opening Stock		Purchases		Sales		Wastage	Closing Stock	
	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Quantity	Amount
	(Kg.)	(Rs.in Lacs)	(Kg.)	(Rs.in Lacs)	(Kg.)	(Rs.in Lacs)	(Kg.)	(Rs.in Lacs)	
Trading Activities									
Metals									
Non Ferrous Metals	Nil	Nil	233187.370	833.32	204945.370	764.71	72.000	28170.000	91.55
Ferrous Metals	Nil (Gm)	Nil (Rs. in Lacs)	768120.000 (Gm)	143.38 (Rs. in Lacs)	768120.000 (Gm)	145.62 (Rs. in Lacs)	Nil (Gm)	Nil (Gm)	Nil (Rs. in Lacs)
Bullion	Nil	Nil	20536.230	221.15	20536.230	227.26	Nil	Nil	Nil
			1197.85		1137.59				91.55

	2007-2008	2006-2007
	Amount	Amount
	(Rs.in Lacs)	(Rs.in Lacs)
CIF Value of Imports	Nil	Nil
Expenditure in Foreign Currency (in Rupees)	Nil	Nil

ALCHEMIST METALS LIMITED
(Formerly known as TDT COPPER LIMITED)

BALANCE SHEET ABSTRACT AND COMPANIES GENERAL BUSINESS PROFILE

I. Registration Details

Registration No.	:	55-56070	State Code	:	55
Balance Sheet Date	:	31st March 2008			

II. Capital raised during the year (Amount in Rs Thousands)

Public Issued	:	NIL	Bonus Issue	:	NIL
Right Issue	:	NIL	Private Placement	:	NIL

III. Position of Mobilisation and deployment of funds (Amount in Rs. Thousands)

Total Liabilities	:	1,141,510	Total Assets	:	1,141,510
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SOURCES OF FUNDS

Paid up Capital	:	392,650	Reserve & Surplus	:	747,773
Secured Loan	:	—	Unsecured Loan	:	1,087

APPLICATION OF FUNDS

Net Fixed Assets	:	1,030,282	Investment	:	—
Net Current Assets	:	111,228	Miscellaneous Expenditure	:	—
Profit & Loss Account	:	—			

IV. Performance of the Company (Amount in Rs Thousands)

Turnover including other income	:	122,904	Total Expenditure	:	122,156
Profit / (Loss) before tax	:	749	Profit / (Loss) after tax	:	749
Earning per Share in Rs.	:	0.01	Dividend % (Proposed)	:	NIL

V. Generic Names of Three Principal Products/Services of the Company (in monetary terms)

Product Description	:	Electrolytic Copper Rods or Black Copper Rods (Incl. Coils)
Item Code No. (ITC Code)	:	74071001
Product Description	:	Ferrous & Non Ferrous Metals
Item Code No. (ITC Code)	:	7404

As per our Seprate Report of even date attached

For **J P G & ASSOCIATES**
Chartered Accountants

For and on Behalf of the Board of Directors

Sd/-
J. P. GUPTA
Proprietor

Sd/-
K. C. GUPTA
Managing Director
& Company Secretary

Sd/-
SUDHISH KUMAR
Director

Place : Delhi
Dated : 21.04.2008

AUDITORS' REPORT TO THE MEMBERS

We have examined the attached Consolidated Balance Sheet of M/s. ALCHEMIST CORPORATION LIMITED (Formerly known as Haryana Fibres Limited), Delhi and its subsidiaries as at 31st March, 2008 and also the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto.

These financial statements are the responsibility of the Company's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with generally accepted auditing standards in India. These standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatements. An audit includes, examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for our opinion.

We did not audit the financial statements of the subsidiaries namely M/s Alchemist Metals Limited and M/s Kautilya Infotech Limited, whose financial statements reflect total assets of Rs. 116.22 crores & Rs. 1.80 crore respectively and total revenue of Rs. 11.38 crores & Rs. Nil respectively as at 31st March, 2008. These financial statements and other financial information have been audited by other auditors, whose reports have been furnished to us, and our opinion, insofar as it relates to the amount included in respect of the subsidiaries, is based solely on the report of other auditors.

We report that the Consolidated Financial Statements have been prepared by the company in accordance with the requirements of Accounting Standard AS-21 - Consolidated Financial Statement issued by The Institute of Chartered Accountants of India and on the basis of the separate audited financial statement of M/s. ALCHEMIST CORPORATION LIMITED (Formerly known as Haryana Fibres Limited), Delhi and its subsidiaries included in the consolidated financial statements.

Based on our audit and on consideration of reports of other auditors on separate financial statements and on other financial information of the company and its to us, we are of the opinion that, the attached Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Consolidated Balance Sheet, of the state of affairs of the group as at 31st March, 2008.
- b) In the case of the Consolidated Profit and Loss Account, of the loss for the year ended on that date; and
- c) In the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

for **AGRAWAL ATUL & ASSOCIATES**

Chartered Accountants

Sd/-

CA ATUL AGRAWAL, FCA

Partner

Membership No. 077293

Place : Delhi

Date : 28.06.2008

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2008

SCHEDULE		As At 31st March, 2008 Rs.	As At 31st March, 2007 Rs.
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	1	49,143,330.00	49,143,330.00
Reserve & Surplus (Consolidation)		600,350,305.54	621,364,303.72
Unsecured loans	2	1,087,295.00	1,029,754.00
Minority Interest		493,755,503.80	508,020,923.54
		<u>1,144,336,434.34</u>	<u>1,179,558,311.26</u>
APPLICATION OF FUNDS			
Fixed Assets:			
— Gross Block	3	1,410,854,430.00	1,410,854,430.00
— Depreciation Reserve		377,528,716.10	345,307,239.00
— Net Block		<u>1,033,325,713.90</u>	<u>1,065,547,191.00</u>
Investments	4	50,114,284.90	21,762,292.90
Deferred Tax Assets		6,262,500.00	—
Current Assets, Loan & Advances			
Debtors	5	83,256,742.00	71,957,416.80
Inventory	6	35,615,723.00	13,971,188.00
Cash & Bank Balances	7	2,354,187.54	147,454.78
Loans & Advances	8	66,316,471.00	41,445,513.00
		<u>187,543,123.54</u>	<u>127,521,572.58</u>
Current Liabilities & Provisions	9	<u>132,909,188.00</u>	<u>95,460,573.70</u>
Net Current Assets		<u>54,633,935.54</u>	<u>32,060,998.88</u>
Miscellaneous Expenditure	10	—	—
Profit & Loss Account		—	60,187,828.48
		<u>1,144,336,434.34</u>	<u>1,179,558,311.26</u>
SIGNIFICANT ACCOUNTING POLICIES 16			
NOTES TO ACCOUNTS 17			

The schedules referred to above and the notes thereon form an integral part of the Balance Sheet.

As per our Separate report of even date annexed

For **AGRAWAL ATUL & ASSOCIATES**
Chartered Accountants

For and on behalf of Board of Directors

Sd/-
(CA ATUL AGRAWAL, FCA)
Partner

Sd/-
Sudhish Kumar
Managing Director

Sd/-
Neeraj Tiwari
Director

Sd/-
Gyan Sheel
Company Secretary

Place : Delhi
Date : 28.06.2008

CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDING ON 31ST MARCH, 2008

SCHEDULE	For the year ending 31st March, 2008 Rs.	For the year ending 31st March, 2007 Rs.
INCOME		
Sales	358,396,318.50	126,771,579.80
Other Income	11 54,372,728.70	930,216.00
	<u>412,769,047.20</u>	<u>127,701,795.80</u>
EXPENDITURE		
Decrease/ (Increase) in stock	12 (21,644,535.00)	—
Purchases / Connectivity Expenses	370,141,754.75	122,599,991.70
Personnel Costs	13 1,192,942.00	764,836.67
Administrative expenses	14 5,894,647.79	980,432.47
Investment W/off	—	381,000.00
Loss on sale of Shares	—	45,000.00
Miscellaneous Expenditure w/off	—	426,207.00
	<u>355,584,809.54</u>	<u>125,206,467.84</u>
Profit/(Loss) for the year before depreciation	57,184,237.66	2,495,327.96
Depreciation	258,454.10	26,504,964.00
Profit/(Loss) before tax & Extra-ordinary items	56,925,783.56	(24,009,636.04)
Sundry Credit Balances Written off	—	2,500,000.00
Prior Period Expenses	46,950.00	465.00
Profit/(Loss) before tax	56,878,833.56	(21,510,101.04)
Provision for Income Tax	6,262,500.00	119,800.00
Provision for Fringe Benefit Tax	7,400.00	6,562.00
Profit/(Loss) after tax	50,608,933.56	(21,636,463.04)
Add : Deferred Tax Assets for Tax Credit	6,262,500.00	—
	56,871,433.56	(21,636,463.04)
Prior period adjustment	12,271,353.26	—
Minority Interest	325,593.42	(10,307,934.83)
Cost of control	—	(5,805,242.96)
	<u>68,817,193.40</u>	<u>(5,523,285.25)</u>
	<u>(60,187,828.48)</u>	<u>(54,664,543.23)</u>
Profit / (Loss) carried over to Balance Sheet	<u>8,629,364.92</u>	<u>(60,187,828.48)</u>
EARNING PER SHARES	15 10.30	(4.40)
SIGNIFICANT ACCOUNTING POLICIES	16	
NOTES TO ACCOUNTS	17	

The schedules referred to above and the notes thereon form an integral part of the Profit & Loss Account.

As per our Separate report of even date annexed

For **AGRAWAL ATUL & ASSOCIATES**
Chartered Accountants

For and on behalf of Board of Directors

Sd/-
(CA ATUL AGRAWAL, FCA)
Partner

Sd/-
Sudhish Kumar
Managing Director

Sd/-
Neeraj Tiwari
Director

Sd/-
Gyan Sheel
Company Secretary

Place : Delhi
Date : 28.06.2008

ALCHEMIST CORPORATION LIMITED **Consolidated Accounts**
(Formerly known as HARYANA FIBRES LIMITED)

	As At 31st March, 2008 Rs.	As At 31st March, 2007 Rs.
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SCHEDULE - 1 : SHARE CAPITAL

Authorised :

75,00,000 Equity Shares of Rs.10/- each	75,000,000.00	75,000,000.00
	<u>75,000,000.00</u>	<u>75,000,000.00</u>

Subscribed

66,26,600 Equity Shares of Rs.10/- each	66,266,000.00	66,266,000.00
	<u>66,266,000.00</u>	<u>66,266,000.00</u>

Issued & Paid up:

49,14,333 (Previous year 49,14,333) Equity Shares of Rs.10/- each	49,143,330.00	49,143,330.00
	<u>49,143,330.00</u>	<u>49,143,330.00</u>

SCHEDULE - 2 : UNSECURED LOANS

From Companies	1,087,295.00	1,029,754.00
	<u>1,087,295.00</u>	<u>1,029,754.00</u>

SCHEDULE - 3 : FIXED ASSETS

Description	Gross Block				Depreciation					Net Block
	As on 01.04.2007	Additions during the year	Deduction during the year	Total As On 31.03.2008	Upto 31.03.2007	During the year	Revaluation Depreciation	Deductions/ Adjustments	Upto 31.03.2008	As on 31.03.2007
Land	163,712,130.00	—	—	163,712,130.00	—	—	—	—	—	163,712,130.00
Building	65,815,072.00	—	—	65,815,072.00	14,085,867.00	241,646.10	725,310.00	—	15,052,823.10	50,762,248.90
Plant & Machinery	1,126,547,728.00	—	—	1,126,547,728.00	310,699,377.00	—	30,072,214.00	—	340,771,591.00	785,776,137.00
Electrical Installations	43,023,643.00	—	—	43,023,643.00	14,534,322.00	—	759,190.00	—	15,293,512.00	27,730,131.00
Furniture & Fixtures	5,663,358.00	—	—	5,663,358.00	2,558,089.00	16,808.00	138,484.00	—	2,713,381.00	2,949,977.00
Office Equipment	6,092,499.00	—	—	6,092,499.00	3,429,584.00	—	267,825.00	—	3,697,409.00	2,395,090.00
TOTAL	1,410,854,430.00	—	—	1,410,854,430.00	345,307,239.00	258,454.10	31,963,023.00	—	377,528,716.10	1,033,325,713.90
Previous Year	1,447,555,410.04	3,310,930.00	40,011,910.04	1,410,854,430.00	300,120,601.16	26,504,964.00	31,963,023.00	13,281,349.16	345,307,239.00	1,065,547,191.00

ALCHEMIST CORPORATION LIMITED*(FORMERLY KNOWN AS HARYANA FIBRES LIMITED)***Consolidated Accounts**

	As At 31st March, 2008 Rs.		As At 31st March, 2007 Rs.	
<u>SCHEDULE - 4 : INVESTMENTS</u>				
LONG TERM (AT COST)				
EQUITY SHARES(QUOTED)	No. of Shares		No. of Shares	
Triton Corp Ltd.*	40,572,300	19,114,284.90	22,039,350	20,762,292.90
EQUITY SHARES (UNQUOTED)				
Ritvic Fincom Pvt. Ltd.	100,000	1,000,000.00	100,000	1,000,000.00
Flowell Plastchem Pvt Ltd.	50,000	2,500,000.00	—	—
Gaurav Credits Pvt Ltd	15,000	15,000,000.00	—	—
Prayag Chemicals Pvt Ltd.	5,000	2,500,000.00	—	—
SNJ Chemex Pvt Ltd	100,000	4,000,000.00	—	—
Tara Mercantile Pvt Ltd	100,000	5,000,000.00	—	—
Abaris Healthcare Pvt Ltd	40,000	1,000,000.00	—	—
		<u>50,114,284.90</u>		<u>21,762,292.90</u>
<u>SCHEDULE - 5 : SUNDRY DEBTORS</u>				
Sundry Debtors (Unsecured- considered goods)				
More than Six months		24,653,802.00		—
Others		58,602,940.00		71,957,416.80
Receivable from SSI		—		—
		<u>83,256,742.00</u>		<u>71,957,416.80</u>
<u>SCHEDULE - 6 : STOCK IN TRADE</u>				
Stock-in-trade		—		—
Store & Spares		13,960,473.00		13,971,188.00
Non Ferrous Metals		9,155,250.00		—
Computer Software		12,500,000.00		—
(taken, valued and verified by the Management)				
		<u>35,615,723.00</u>		<u>13,971,188.00</u>
<u>SCHEDULE - 7 : CASH & BANK BALANCE</u>				
Cash In hand		66,674.50		72,900.50
(as certified by the management)				
Balance with Scheduled Bank				
— In Current Accounts		787,513.04		74,554.28
— In Fixed Deposits		1,500,000.00		—
		<u>2,354,187.54</u>		<u>147,454.78</u>

	As At 31st March, 2008 Rs.	As At 31st March, 2007 Rs.
<u>SCHEDULE - 8 : LOANS AND ADVANCES</u>		
(Unsecured-considered goods unless stated otherwise)		
Advances recoverable in cash or kind or value to be received	1,706,857.00	2,904,400.00
Security Deposit — Rent	7,000.00	7,000.00
Security Deposit — Telephone	500.00	500.00
Security Deposit — Sales Tax	35,000.00	35,000.00
Share Application Money	10,500,000.00	4,500,000.00
Balances with Excise Authorities	14,048,748.00	14,048,748.00
Tax Deducted at Source	96,124.00	96,124.00
Sales Tax Recoverable	14,000,000.00	14,000,000.00
Insurance Claim Receivable	5,762,242.00	5,762,242.00
Advance to Suppliers	19,660,000.00	—
Prepaid Expenses	—	91,499.00
Sales Tax (VAT 4%)	500,000.00	—
	<u>66,316,471.00</u>	<u>41,445,513.00</u>
<u>SCHEDULE - 9 : CURRENT LIABILITIES & PROVISIONS</u>		
Current Liabilities		
Advances Received from Customers	—	1,800,000.00
Other Liabilities	61,651,178.00	27,364,156.00
Sundry Creditors	64,992,710.00	66,176,497.70
Provisions		
Provision for Income Tax	6,262,500.00	119,800.00
Provision for Fringe Benefit Tax	2,800.00	120.00
	<u>132,909,188.00</u>	<u>95,460,573.70</u>
<u>SCHEDULE - 10 : MISCELLANEOUS EXPENDITURE</u>		
(To the extent not written off or to be adjusted)		
Preliminary and Public Issue Expenses		
Opening Balance	—	426,207.00
Add: New Companies	—	—
Less: Written off	—	—
	<u>—</u>	<u>426,207.00</u>
<u>SCHEDULE - 11 : OTHER INCOME</u>		
Profit on Sale of Trade Investments	54542562.60	—
Less :-		
Security Transaction Tax	70238.00	—
Brokerage/Service Charges etc.	99595.90	—
	<u>54,372,728.70</u>	<u>—</u>
Interest on FDR	—	61,220.00
Interest Receivable (Others)		
— On Inter Corporate Deposits	—	1,296.00
— Others (on I.Tax Refund)	—	141,752.00
	<u>—</u>	<u>143,048.00</u>
Gain on Sale of other Investments	—	701,000.00
Miscellaneous Income	—	24,948.00
	<u>54,372,728.70</u>	<u>930,216.00</u>

ALCHEMIST CORPORATION LIMITED
(FORMERLY KNOWN AS HARYANA FIBRES LIMITED)

Consolidated Accounts

	As At 31st March, 2008 Rs.	As At 31st March, 2007 Rs.
<u>SCHEDULE - 12 : DECREASE/ (INCREASE) IN STOCK</u>		
Opening Stock	13,971,188.00	13,971,188.00
Closing Stock	35,615,723.00	13,971,188.00
Decrease / (Increase) in stock	(21,644,535.00)	—
<u>SCHEDULE - 13 : PERSONNEL COSTS</u>		
Salary, Wages, Bonus & Other Benefits	1,192,942.00	764,836.67
	1,192,942.00	764,836.67
<u>SCHEDULE - 14 : ADMINISTRATIVE EXPENSES</u>		
Auditors' Remuneration		
— Audit fee	37,079.00	30,899.00
— Income Tax matters	15,281.00	8,427.00
	52,360.00	39,326.00
Travelling & Conveyance-Others	118,596.00	63,521.00
Internet Expenses	—	495.00
Repair & Maintenance	3,970.00	210.00
Rent	134,700.00	45,000.00
Miscellaneous Expenses	109,153.05	36,238.00
Printing & Stationery Expenses	39,412.00	18,596.40
Books & Periodicals	1,284.00	—
Insurance Charges	135,250.00	160,697.00
Legal & Professional Charges	1,691,505.00	70,547.00
Freight & Cartage	34,857.50	—
Penalties-SEBI	50,000.00	—
Consultancy Charges	2,819,450.00	—
Telephone & Telefax Expenses	35,264.00	17,696.00
Rates & Taxes	3,207.00	20,185.00
Generator Running & Maintenance	105,930.00	113,767.00
Advertisement Expenses	39,238.00	30,610.00
Listing Fee	41,300.00	40,500.00
Fee & Subscription	9,791.00	7,384.00
Share Processing & Demat Charges	41,354.11	36,764.00
Bank Charges, Financial Charges	94,420.13	113,034.07
Postage & Telegram	14,025.00	9,262.00
Security Expenses	319,581.00	165,600.00
	5,894,647.79	989,432.47
<u>SCHEDULE - 15 : EARNING PER SHARES</u>		
Net Profit after Tax	50,608,933.56	(21,636,463.04)
Total No. of Equity Shares	4,914,333	4,914,333
Basic EPS	10.30	(4.40)

SCHEDULE - 16 : SIGNIFICANT ACCOUNTING POLICIES

1) SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation of Financial Statement

- a) The financial statements have been prepared under the historical cost convention in accordance with Indian Generally Accepted Accounting Principles comprising the Accounting Standards issued by the Institute of Chartered Accountants of India and provisions of the companies Act, 1956 as adopted consistently by the company.
- b) The company follows mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis except claims, and dividend on investments which are accounted for on cash basis.
- c) The preparation of financial statements in conformity with GAAP requires that the management of the company make estimates and assumptions that affect the reported amount of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as on the date of the financial statements. Examples of such estimates include the useful lives of fixed assets, provision for doubtful debts/advances, future obligations in respect of retirement benefit plans etc. Actual results could differ from these estimates.
- d) Significant accounting policies and notes to these Consolidated Financial Statements are intended to serve as a means of informative disclosure and a guide for better understanding of the consolidated position of the Companies. Recognising this purpose, the Company has disclosed only such policies and notes from the individual financial statements which fairly represent the needed disclosures. Lack of homogeneity and other similar considerations made it desirable to exclude some of them which in the opinion of the management, could be better viewed when referred from the individual financial statements.
- e) The accounts have been prepared to comply in all material aspects with applicable accounting principles in India and, the Accounting Standards issued by the Institute of Chartered Accountants of India.
- f) The financial statements of the Parent Company and its subsidiaries have been consolidated on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses after elimination of intra-group transactions and unrealized profits/losses which cannot be recovered.

Fixed Assets and Depreciation.

Fixed assets are accounted for at cost and include cost of installation wherever incurred and incidental expenses related to acquisition/installation wherever applicable.

Depreciation is provided at the rates and in the manner specified in schedule XIV of the companies Act 1956 read with the relevant circulars issued by the Department of Company Affairs from time to time wherever applicable.

Foreign Currency Transactions

There is no foreign currency transaction during the year.

Investments

Long-term Investments are stated at cost. No provision for diminution in the value of long-term investments has been made as in the opinion of the management; such decline is temporary in nature. Current investments are stated at lower of cost and quoted / fair value.

Retirement Benefits - Gratuity

Provisions for payment of gratuity under payment of Gratuity Act 1972 are not applicable to the company, as none of the employee has completed 5 years of service.

Other retirement benefits are provided as per Company rules.

Revenue recognition

Revenue from sales is recognized when it is completed in accordance with the terms of the contract with the customer. Sales return are adjusted from the sales of the year in which the return takes place.

Miscellaneous Expenditure

Preliminary, Public issue, Preoperative and Capital issue expenses incurred are amortized over a period of ten years.

Claims

Claims, if any, against / by the company arising on any account are provided in the books of account on acceptance / receipt basis.

Events occurring after Balance Sheet date

Events occurring after the Balance Sheet date, which are material in nature, have been considered in the preparation of financial statements.

Research and Development

Research and development costs are expensed as incurred. Software product development costs are expensed as incurred until technological feasibility is achieved. Capital expenditure incurred on research and development is depreciated over the estimated useful life of the related assets.

Deferred Taxes

In case of M/s. ALCHEMIST CORPORATION LIMITED (Formerly known as Haryana Fibres Limited), Delhi deferred income tax reflects the impact of current year timing difference between taxable income / losses and accounting income for the year and reversal of timing difference of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet data. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In respect of carry forward losses, deferred tax assets are recognized only to the extent there is virtual certainty that sufficient future taxable income will be available against which such losses can be set off.

In case of M/s. Kautilya Infotech Limited, no provision has been made for deferred tax liabilities due to current losses. No deferred tax assets on carried forward losses has been recognized in the absence of reasonable certainty about future taxable income.

In case of M/s. Alchemist Metals Limited, no provision for deferred tax assets/liabilities has been recognized in the absence of reasonable certainty about future taxable income.

Contingent Liabilities

Depending on facts of each case and after due evaluation of relevant legal aspects, claims against the Company not acknowledged as debts are regarded as contingent liabilities. In respect of statutory matters, contingent liabilities are recognized based on demand(s) that are contested by the Company.

Subsidiaries

The Consolidated Financial statements present the consolidated accounts of M/s. ALCHEMIST CORPORATION LIMITED (Formerly known as Haryana Fibres Limited), Delhi with its following subsidiaries:

Name of Subsidiary	Country of Incorporation	Proportion of ownership	Year ending	Audited by
Kautilya Infotech Ltd.	India	53.86%	31.03.08	M/s Ahmad Shukla Jain & Associates, Chartered Accountants, 303, 1/926, Naiwala, Karol Bagh, New Delhi – 110 005
Alchemist Metals Limited	India	54.35%	31.03.08	JPG & Associates Chartered Accountants, S.I.S. -126, HUDA Market, Sector-3, Faridabad.

SCHEDULE 17 – NOTES TO ACCOUNTS

1) Capital Commitments and Contingent Liabilities

- Bank Guarantee – Rs. NIL (Previous Year Rs. 49, 00,000.00)
- Letter of Credit - Rs. NIL (Previous Year Rs.73, 71,100.00)
- Sales Tax under protest deposited Rs. 140,00,000/- against the demand of Rs. 12,40,73,134/-(including interest of Rs.6,08,42,959/-)of Assessment years 1996-97 to 2002-03 by Sales Tax Department on 15.09.2003. The company has already filed necessary appeals/petitions before the concerned authorities against the impugned order of the sale tax assessing authorities.

- 2) Sundry Creditors/ Debtors** includes overdue amounts of Rs. nil (Previous year Rs nil) payable to small scale and ancillary industries.

3) Managerial Remuneration

	Current Year	Previous Year
a) Paid to Directors	NIL	6,51,081.00
b) The Computation of Net profit u/s 349 of the Companies Act, 1956 has not been made as no commission is payable to any directors.		
c) Reimbursement of expenses to Directors includes	NIL	NIL

- 4) In the opinion of the management, the current assets, loans and advances are expected to realize unless otherwise stated at least the amount at which they are stated, if realized in the ordinary course of business and provision for all known liabilities has been adequately made in the accounts.**

5) **Related Party Disclosure**

Related party disclosures as required under Accounting Standard on "Related Party Disclosures" issued by the Institute of Chartered Accountants of India are given below:

a) **Relationship:**

Promoter Company:

Rajendra Seclease Limited

Subsidiary Companies:

Alchemist Metals Limited

(Formerly known as TDT Copper Ltd.)

Kautilya Infotech Ltd.

Common Directors:

1. Maple eSolutions Limited.
2. NDR Hospitals Limited.
3. Anramu Finvest Private Limited.
4. Supriya Securities Private Limited.
5. Seagull Shares & Stocks Private Limited.
6. Kasi Ram Softech (India) Limited.
7. Cyber On-Line Softel Private Limited.
8. Cyber Dot Com Private Limited.
9. Triton Corp Limited.

- b) The following transactions were carried out with related parties in the ordinary course of business during the year under review:

(Rupees in lacs)

Particulars	2007-08	2006-07
Rajendra Seclease Limited		
Purchase of Shares		
– Purchase of Shares (Maple eSolution Ltd.)	Nil	179.99
– Sale of Shares (Kautilya Infotech Ltd.)	Nil	7.35
– Unsecured Loans (Alchemist Metals Ltd.)	10.87	10.29
Kautilya Infotech Limited		
– Investment in Shares	Nil	Nil
Alchemist Metals Limited		
– Investment in Shares	Nil	Nil
– Unsecured Loans Paid	Nil	2.30
– Interest Received	Nil	0.01
Maple eSolutions Ltd.		
– Redemption of debentures	Nil	Nil
– Conversion of unsecured loans into equity	Nil	Nil
Triton Corp Ltd.		
– Sale of Shares (Maple eSolutions Ltd.)	Nil	348.00

- 6) The Consolidated Financial Statements have been prepared in accordance with the Accounting Standard (AS) 21-"Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.

- 7) Previous Year figures have been regrouped / recast wherever necessary to make figures comparable.

As per our Separate report of even date annexed

For **AGRAWAL ATUL & ASSOCIATES**
Chartered Accountants

For and on behalf of Board of Directors

Sd/-
(CA ATUL AGRAWAL, FCA)
Partner

Sd/-
Sudhish Kumar
Managing Director

Sd/-
Neeraj Tiwari
Director

Sd/-
Gyan Sheel
Company Secretary

Place : Delhi
Date : 28.06.2008

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED AS ON 31ST MARCH, 2008

	For the year Ended on 31st March, 2008 Rs.	For the year Ended on 31st March, 2007 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	56,878,833.56	(21,510,101.04)
Add :- Adjustment for		
Depreciation	258,454.10	26,504,964.00
Preliminary /Pre-operative Expenses Written Off	—	426,207.00
Sundry balances written off	—	2,500,000.00
Loss on sale of Shares	—	45,000.00
Interest Paid/ (Received)	—	(204,268.00)
Gain on sale of Investments	(54,372,728.70)	(701,000.00)
Premium on Redemption of Debentures	—	—
Investments written off	—	381,000.00
Operating Profit before working capital changes	2,764,558.96	7,441,801.96
Adjustment for Working Capital changes		
Decrease /(Increase) in sundry debtors & Other receivable	(57,650,748.20)	(35,496,940.90)
Increase / (Decrease) in Current Liabilities	37,448,614.30	58,513,466.75
Decrease /(Increase) in Deferred Tax Assets	(6,262,500.00)	—
Cash generated from operations	(23,700,074.94)	30,458,327.81
Interest Paid	—	—
Income Tax Paid	(171,470.00)	(6,442.00)
Extra ordinary items	—	—
Net Cash generated from operations	(23,871,544.94)	30,451,885.81
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	—	(3,310,930.00)
Premium on Redemption of Debentures	—	—
Purchase on Investment	(30,000,000.00)	—
Interest Income	—	204,268.00
Preliminary /Pre-operative Expenses	—	—
(Purchase)/Sale of investments	56,020,736.70	—
Net cash outflow from investing activities	26,020,736.70	(3,106,662.00)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from the issue of share capital	—	—
Increase/(Decrease) in Share Application Money	—	(27,556,000.00)
Interest Paid	—	—
Increase/(Decrease) in Secured Loan	—	(8,874,623.00)
Increase/(Decrease) in Unsecured Loan	57,541.00	(427,068.00)
Net cash from financing activities	57,541.00	(36,857,691.00)
D. NET INCREASE IN CASH AND CASH EQUIVALENTS	2,206,732.76	(9,512,467.19)
Cash and cash equivalents (Opening Balance)	147,454.78	9,659,921.97
Cash and cash equivalents (Closing Balance)	2,354,187.54	147,454.78
Notes on Cash Flow Statement.		

Figures in bracket represent cash outflow

As per our report of even date annexed
For **AGRAWAL ATUL & ASSOCIATES**
Chartered Accountants

For and on behalf of Board of Directors

Sd/-
(CA ATUL AGRAWAL, FCA)
PARTNER

Sd/-
Sudhish Kumar
Managing Director

Sd/-
Neeraj Tiwari
Director

Sd/-
Gyan Sheel
Company Secretary

Place : Delhi
Date : 28.06.2008

AUDITORS' CERTIFICATE

We have verified the annexed Cash Flow Statement of Alchemist Corporation Ltd. (Formerly known as Haryana Fibres Ltd.) for the year ended 31st March'2008 together with the notes thereon. This statement is derived from the audited accounts of the Company for the period ended 31st March'2008 and has been prepared in accordance with the requirement prescribed by the securities and Exchange Board of India (SEBI).

For **AGRAWAL ATUL & ASSOCIATES**
Chartered Accountants

Sd/-
(CA ATUL AGRAWAL, FCA)
Partner

Place : Delhi
Date : 28.06.2008

ALCHEMIST CORPORATION LIMITED

(FORMERLY KNOWN AS HARYANA FIBRES LIMITED)

Regd. Office : A-203, New Ashok Nagar, Delhi - 110 096

DPID No.		L.F. No.	
Client ID No.		No. of shares held	

ATTENDANCE SLIP

I/We hereby record my/our presence at the 15th Annual General Meeting to be held on 30th September, 2008 at 12.30 p.m. at 63-64, Suraj Complex, Adhyapak Nagar, Najafgarh Road, Nangloi, New Delh - 110 041.

NAME OF THE SHAREHOLDER (IN BLOCK LETTERS)	
SIGNATURE OF THE SHAREHOLDER	
NAME OF THE PROXY (IN BLOCK LETTERS)	
SIGNATURE OF THE PROXY	

Notes:

1. You are requested to sign and hand over this slip at the entrance of the Meeting venue.
2. This attendance is valid only in case shares are held on date of the meeting.

✂ ----- TEAR HERE ----- ✂

ALCHEMIST CORPORATION LIMITED

(FORMERLY KNOWN AS HARYANA FIBRES LIMITED)

Regd. Office : A-203, New Ashok Nagar, Delhi - 110 096

DPID No.		L.F. No.	
Client ID No.		No. of shares held	

FORM OF PROXY

I/We.....of.....
in the district of.....being a member/members of Alchemist Corporation Ltd. (Formerly known as Haryana Fibres Ltd.) hereby appoint.....of.....in the district of.....
or
failing.....of.....in the district of.....
as my/our proxy to vote for me/us on my/our behalf at the 15th Annual General Meeting of the Company to be held on 30th September, 2008 at 12.30 p.m. at 63-64, Suraj Complex, Adhyapak Nagar, Najafgarh Road, Nangloi, New Delh-110 041 and at any adjournment thereof.

Signed this.....day of.....2008.

Affix
Re 1/-
Revenue
Stamp

Notes:

1. The Proxy Form signed across revenue stamp should reach the Company's Registered Office at least 48 hours before the scheduled time of the meeting.
2. The Company reserves the right to ask for identification of the Proxy.
3. A Proxy cannot speak at the meeting and / or vote on a show of hands.

CLERKED TRUE COPY
For **ALCHEMIST CORPORATION LTD.**
Company Secretary

BOOK POST

To _____

If undelivered, please return to :-

ALCHEMIST CORPORATION LIMITED

(FORMERLY KNOWN AS HARYANA FIBRES LIMITED)

Regd. Office : A-203, New Ashok Nagar, Delhi - 110 096