



ALCHEMIST LIMITED
Twenty Second Annual Report 2010-2011

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Alchemist Limited

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Corporate information

Board of Directors	Mr. Kanwar Deep Singh, Chairman & Managing Director Mr. R.P. Chhabra, Director Mr. Asoke K. Chatterjee, Director Mr. V.K. Bhardwaj, Additional Director
Auditors	N. Kumar Chhabra & Co. Chartered Accountants, Chandigarh.
Bankers	Punjab National Bank UCO Bank Bank of India State Bank of India HDFC Bank Ltd.
Registered & Head office	23, Nehru Place, New Delhi - 110 019
Chandigarh office	SCO 12-13, Sector 9-D, Madhya Marg, Chandigarh-160 009 Phone : 0172-4680000 Fax : 2740099 E-mail : info@alchemist.co.in
Works	Vill. : Dappar, Ambala Chandigarh Highway, Distt. Mohali, Punjab (India)-140 506 Phone : ++91-1762-248666-248668 Vill. : Chanalon, Near Kurali, Distt. Ropar, Punjab (India), Phone : +91-0160-5003184-85 Vill. : Kanogata, Rajgarh, Distt. Sirmour (H.P.) SCO 149-50, Sector 9-C, Madhya Marg, Chandigarh Electronic Complex, Chambaghat, Solan, Himachal Pradesh

Notice

Notice is hereby given that the 22nd Annual General Meeting of the Shareholders of the Company will be held on Friday, the 30th day of September, 2011 at 9.30 A.M. at Registered Office of the Company at 23, Nehru Place, New Delhi to transact the following business :-

AS ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March 2011, the Profit & Loss Account for the year ended on that date together with the Report of the Auditors and Directors thereon.
2. To declare dividend on equity shares of the Company.
3. To appoint a Director in place of Mr. R.P. Chhabra, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of 23rd Annual General Meeting.

AS SPECIAL BUSINESS

5. To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution :

RESOLVED THAT Mr. Virender Kumar Bhardwaj, who was appointed as an Additional Director by the Board with effect from 13th October, 2010 and who holds office up to the date of the forthcoming Annual General Meeting in terms of Section 260 of the Companies Act, 1956 read with Article No. 137 of the Articles of Association of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 257 of the Companies Act, 1956 proposing his candidature for the office of Director of the Company, be and is hereby appointed as Director liable to retire by rotation."

By Order of the Board
for **ALCHEMIST LIMITED**

Date : 1st September, 2011
Place : New Delhi

HARISH SHARMA
COMPANY SECRETARY

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. (A blank proxy form is enclosed herewith)**
2.
 - a) Members/proxies should bring copies of the Annual Report to the meeting, since copies of the Annual Report will not be distributed at the Meeting.
 - b) Members should bring the enclosed attendance slip duly filled in, for attending the meeting.
 - c) Members who hold shares in dematerialized form, should write their client ID and DP ID numbers and those who hold shares in physical form, should write their folio number in the attendance slip.
 - d) In case of Joint holders attending the Meeting, only such joint holder who is higher in the order of their names will be entitled to vote.
 - e) Corporate Members intending to send their authorized representative to attend the meeting are requested to send duly certified copy of the Board Resolution authorizing their representative to attend and vote at the meeting.
3. The Register of Members and Share Transfer Books of the Company will be closed from Monday, the 26th September, 2011 to Friday, the 30th September, 2011 (both days inclusive) .
4. The dividend, if declared at the Annual General Meeting, will be paid to those shareholders whose names appear on the Register of Members as on 26th September, 2011. In case of equity shares held in electronic form, the dividend thereon, upon its declaration shall be paid to the beneficial owners as per details furnished by the depositories for this purpose.
5. As per the listing agreement, it is hereby declared that Company's shares are listed at National Stock Exchange of India Limited and Bombay Stock Exchange Limited and Annual Listing Fee for the year 2011-12 has been paid to the concerned stock exchange(s).
6. Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956, the company has transferred the unpaid or unclaimed dividends for the financial year 2002-2003 to the Investor Education and Protection Fund established by the Central Government.
7. Members having any queries, on the accounts of the Company are requested to intimate the Company at least 10 days in advance of the date of the meeting, to enable the company to keep the required information ready.
8. Members holding share in demat form, should send/update their email Id with their depository participant and those who hold shares in physical form should send their email Id to the Registrar directly to enable us to send the Annual Report in electronic mode, in future.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**In respect of item no. 5**

In order to broad base the Board of Directors of the Company, your Board of Directors had appointed Mr. Virender Kumar Bharadwaj as an Additional Director of the Company pursuant to the provisions of Section 260 of the Companies Act, 1956 and Article No. 137 of the Article of Association of the Company with effect from 13th October, 2010 and he holds the office of director up to the date of this Annual General Meeting.

The Company has received a notice along with requisite fee from member of the company under Section 257 of the Companies Act, 1956 proposing the candidature of Mr. Virender Kumar Bharadwaj as Director of the Company.

Mr. V.K. Bhardwaj, aged 62 years is a Civil Engineer and Fellow of the Institute of Engineers, Institute of Valuers and Institute of Arbitrators.

Mr. Bhardwaj has retired as Chief Engineer with the Union Territory of Chandigarh Administration and has handled various prestigious projects. He has been awarded Commendation Certificates by the Chandigarh Administration for the meritorious services rendered by him.

The Board of Directors considers that in view of his expertise and experience, it would be in the interest of the Company to appoint him as Director of the Company and accordingly recommends the resolution as set out at item no. 5 of the notice for approval of the members.

Mr. Virender Kumar Bharadwaj is considered interested or concerned in the proposed resolution as set out in the notice.

None of the other Directors are in any way concerned or interested in the above proposed resolutions.

By Order of the Board
for **ALCHEMIST LIMITED**

Date : 1st September, 2011

Place : New Delhi

HARISH SHARMA
COMPANY SECRETARY

DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING PURSUANCE TO CLAUSE NO. 49 OF THE LISTING AGREEMENT**Mr. R.P. CHHABRA**

Mr. R.P. Chhabra is the the Director liable to retire by rotation and being eligible offer himself for reappointment at this Annual General Meeting.

Mr. R.P. Chhabra, aged 72 years is a Law Graduate, Masters in English and C.A.L.L.B, He is a retired banker, who served the Punjab National Bank for about 30 years at various senior positions, the last one being that of General Manager. He is having rich experience in finance and administration. He is widely traveled person.

He is director on the board of following Public Limited Companies namely Alchemist Realty Limited, Alchemist Foods Limited, Alchemist Medisphere Limited, Platinum Ventures Limited, Optimum constructors and Developers Limited, Alchemist Life Sciences Limited, Alchemist Media Limited, Alchemist Developers Limited & Alchemist Enterprise (S) Pte Ltd.

He is Chairman of Audit Committee, Shareholders Grievance Committee of Alchemist Limited and Alchemist Realty Limited.

Mr. V.K. BHARDWAJ

Mr. V.K. Bhardwaj, aged 62 years is a Civil Engineer and Fellow of the Institute of Engineers, Institute of Valuers and Institute of Arbitrators.

Mr. Bhardwaj has retired as Chief Engineer with the Union Territory of Chandigarh Administration and has handled various prestigious projects. He has been awarded Commendation Certificates by the Chandigarh Administration for the meritorious services rendered by him.

He is on the Board of Directors of Alchemist Realty Limited and is not a member of any committee.

By Order of the Board
for **ALCHEMIST LIMITED**

HARISH SHARMA
COMPANY SECRETARY

Date : 1st September, 2011
Place : New Delhi

Directors' report

To the Members ,
Alchemist Limited,

Your Directors have pleasure in presenting the 22nd Annual Report together with Audited Accounts of your Company for the financial year ended 31st March, 2011.

FINANCIAL HIGHLIGHTS

	(Rs. In lacs)	
	2010-2011	2009-2010
Sales & Other Income	41105	39865
Operating Profit (PBIDT)	1732	3463
Finance Charges	247	679
Profit before Depreciation & Tax (PBDT)	1485	2784
Depreciation	294	835
Profit before Tax (PBT)	1191	1949
Taxation	309	442
Add : Prior period items/Provisions written back	(73)	68
Net Profit	809	1575
Appropriations		
Proposed Dividend	245	245
Tax on Dividend	—	41
Transferred to General Reserves	60	157
Transferred to Profit & loss A/c	504	1132

During the year ended 31st March, 2011, your Company has achieved turnover of Rs. 41105 lacs as against Rs.39865 lacs achieved in the previous year. The Company has earned net profit of Rs. 809 lacs during the year against Rs.1575 lacs during the previous year.

DIVIDEND

Your Directors recommend a dividend of 20% i.e. Rs. 2 per equity share of Rs. 10/- each for the year 2010-2011 subject to approval of shareholders at the ensuing Annual General Meeting.

FIXED DEPOSITS

During the year under review, your company has accepted deposits within the limits prescribed under the Companies Act, 1956. As on 31st March, 2011, Your Company had fixed deposits of Rs. 1452.53 There were no outstanding deposits as on 31st March, 2011 except deposits which were not claimed by the depositors on maturity.

SCHEME OF ARRANGEMENT

The Board of Directors of the Company have entered into a Scheme of Arrangement pursuant to the provisions of section 391-394 of the Companies Act, 1956, with Alchemist Foods Limited, a wholly owned subsidiary Company for hiving off the Food Division with Alchemist Foods Limited. The above Scheme of Arrangement has

been approved by the Board of Directors of respective Companies. Thereafter, on the directions of Hon'ble High Court at Delhi, a meeting(s) of Equity & Preference Shareholders, Secured & Unsecured Creditors and Fixed Deposit Holders were held under the Chairmanship of Court appointed Chairman, which have duly approved the scheme of arrangement. Thereafter, in the second motion petition filed before the Hon'ble High Court at Delhi, the Scheme of arrangement has been duly approved by its order dated 1st November, 2010 as a result, Food Division of the Company has been hived off with Alchemist Foods Limited.

The copy of the order of Hon'ble High Court of Delhi has been filed with the Office of Registrar of Companies, New Delhi on 29th November, 2010 and the same has been registered.

SUBSIDIARY COMPANY & CONSOLIDATED FINANCIAL STATEMENT

As on 31st March, 2011, the Company has two wholly owned subsidiary Companies namely Alchemist Foods Limited and Alchemist Enterprise (S) Pte Ltd.

A statement pursuant to Section 212 of the Companies Act, 1956 relating to the subsidiary companies is attached to the Directors Report. Further as per accounting standard (AS-21) on consolidated financial statements read with accounting standard (AS-23) on accounting for investment in associates, the consolidated financial statements based on the financial statements received from subsidiary companies as approved by their Board of Directors are attached, and form part of the Annual Accounts.

In accordance with General Circular No. 2/2011 dated 8th February, 2011 issued by Ministry of Corporate Affairs, Government of India, the Balance Sheet, Profit and Loss Accounts and other documents of subsidiary companies are not being attached with the Balance Sheet of the Company. The Company will make available the Annual Accounts of the Subsidiary Companies and the related detailed information to any member of the Company who may be interested in obtaining the same. The annual accounts of the subsidiary companies will also be kept open for inspection at the Registered Office of the Company and that of the respective subsidiary companies. The Consolidated Financial Statements presented by the Company include the financial results of its subsidiary companies.

DIRECTORS

Mr. R.P. Chhabra, Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible expressed his willingness to be reappointed as Director at the Annual General Meeting. Your Board also recommend his reappointment to the Annual General Meeting.

Mr. V.K. Bhardwaj, was appointed as an Additional Director on the Board of the Company effective from 13th October, 2010 and he hold office of Director up to the date of ensuing Annual General Meeting. The Company has received notice from member under section 257 of the Companies Act, 1956, expressing his intention of proposing his appointment as Director of the Company.

Mr. Ravinder Singh, Director has resigned from the directorship of the Company effective from 8th January, 2011 due to personal reasons. The Board records its appreciation for the valuable services made by him during his tenure with the Company.

In accordance with the requirement of Clause 49 of the listing agreement, brief resume of Mr. R.P. Chhabra and Mr. V.K. Bhardwaj, giving detail of their expertise areas, directorship and members of various committees are given by way of notes to the notice of Annual General Meeting.

AUDITORS AND AUDITORS' REPORT

M/s N. Kumar Chhabra & Co., Chartered Accountants, Statutory Auditors retires at the conclusion of 22nd Annual General Meeting and being eligible have offered themselves for reappointment to hold office from the conclusion of the 22nd Annual General Meeting until the conclusion of the next Annual General Meeting.

The Company has received a certificate from M/s N. Kumar Chhabra & Co., Chartered Accountants, Statutory Auditors to the effect that their reappointment, if made, would be within the limits prescribed under Section 224(B) of the Companies Act, 1956 and they are not disqualified to be re-appointed as Statutory Auditors.

The Audit Committee of the Board of Directors and the Board recommend their reappointment by members.

The Statutory Auditors of the Company have submitted auditors report on the accounts of the Company for the accounting year ended 31st March, 2011 which is self-explanatory and needs no comments.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements of Section 217 (2AA) of the Companies Act, 1956, it is hereby confirmed that :-

- i. that in preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same.
- ii. that the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2011 and of the profit or loss of the Company for the year ended on that date.
- iii. that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. that the Directors had prepared the annual accounts for the year ended 31st March, 2011 on a going concern basis.

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

A Statement containing necessary information required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, is annexed and forms part of the report.

CORPORATE GOVERNANCE

As per clause No. 49 of the Listing Agreement with the Stock Exchange(s), a separate section on Corporate Governance is annexed and forms part of the Directors report.

PARTICULARS OF EMPLOYEES

A Statement giving necessary information as required under Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) (Amendment) Rules, 2002 as amended to date and forming part of the Director's Report for the year ended 31st March, 2011, is given as an Annexure to this Report.

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

During the year 2010-2011, being a period of global recession, Indian economy grew at 8.6%, next only to China. It is certainly a remarkable achievement. With the world economy coming out of recession, the Indian economy has successfully re-positioned itself on a faster growth.

Alchemist Limited is operating mainly in the food processing and pharma business.

The Food Division of the Company has been hived off with Alchemist Foods Limited, a wholly owned subsidiary company as per scheme of Arrangement under Section 391-394 of the Companies Act, 1956, which has been duly approved by Hon'ble High Court(s) of Delhi and Punjab and Haryana at Chandigarh. The copy of the order of Hon'ble High Court of Delhi has been filed with the office of Registrar of Companies, New Delhi on 29th November, 2010 and the same has been registered.

Chicken production in India has been in range of 2.5-3.0 million tons per year, as per industry estimates, and has been growing at CAGR of 11% during the past few years and is expected to grow at 10% CAGR for next 10-15 years. The per capita consumption of chicken in India is in range of 2.0-2.2 Kg, which is projected to significantly grow over the coming years. Most of the total chicken production is sold through wet market (i.e. live birds and on site slaughter) and only less than 5% of total production is put to processing for sale in different forms namely chilled, frozen or value-added (ready to cook or eat). In many of the developed countries, the wet market component is less than 10% of total produce.

The processed chicken market is growing at a CAGR of 20% and is expected to grow further at 20-30% for another more than 5 years as per the industry sources. The various factors leading to significant growth of processed chicken market include increasing focus on different hygiene parameters, convenience trends/food style, growing Hospitality/Food Services/Airline industries. As per the industry estimates, in next 5-10 years time, the dressed chicken market would account for 25-30% of total chicken production.

During the year, your company has opened retail outlets focusing on different markets in the North to have a total portfolio of 32 outlets. Alchemist also focused extensively on other trade channels of sale such as Institutional market, Modern Trade etc., so as to have presence primarily in the markets where own retail outlets are not present.

Pharma industry all over the universe is dynamic & not static. Increase in literacy rate & health consciousness has promoted growth prospectus in Pharmaceutical sector also. India has very aggressively grabbed the opportunity & is second to China in World in the field Pharmaceuticals. New formulations/molecules, expansion of healthcare centers & both therapeutic and prophylactic products have built up Indian Pharma industry to record Rs. 48,000 crore plus sales in the financial year 2010-11, with an impressive growth rate.

At Alchemist Ltd., year 2010-11 was an year of consolidation. The year was dedicated to prepare Pharma Division for a sizeable growth in years to come, but the annual sales vis-a-vis 2009-10 was maintained. At field level lot of rectifications were made by eradicating the obstructions in future growth. At factory level a new section of high generation antibiotics was installed with a sizeable capacity of oral solids & dry syrups. Production line was renovated to meet with the increasing market demands. From drug authorities approval for new products both in ethical & generic segments were taken.

The dream to make pan India presence of Alchemist Pharma Ltd has been realized in April 2011 only. By the end of the current calendar year many Alchemist Pharma products will be visible in every State of Country, including at micro interiors. We have drawn an aggressive plan to increase the volume of prescription oriented brands both from existing range & few innovative new products. On the other front, we have made a very strong distribution net work to market our Generic products all over the Country. In generic range many new products & dosage forms are being added periodically every month and by the end of 2011-12, we shall have a strong presence at market place. We have an intense desire to build few brands at Alchemist in this year to be recognised at national level.

During the year ended 31st March, 2011, the Company has achieved turnover of Rs. 41105 lacs as against Rs.39865 lacs achieved in the previous year. The Company has earned net profit of Rs. 809 lacs during the year against Rs.1575 lacs during the previous year.

Government policies, political instability, foreign exchange fluctuation, competition from international and domestic players, rise in cost of raw materials etc. are the factors which are cause of concern not only for the business of the Company but for each concern. The company has taken adequate care to minimize the impact of such factors and is fully geared up to deal with such type of situations.

Your Company has adequate internal control system and procedures to ensure proper statutory compliances and financial reporting. The company has established procedures for the purchase of raw materials and stores, manufacture of goods and for its marketing thereof, which are continuously updated from time to time as per needs of business and suggestion of the internal auditors. All the transactions are properly accounted for a physical verification has been conducted periodically. The internal audit system of the company is adequate and commensurate with the size of its business.

ACKNOWLEDGEMENT

Your Directors would like to express their appreciation for the cooperation and assistance received from various Central and State Governments, Stakeholders, Banks, Valued clients and business associates. Your Directors also wish to place on record their deep sense of appreciation for the unstinting support and efforts of the employees at all levels towards the operations and growth of the Company.

By order of the Board
for **ALCHEMIST LIMITED**

Date : 1st September, 2011
Place : New Delhi

Kanwar Deep Singh
Chairman & Managing Director

Annexure to the Directors' Report

Information as per Section 217(2A) of the Companies Act, 1956 and the Companies (Particulars of Employees) Rules, 1975, forming part of the Directors' Report for the year ended 31st March, 2011

Name	Age (Yrs.)	Designation	Gross Remuneration (in lacs)	Qualification	Exp. (Yrs.)	Date of Joining	Previous Employment
Mr. Kanwar Deep Singh	50	Managing Director	90.12	Graduate	29	31-5-1989	—
Mr. Gautam Gulati	51	Group Executive Director	94.13	B.Com, CA	25	3-9-2009	Aman Resports
Mr. Ashok Chauhan*	60	Group Executive Director	57.55	BE (Mech), MBA	38	5-7-2010	Thapar Group

* Employed for part of the year

By order of the Board
for **ALCHEMIST LIMITED**

Date : 1st September, 2011
Place : New Delhi

Kanwar Deep Singh
Chairman & Managing Director

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO IN ACCORDANCE WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT

1. CONSERVATION OF ENERGY

Conservation of energy is an ongoing & continuous process, where your company has taken various measures like replacement of outdated energy intensive equipment's with energy saving equipments, better use of natural/artificial lights, installation of variable frequency drive in place of conventional motors, timely maintenance of electrical equipments etc. It has helped the company in improving efficiency, reduction in cost of production with lesser break down of machinery.

Power and Fuel Consumption

1.	Electricity	2010-2011	2009-2010
	a) Purchased		
	No. of units	705449	3062579
	Total Amount (Rs. in lacs)	36.20	146.17
	Rate/Unit (Rs.)	5.14	4.77
	b) Own generation		
	No. of Units	50938	546506
	Total Amount (Rs. in lacs)	8.15	84.57
	Rate per Unit	16.00	15.47
2.	Coal	Nil	Nil
3.	Furnace Oil	Nil	Nil
4.	Others	Nil	Nil

II TECHNOLOGY ABSORPTION

Research and Development

Your Company accord high priority to the Research and Development activities, being a continuous process. Research and Development Centre of the Company carries out research work in several areas with the objective to introduce new products, improve quality of existing products and to lower the cost of production. The Company has incurred Rs. 93.72 Lacs on research and development during the year constituting 0.22% of turnover.

Technology absorption, adaptation and innovation

The Company has not imported any technology during the year under report.

III. FOREIGN EXCHANGE EARNINGS AND OUTGO

Total Foreign Exchange Earned : Rs. Nil Lacs

Total Foreign Exchange Outgo : Rs. Nil Lacs

By order of the Board
for **ALCHEMIST LIMITED**

Date : 1st September, 2011
Place : New Delhi

Kanwar Deep Singh
Chairman and Managing Director

CERTIFICATION BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER OF THE COMPANY

We, Kanwar Deep Singh, Managing Director / Chief Executive Officer and Bikram Bhattacharya, Chief Financial Officer, of Alchemist Limited, do hereby certify, to the best of our knowledge and belief :

1. That we have reviewed the Balance Sheet and Profit and Loss Account of the company for the year ended 31st March, 2011 and all its schedules and notes on accounts as well as the Cash Flow Statements and the Directors' Report ;
2. That these statements do not contain any materially untrue statement or omit any material fact nor do they contain statements that might be misleading. ;
3. That these statements together present a true and fair view of the company affairs and are in compliance with the existing accounting standards and/or applicable laws/regulations ;
4. That we accept responsibility for establishing and maintaining internal controls and have evaluated the effectiveness of internal control systems of the company and we have also disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and steps have been taken to rectify these deficiencies.
5. That we have disclosed to the auditors as well as the Audit Committee, instances of significant fraud, if any, that involves management or employees having a significant role in the company's internal control systems and
6. That we have indicated to the auditors, the Audit Committee and in the notes on accounts, whether or not there were significant changes in internal control and /or of accounting policies during the year.

Date : 1st September, 2011
Place : New Delhi

Kanwar Deep Singh
Managing Director/Chief Executive Officer

Bikram Bhattacharya
Chief Financial Officer

**STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO
SUBSIDIARY COMPANIES**

S.No.	Particulars	(Rupees in Lacs)	
		Alchemist Foods Ltd.	Alchemist Enterprise (S) Pte Ltd.
1.	Name of Subsidiary	Alchemist Foods Ltd.	Alchemist Enterprise (S) Pte Ltd.
2.	Financial Year Ending	31 st March 2011	31 st March 2011
3.	Extent of Holding Company Interest in the Subsidiary Company	100%	100%
4.	The net aggregate of Profit/Losses of the subsidiary's company for its financial year so far as they concern the members of Holding Company "Alchemist Limited"		
i)	Dealt within the Accounts of Holding Company "Alchemist Limited" for the year ended 31st March, 2011	Nil	Nil
ii)	Not Dealt within the Accounts of Holding Company "Alchemist Limited" for the year ended 31st March, 2011 (Net of Taxes)	494.18	Nil
5.	The Net aggregate of profits/losses of the subsidiary company for the previous financial year so far as they concern the member of Holding Company "Alchemist Limited"		
i)	Dealt within the Accounts of Holding Company "Alchemist Limited" for the year ended 31st March, 2010	Nil	Nil
ii)	Not Dealt within the Accounts of Holding Company "Alchemist Limited" for the year ended 31st March, 2010 (Net of Taxes)	1477.07	Nil

HARISH SHARMA
Company Secretary

BIKRAM BHATTACHARYA
CFO

R.P. CHHABRA
Director

KANWAR DEEP SINGH
Chairman & Managing Director

Financial Information of Subsidiary Companies

Sr.No.	Particulars	Alchemist Foods Limited	Alchemist Enterprise (S) Pte Ltd.
1.	Capital	100500.00	0.43
2.	Reserves	10679.25	Nil
3.	Total Assets	25424.56	0.43
4.	Total Liabilities	25424.56	Nil
5.	Investment	Nil	Nil
6.	Turnover	9231.27	Nil
7.	Profit before Taxation	1068.93	Nil
8.	Provision for Taxation	574.74	Nil
9.	Profit after Taxation	494.19	Nil
10.	Proposed Dividend	251.25	Nil

Report on Corporate Governance

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance aims to attain high level of transparency in all its operations, maximizing stockholder's value, profitability and growth including interaction with employees, shareholders, institutions, banks and all its business associates.

We take pleasure in informing that your company has fully committed to comply with the provisions of clause no. 49 of the listing agreement relating to corporate governance, the detail of which are as under :

BOARD OF DIRECTORS

As on 31st March, 2011, Board of Directors of your Company consists of four directors, out of which one is Promoter Executive Director, and three are Independent Non Executive Directors. The Chairman of the Board is Promoter Executive Director. The composition of Board of Directors of the Company during the financial year 2010-2011 was in conformity with Clause No. 49 of the Listing Agreement.

Composition of the Board

Name of Director	Category	Attendance at		OtherBoards/Committees		
		Board Meeting	Last A.G.M.	Directorship #	Committees ##	
					Membership	Chairman
Sh. Kanwar Deep Singh	Chairman & Managing Director - Promoter	6	Yes	8	2	0
Sh. Ravinder Singh**	Promoter - Non Executive Director	0	No	1	0	0
Sh. R. P. Chhabra	Independent Non Executive - Director	6	Yes	8	0	3
Sh. Asoke K Chhaterjee	Independent Non Executive - Director	6	No	7	4	0
Sh. V.K. Bhardwaj*	Independent Non Executive - Director	2	No	1	0	0

* Sh. V.K. Bhardwaj appointed as an additional director w.e.f. 13/10/2010

**Sh. Ravinder Singh, resigned from directorship w.e.f. 08/01/2011

NUMBER AND DATE OF BOARD MEETINGS HELD DURING THE YEAR 2010-2011

During the year 2010-2011, Six Board Meetings were held on following dates namely 30th April, 2010, 11th August, 2010, 27th August, 2010, 28th September, 2010, 1st November, 2010, and 10th February, 2011.

CODE OF CONDUCT

As per clause no. 49 of the listing agreement, the Company has adopted a Code of Conduct for its Directors and Senior Executives. The CEO has given a declaration that all the Directors and Senior Executives have affirmed their compliance with the Code of Conduct. A declaration to this effect signed by Mr. Kanwar Deep Singh, Chairman & Managing Director is attached to this report.

AUDIT COMMITTEE

The Audit Committee was constituted with powers and role specifically laid down in compliance with clause no. 49 of the listing agreement and section 292 A of the Companies Act, 1956.

As on 31st March, 2011 Audit Committee consists of three directors namely Sh. R.P. Chhabra as Chairman, (Non Executive Independent Director), Sh. Asoke Kumar Chatterjee—Member (Non Executive Independent Director) and Sh. Kanwar Deep Singh—Member (Managing Director). During the year, five meetings of the Audit Committee were held on 30th April, 2010, 11th August, 2010, 27th August, 2010, 1st November, 2010 and 10th February, 2011. The attendance of the members on the above meetings was as follows : Sh. R. P. Chhabra - 5, Sh. Asoke Kumar Chatterjee - 5, Sh. Kanwar Deep Singh - 5.

The Company Secretary acts as the Secretary of the Audit Committee.

Sh. R. P. Chhabra, Chairman of the Audit Committee attended the previous Annual General Meeting held on 28th September, 2010.

SHAREHOLDERS COMMITTEE

As on 31st March, 2011, Shareholders Committee consists of two directors namely Sh. R. P. Chhabra, as Chairman, Non Executive Independent Director as Chairman of the Committee and Mr. Kanwar Deep Singh, Managing Director-Promotor as a member. Company Secretary acts as Compliance Officer.

The Committee was constituted as per clause no. 49 of the listing agreement to redress the grievances of the shareholders on issue like share transfer, non receipt of dividend, annual report and other allied matters concerning the shareholders. The Board has delegated the powers of share transfer to M/s Link Intime India Private Limited, which reviews share transfer every fortnight.

REMUNERATION COMMITTEE

As on 31st March, 2011, Remuneration committee consists of two Directors namely Mr. R.P. Chhabra and Mr. Asoke Kumar Chatterjee both Non-Executive Independent Directors. The scope of the remuneration committee is to determine/review the remuneration payable to Managing Director/Directors.

During the year ended 31st March, 2011, one meeting of the Remuneration Committee was held to fix the remuneration payable to Mr. Kanwar Deep Singh, Managing Director for the financial year 2010-2011.

Mr. Kanwar Deep Singh, Managing Director has been paid remuneration of Rs. 90.12 Lacs inclusive of Basic Salary, House Rent, perquisites including contribution to Provident Fund etc. Other Directors have been paid sum of Rs. 1.10 Lacs only as sitting fee for attending meetings of the Board/Committees thereof.

SUBSIDIARY COMPANY

As on 31st March, 2011, your Company has two wholly owned subsidiary companies namely Alchemist Foods Ltd. and Alchemist Enterprise (S) PTE Ltd. Mr. Kanwar Deep Singh, Promoter-Executive Director and Mr. R.P. Chhabra, Independent-Non Executive Director are on the Board of 'Alchemist Foods Ltd'. and Alchemist Enterprise (S) PTE Ltd.

GENERAL BODY MEETINGS

The last three Annual General Meetings of the Company were held as under :

Financial Year	Date	Time	Venue
2007-2008	30.09.2008	10.30 A.M.	Village Dappar, Ambala-Chandigarh Highway, Distt. Mohali (Punjab)
2008-2009	30.09.2009	10.00 A.M.	23-24, Nehru Place, New Delhi
2009-2010	28.09.2010	9.30 A.M.	23, Nehru Place, New Delhi

All the resolutions, including the special resolutions, set out in the respective notices of the last three Annual General Meeting were passed by the Shareholders. No resolution was passed during the year through the process of postal ballot.

DISCLOSURES

During the year under review, none of the transactions with the promoters, the Directors or the management, their subsidiaries or relatives etc. were in potential conflict with the interest of the Company. The necessary detail as to related party relationship and their transaction with the company is given by way notes to the accounts.

Secondly, there has not been any non-compliance / penalties or strictures imposed on the Company by any of the Stock Exchanges, SEBI or any other statutory authorities on any matter relating to the capital market during the last three years.

MEANS OF COMMUNICATION

The Company regularly communicate to the Stock Exchanges, where its shares are listed its quarterly, half yearly and annual results on their approval by the Audit Committee and Board of Directors to enable them to put them on their own websites. The financial results are published in the English and Vernacular newspapers having wide circulation as per the requirements of the listing agreement. The quarterly results are not sent individually to the shareholders, however, Annual Report of the Company is sent to the shareholders individually by post at their registered addresses.

CEO/CFO CERTIFICATION

A Certificate from Mr. Kanwar Deep Singh, Managing Director (Chief Executive Officer) and Mr. Bikram Bhattacharya, Chief Financial Officer of the company as per the requirement of Clause 49 of the listing agreement is annexed and form part of the report.

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

A Certificate from Statutory Auditors of the Company confirming compliance with Clause 49 of the listing agreement relating to Corporate Governance is annexed to and forms part of this report.

GENERAL SHAREHOLDERS INFORMATION

Annual General Meeting : Day : Friday

Date : 30th, September, 2011

Time : 9.30 A.M.

Venue : 23, Nehru Place, New Delhi - 110019

Financial Year April 1st to 31st March

Dividend Payment Date not applicable

Date of Book Closure 26/09/2011 to 30/09/2011 (both days inclusive)

Listing on Stock Exchanges

The equity shares of the Company are listed on the following Stock Exchange(s) namely :

1. Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Tower,
25th Floor, Dalal Street, Mumbai - 400 001
2. National Stock Exchange of India Limited,
Exchange Plaza, Bandra-Kurla Complex, Bandra (East),
Mumbai - 400051

Stock Code :

The Bombay Stock Exchange Limited, : 526707
 National Stock Exchange of India Limited : "ALCHEM"
 Demat ISIN in NSDL and CDSL for equity shares : INE 964B01033

Market Price Data :

Month	Bombay Stock Exchange		National Stock Exchange	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April, 2010	206.50	157.00	206.50	156.00
May, 2010	216.15	175.00	217.05	173.95
June, 2010	192.90	170.05	194.00	170.15
July, 2010	200.95	176.00	200.95	176.30
August, 2010	203.85	166.10	203.05	165.25
September, 2010	254.30	201.05	254.00	200.00
October, 2010	272.45	221.50	274.00	216.00
November, 2010	262.50	229.00	262.80	213.80
December, 2010	245.00	205.00	244.00	207.10
January, 2011	267.80	221.00	269.00	224.60
February, 2011	244.00	227.65	241.00	216.30
March, 2011	242.90	224.30	255.00	223.00

Share Price performance in comparison to broad based indices BSE Sensex and NSE Nifty for the financial year 2010-2011

BSE Sensex		NSE Nifty	
Change in company's share price (%)	Change in BSE Sensex (%)	Change in Company's share price (%)	Change in NSE Sensex (%)
43.88	10.94	44.36	11.14

Registrar and Share Transfer Agent :

M/s LINK INTIME INDIA PVT. LTD.
 A-40, 2nd Floor, Naraina Industrial Area,
 Phase II, Near Batra Banquet Hall,
 New Delhi - 110 028.
 Contact No. : 011-41410592-94

Share Transfer System

The share transfers which are received by the Registrar are processed and the share certificates are returned within a period of 15-20 days from the date of its receipt, subject to the documents are complete in all respect and are in order. Transfer of shares held in dematerialized form are done through depositories participants with no involvement of the Company. Requests for dematerialization of shares are processed and confirmed within 15 days. The connectivity with NSDL and CDSL is maintained through M/s LINK INTIME INDIA PRIVATE LIMITED.

Shareholding pattern as on 31st March, 2011

Category	No. of Shares	Percentage
Promoters and Associates	3409541	27.85
Foreign Collaborator	20000	0.16
Mutual Fund/Financial Institutions/Ins. Companies/Banks	499266	4.08
Foreign Institutional Investors	2686457	21.94
Private Corporate Bodies	2782220	22.72
Indian Public	1985430	16.21
NRI's/ OCB's	741512	6.06
HUF's	33383	0.27
Others (Clearing members/house)	86991	0.71
Total	12244800	100.00

Dematerialization of Shares and Liquidity

Category	Number of Shares	Per centage
NSDL	9490223	77.50
CDSL	1910939	15.61
Physical	843638	6.89
Total	12244800	100

Outstanding GDRs/ ADRs/Warrants etc.

There are no outstanding GDR/ADRs/Warrants or any convertible instruments as on 31st March, 2011.

Plant/works Locations :

- Village : Dappar , Distt. Mohali, Punjab
- Village : Chanalon, Near Kurali, Distt : Ropar , Punjab
- Village : Kanogata, Rajgarh, Distt. Sirmour , Himachal Pradesh
- Electronic Complex, Chambaghat, Solan, Himachal Pradesh

Address for correspondence :

- Registered Office & Head Office : 23, Nehru Place, New Delhi - 110 019
Tel. No. 011-40600800
- Chandigarh Office : SCO 12-13, Sector 9-D, Madhya Marg, Chandigarh
Tel. No. 0172-2743480-82, Fax No. 0172- 2740099
E-mail : investors@alchemist.co.in

By order of the Board
for **ALCHEMIST LIMITED**

Date : 1st September, 2011
Place : New Delhi

Kanwar Deep Singh
Chairman & Managing Director

Declaration by the Managing Director under Clause 49(1)(D)(ii) of the Listing Agreement

I, hereby declare that to the best of my knowledge and belief, all the members of the Board and Senior Management personnel of the Company have affirmed compliance with the Code of Conduct for the year ended 31st March, 2011.

For **Alchemist Limited**

Date : 1st September, 2011
Place : New Delhi

Kanwar Deep Singh
Chairman & Managing Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

The Members,
Alchemist Limited,

We have examined the compliance of conditions of Corporate Governance by M/s Alchemist Limited, for the year ended 31st March, 2011, as stipulated in clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

We state that in respect of Investor Grievances received during the year ended 31st March, 2011, no investor grievances are pending against the Company for a period exceeding one month as per records maintained by the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

CA. Ashish Chhabra
Partner
Membership No. 507083

Date : 1st September, 2011
Place : New Delhi

N.KUMAR CHHABRA & CO.
Chartered Accountants
Firm Registration No. 000837N

Auditors' Report

To the Members of
ALCHEMIST LIMITED

We have audited the Balance Sheet of ALCHEMIST LIMITED as at 31st March, 2011 and the related Profit and Loss Account and cash flow statement 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 the 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 examining, on 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 the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We Report that :

1. As required by the Companies (Auditors' Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of section 227(4A) of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in Paragraphs 4 and 5 of the said order.
2. Further to our comments in the Annexure referred to in paragraph 1 above, we report that:
 - i) 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.
 - ii) In our opinion, proper books of accounts, as required by law, have been kept by the Company, so far as appears from our examination of those books of accounts.
 - iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement are in agreement with the books of accounts.
 - iv) In our opinion the Balance Sheet & Profit and Loss Account and the cash flow statement comply with the Accounting Standards referred to section 211 (3C) of the Companies Act, 1956.
 - v) Based on representations received from the Directors as on 31st March, 2011 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2011 from being appointed as a director in terms of clause [g] of sub section [1] of Section 274 of the Companies Act, 1956.
 - vi) The accounts of the company has been prepared on a going concern basis.
 - vii) In our opinion, and to the best of our information and according to the explanations given to us, the said accounts read with notes thereon and attached thereto, 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 Balance Sheet, of the state of Company's affairs as at 31st March, 2011,
 - (b) in the case of Profit & Loss Account, of the Profit of the Company for the year ended on that date and
 - (c) in the case of Cash Flow Statement of the cash flow for the year ended on that date.

Date : 1st September, 2011
Place : New Delhi

CA. Ashish Chhabra
Partner
Membership No. : 507083
N.KUMAR CHHABRA & CO.
Chartered Accountants
Firm Registration No. 000837N

Annexure to the Auditors' Report

Referred to in Paragraph 1 of the Auditors' Report to the Members of the company as required by the Companies (Auditors' Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government of India and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we further report that:

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The company has formulated a regular program of verification by which all the assets of company have been physically verified. No material discrepancies were noticed on physical verification conducted by the management during the year as compared with the book records.
- (c) There was no disposal of a substantial part of fixed assets.
- (ii) (a) The physical verification of stocks of finished goods, stores, spare parts and raw materials was carried out during the year by the management.
- (b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventories followed by the management was 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 having regard to the size of operations of the company.
- (iii) (a) According to the information & explanations given to us the company has granted loans to Subsidiary Company, Alchemist Foods Limited (Party covered in the register maintained under section 301 of the Companies Act, 1956) for which the maximum amount outstanding during the year was Rs. 16779.66 Lac and amount outstanding on 31st March, 2011 was Rs. 7638.08 Lac and also the Company has taken unsecured loan from KDS Corporation Pvt. Ltd., (Party covered in the register maintained under section 301 of the Companies Act, 1956) for which the maximum amount outstanding during the year was Rs. 14331.68 Lacs and amount outstanding on 31st March, 2011 was Rs. 13481.68 Lacs.
- (b) The Company has taken/given interest free loans and other term and conditions of the loan taken/given by the company to/from parties covered in register maintained under Section 301 are not prima-facie prejudicial to the interest of the company.
- (c) The company is regular in repayment.
- (d) There is no overdue amount in respect of the loan taken/given by the company.
- (iv) In our opinion, the internal control procedures are adequate and commensurate with the size and the nature of its business for purchase of inventories and fixed assets and with regard to the sale of goods.

- (v) (a) In our opinion and according to the information and explanations given to us, the transactions made in the pursuance of contracts or arrangements, that need to be entered into the register maintained under section 301 of the Companies Act, 1956 for the year have been so entered.
- (b) In our opinion and according to the information and explanation given to us, the transaction made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956, aggregating during the year to Rs. 5,00,000/- or more in respect of each party have been made at prices which in our opinion, are reasonable having regard to prevailing market price at the relevant time.
- (vi) The company has accepted deposits from the public during the year covered by our audit report. However, the deposits have been repaid during the year and also the balance stand in the books at the year end the company has complied with the provisions of Section 58A and 58AA of the Act and the rules framed there under.
- (vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (viii) According to the information and explanations given to us, the Central Govt has not prescribed any records to be maintained under section 209(1)(d) of the Companies Act, 1956.
- (ix) (a) According to the records available with the company, the company was regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Custom Duty, Excise Duty and Cess and any other Statutory Dues. According to the information & explanation given to us, no undisputed amount payable in respect of the aforesaid dues were outstanding as at 31st March, 2011, for a period of more than six months from the date they become payable.
- (b) According to the information and explanations given to us, there are no dues of sale tax, income tax, custom duty, excise duty, cess and any other statutory dues to be deposited on account of any dispute.
- (x) The company has no accumulated losses and has not incurred any cash losses during the financial year and in the immediately preceding financial year.
- (xi) According to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institutions, banks and other securities.
- (xii) According to the information and explanations given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The company is not a Chit fund or a nidhi/mutual benefit fund/society. Therefore the provisions of Clause 4(xiii) of the Order are not applicable to the company.
- (xiv) According to the information and explanations given to us, the company is not dealing in shares, securities and debentures. Therefore, provisions of clause 4(xiv) of the Order are not applicable to the company.
- (xv) In our opinion and according to the information and explanation given to us, the terms and conditions on which the company has given corporate guarantee to the tune of Rs.1877 Lacs for loans taken by others from banks and financial institutions are prima-facie not prejudicial to the interest of the company.

- (xvi) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purpose for which they were raised.
- (xvii) According to the information and explanations given to us, and on an overall examination of the Balance Sheet of the company, we report that no funds raised on short term basis have been utilised for long term investment and vice versa.
- (xviii) According to the information and explanations given to us, the company has not made any preferential allotment during the year.
- (xix) According to the information and explanations given to us, the company has not issued any secured debentures during the year. Accordingly, the provisions of Clause (xix) of the Order is not applicable to the company.
- (xx) During the year, the company has not raised any money by way of a public issue.
- (xxi) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year, that causes the financial statement to be materially mis stated.

CA. Ashish Chhabra
Partner
Membership No. : 507083

N.KUMAR CHHABRA & CO.
Chartered Accountants
Firm Registration No. 000837N

Date : 1st September, 2011
Place : New Delhi

Balance Sheet

(Amount in Rupees)

As at	Schedule	31-03-11	31-03-10
SOURCES OF FUNDS			
1. Shareholders' Funds :			
a) Capital	A	405657000	532674000
b) Reserves & Surplus	B	640710639	1028097790
2. Loan Funds :			
a) Secured Loans	C	73207413	349143282
b) Unsecured Loans	D	1758422270	808620770
3. Deferred Tax Liabilities (Net) (Refer Note no 23 of Schedule)		20930635	121760100
TOTAL		2898927957	2840295942
APPLICATION OF FUNDS			
1. Fixed Assets (Including Capital Advances, Pre-operative Expenses)	E		
a) Gross block		899581350	2591413416
b) Less : Depreciation		217118359	452947924
c) Net block (a-b)		682462991	2138465492
2. Investments (At cost)	F	1233473492	241350347
3. (i) Current Assets, Loans & Advances :			
a) Inventories	G	69788978	295518399
b) Sundry Debtors	H	170435491	173203998
c) Cash and Bank Balances	I	110252604	208108874
d) Loans and Advances	J	896745138	174609839
		1247222211	851441110
Less :			
(ii) Current Liabilities & Provisions :			
a) Current Liabilities	K	265735024	408418954
b) Provisions	L	24489600	24489600
		290224624	432908554
Net Current Assets (i-ii)		956997587	418532556
4. Miscellaneous Expenditure (To the extent not written off or adjusted)	M	25993887	41947547
TOTAL		2898927957	2840295942
Significant Accounting Policies	R		
Notes to the Accounts	S		

The annexed schedules referred to above form an integral Part of the Financial Statements.
This is the Balance Sheet referred to in our Report of even date.

On behalf of the board

CA. Ashish Chhabra **HARISH SHARMA** **BIKRAM BHATTACHARYA** **R.P. CHHABRA** **KANWAR DEEP SINGH**
Partner Company Secretary CFO Director Chairman & Managing Director
Membership No. 507083

N.KUMAR CHHABRA & CO.
Chartered Accountants
Firm Registration No. 000837N

Date : 1st September, 2011
Place : NEW DELHI

Profit and Loss Account

(Amount in Rupees)

As at	Schedule	31-03-11	31-03-10
INCOME			
Sales/Other Income	N	4110516060	3986557018
Increase/(Decrease) in Stocks	O	9314630	61710432
		4119830690	4048267450
EXPENDITURE			
Materials,, Manufacturing & Other Expenses	P	3931663526	3686256619
Interest & Financing Charges	Q	24738577	67892751
Misc. Expenses Written Off	M	14926432	15707751
		3971328535	3769857121
PROFIT FOR THE PERIOD		148502155	278410329
Depreciation		29330929	83525796
NET PROFIT BEFORE TAX		119171226	194884533
Provision for Taxes			
Current Tax		(30245413)	(26922676)
Deferred Tax		(655478)	(17284201)
PROFIT AFTER TAX		88270335	150677656
Prior Period Items\Provisions Written Back		(7341263)	6832030
NET PROFIT		80929072	157509686
APPROPRIATIONS			
Proposed Dividend		24489600	24489600
Corporate Dividend Tax		—	4067415
Transfer to General Reserves		6069680	15750969
Surplus Carried Forward to Balance Sheet		50369792	113201702
		80929072	157509686
Earning Per Share (Equity shares Per value Rs.10/- each)			
– Basic & Diluted (Refer note no. 17 of Schedule)			
-- Basic EPS		6.61	12.86
-- Diluted EPS		6.61	12.86
Significant Accounting Policies	R		
Notes to the Accounts	S		

The annexed schedules referred to above form an integral Part of the Financial Statements.
This is the Profit & Loss Account referred to in our Report of even date.

On behalf of the board

CA. Ashish Chhabra **HARISH SHARMA** **BIKRAM BHATTACHARYA** **R.P. CHHABRA** **KANWAR DEEP SINGH**
Partner Company Secretary CFO Director Chairman & Managing Director
Membership No. 507083

N.KUMAR CHHABRA & CO.
Chartered Accountants
Firm Registration No. 000837N

Date : 1st September, 2011
Place : NEW DELHI

Schedules forming part of the Balance Sheet

(Amount in Rupees)

As at	31-03-11	31-03-10
SCHEDULE A : SHARE CAPITAL		
I) <u>Authorised</u>		
Equity Shares - 3,00,00,000 of Rs.10/-each (Previous year - 1,22,50,000 of Rs.10/- each)	300000000	122500000
Preference Shares - 50,00,000 of Rs.100/- each (Previous year - 1,09,00,000 of Rs.100/- each)	500000000	1090000000
II) <u>Issued, Subscribed and Paid-up</u>		
Equity Shares - 1,22,44,800 of Rs..10/- each (Previous year - 1,22,44,800 of Rs.10/- each)	122448000	122448000
Redeemable Preference Shares 28,32,090 of Rs.100/- Each (Previous year - 41,02,260 of Rs.100/- each)	283209000	410226000
TOTAL	405657000	532674000

SCHEDULE B : RESERVES AND SURPLUS		
I) <u>Share Premium</u>	9408000	9408000
II) <u>General Reserve</u>		
Balance brought forward	347983700	380529195
Add: Transfer from Profit & Loss A/c	6069680	15750969
Less: Transfer to Preference Shares Redemption Reserve	222828673	31773464
Less: Transfer to Capital Redemption Reserve	127017000	16523000
	4207707	347983700
III) <u>Capital Redemption Reserve</u>		
Balance Brought Forward	111365000	94842000
Add : Transfer from General Reserve	127017000	16523000
	238382000	111365000
IV) <u>Preference Shares Redemption Reserve</u>		
Balance brought forward	236706973	246241009
Add: Transferred from General Reserve	222828673	31773464
Less: Utilized for the Redemption of Preference Shares	296119517	41307500
	163416129	236706973
V) <u>Profit and Loss Account Balance</u>		
Balance Brought Forward	322634117	209432415
Less : Profit Traf. to Demerged Unit (Alchemist Foods Ltd.)	147707106	—
Surplus as Per Profit and Loss Account	50369792	113201702
	225296803	322634117
TOTAL	640710639	1028097790

SCHEDULE C : SECURED LOANS		
(a) Term Loans	9070068	194885131
(b) Working Capital Facilities	28949433	77678713
(c) Demand Loans (Against FDR)	6953663	45372435
(d) Vehicle Loans	28234249	31207003
TOTAL	73207413	349143282

Refer Note No. - 12 For Securities

Schedules forming part of the Balance Sheet

(Amount in Rupees)

As at	31-03-11	31-03-10
SCHEDULE D : UNSECURED LOANS		
Deposit From Public	145253500	296452000
Inter Corporate Deposits	1348168770	247168770
Long Term Securities Received	265000000	265000000
TOTAL	1758422270	808620770

SCHEDULE E : FIXED ASSETS

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 1.4.2010	Sale/ Adjustment	Additions/ Capitalised	As on 31.03.2011	As on 1.4.2010	On Sale/ Adjustment	For the year	As on 31.03.2011	As on 31.03.2011	As on 31.03.2010
Land	290346605	149278016	9373227	150441816	—	—	—	—	150441816	290346605
Building	920221482	879405657	265835	41081660	146176310	130302750	2133219	18006779	23074881	774045172
Plant and Machinery	503708572	412800014	6058139	96966697	133369702	102372168	4514060	35511594	61455103	370338870
Sapling	68129905	—	423857	68553762	67167353	—	1357920	68525273	28489	962552
Green House	54258089	—	—	54258089	22382387	—	2577259	24959646	29298443	31875702
Office Equipments	14287970	6070764	748583	8965789	3553027	1712251	429584	2270360	6695429	10734943
Compu. & Peripherals	24947408	5507103	10204560	29644865	9686687	1634845	3235404	11287246	18357619	15260721
Furniture & Fixture	15977264	3046116	210556	13141704	6491581	564914	823369	6750036	6391668	9485683
Vehicles	126718793	54161622	34456774	107013945	38071549	11517368	10967476	37521657	69492288	88647244
Technical Know How	4332687	4332687	—	—	11870	11870	—	—	—	4320817
R & Development	118707893	82596663	9372028	45483258	26037458	17044328	3292638	12285768	33197490	92670435
Capital Work in progress	449776747	384699737	218952753	284029763	—	—	—	—	284029763	449776747
Total	2591413416	1981898379	290066312	899581350	452947924	265160494	29330929	217118359	682462991	2138465492
Prev. Year Balances	2444558422	7256602	154111598	2591413416	371174484	2461840	84235280	452947924	2138465492	

SCHEDULE F : INVESTMENTS

Other than Trade Investments :		
Quoted Shares		
-- Andhra Bank [Current Year Equity Shares 3394 (Previous Year 3394) of Rs.10/- each]	154223	154223
– Punjab Alkalies Ltd. (Current Year Equity Shares - Nil) of Rs.10/- each (Pre.Yr. 370030) of Rs.10/- each	—	7108042
– Marksans Pharma Ltd. [Current Year Equity Shares 657100 of Rs.1/- each (Previous Year 657100 of Rs.1/- each)]	1478476	2282159
	1632699	9544424

Schedules forming part of the Balance Sheet

(Amount in Rupees)

As at	31-03-11	31-03-10
SCHEDULE F : INVESTMENTS (Contd...)		
Unquoted Shares		
– Dooteriah & Kalej Valley Tea Estate Pvt Ltd. (Current year Equity shares 36000 (Previous Year 36000) of Rs 100/- Each	18180173	18180173
– Alchemist Foods Ltd (Current Year Equity Shares 10050000 (Previous Year 50000) of Rs.10/- Each)	1000500000	500000
– Alchemist Medisphare Limited (Current Year Equity Shares 22500 (Previous year 22500 Shares) of Rs. 10/- Each	225000	225000
– AUSA LLC (Current Year Equity Shares 49951 (Previous Year 49951) of US\$ 100 Each)	212400750	212400750
– Alchemist Enterprise(s) Pte. Ltd. (Current Year Equity Shares 1000 (Previous Year - Nil) of SGD\$ 1 Each	34870	—
	1231340793	231305923
Investment in Mutual Funds		
Religare Mutual Funds (Units 50000 of Rs.10/- Each)	500000	500000
	500000	500000
Total	1233473492	241350347

SCHEDULE G : INVENTORIES (Note No: 7 Schedule R)		
(Inventories as taken, valued and certified by the Management)		
Raw Materials	16476536	40924420
Finished Goods	15634819	84724870
Work in Progress/Semi finished goods	37671623	169164560
Store, Spares & Scrap	6000	704549
Total	69788978	295518399

SCHEDULE : H SUNDRY DEBTORS		
Over six months		
Unsecured - Considered good	2835754	11012519
Other Debts		
Unsecured - Considered good	167599737	162191479
Total	170435491	173203998

Schedules forming part of the Balance Sheet

(Amount in Rupees)

As at	31-03-11	31-03-10
SCHEDULE I : CASH & BANK BALANCES IN HAND		
Cash in hand	9695009	11656232
Balance with Banks - Current Accounts	59124427	87374033
Balance with Banks - Fixed Deposit A/c (Includes deposits of Rs. 83.69 lacs (Prev. Yr. Rs. 615.42 lacs) under Lien against demand loans and Rs. 22.31 lacs (Prev. Yr. Rs. 41.68 lacs) under lien as guarantees given by banks to various Government Authorities)	41433168	109078609
Total	110252604	208108874
SCHEDULE J : LOANS & ADVANCES		
(Unsecured Considered Good)		
Securities	6289893	39021697
Advances Paid to Suppliers for Goods/Services	19816557	17486607
Advances Recoverable in Cash or in Kind or for value to be received	77865510	76701535
Loan to Subsidiary	792773178	41400000
Total	896745138	174609839
SCHEDULE K : CURRENT LIABILITIES		
Sundry Creditors	82900447	200747129
Advance Received	119117757	117713681
Security Received	4220000	4261791
Unclaimed Dividend	10435398	11482119
Provision for Expenses	26835264	53603665
Other Liabilities	22226158	20610569
Total	265735024	408418954
SCHEDULE L : PROVISIONS		
Proposed Dividend	24489600	24489600
Total	24489600	24489600
SCHEDULE M : MISCELLANEOUS EXPENDITURE		
Deferred Revenue Expenditure (Note No: 15 Schedule R)		
Balance Brought Forward	41947547	34775835
Add : During the Year	10490221	22879463
Less : Transfer to Demerged Company	11517449	—
Less : Written off	14926432	15707751
Balance Carried Forward	25993887	41947547
Total	25993887	41947547

Schedules forming part of the Profit and Loss Account

(Amount in Rupees)

For the year ended	31-03-11	31-03-10
SCHEDULE N : SALES/OTHER INCOME		
Gross Sales	4115326671	3973612903
Less :- Excise Duty	9839746	9971160
Net Sale	4105486925	3963641743
Other Income	5029135	22915275
Total	4110516060	3986557018

SCHEDULE O : INCREASE / DECREASE IN STOCK		
Opening Stock :		
- Finished goods	84724870	59717644
- Work in Progress	169164560	133132175
- Stores, Spare & Scrap	704549	33728
	254593979	192883547
Less : Transfer to Demerged Company		
- Finished goods	68540041	—
- Work in progress	141389273	—
- Store, Spares and Scrap Material	666853	—
	210596167	—
Closing Stock :-		
- Finished goods	15634819	84724870
- Work in Progress	37671623	169164560
- Stores, Spare & Scrap	6000	704549
	53312442	254593979
Increase / (Decrease) in Stocks	9314630	61710432

SCHEDULE P : MATERIALS, MANUFACTURING & OTHER EXPENSES		
A) Raw Materials		
Opening Stock	40924420	43503253
Less : Transfer to Demerge Company	28556971	—
Add : Purchases	3801410821	3417347311
	3813778270	3460850564
Less : Closing Stock	16476536	40924420
Sub Total (A)	3797301734	3419926144
(B) Other Manufacturing Expenses		
Consumable, Stores & Spares including Freight	15943199	36269171
Power & Fuel Expenses	4434523	25582201
Sub Total (B)	20377722	61851372
(C) Payment to and Provision for Employees		
Salaries & Wages including Bonus, Gratuity, Welfare Expenses	47810790	90342018
Employer's Contribution towards Provident & other Funds	3397054	5659328
Sub Total (C)	51207844	96001346
(D) Selling and Administration Expenses		
Rent	2760254	20466532
Postage, Telegram & Courier	476503	1208369
Repair & Maintenance	727122	5175178

Schedules forming part of the Profit and Loss Account

(Amount in Rupees)

For the year ended	31-03-11	31-03-10
SCHEDULE P : MATERIALS, MANUFACTURING & OTHER EXPENSES (Contd.)		
Travelling Expenses	5287314	8002695
Fee & Taxes	1272729	1251762
Insurance Charges	2937683	5940599
Telephone, Internet & Communication Charges	1972142	5898483
Vehicle Running & Maintenance	3749450	8491861
Director's Sitting Fees	110000	150000
Misc. and General Expenses	8284998	11330084
Marketing Expenses	22953124	25720350
Advertisement & Publicity	2830692	2865679
Printing & Stationery	1051230	1862996
Auditor's Remuneration		
Statutory Audit Fee	952992	952992
Tax Audit Fee	158832	158832
For Others	311043	296707
Legal & Professional Charges	3584395	4460285
Business Promotion / Entertainment Expenses	3355723	4244353
Sub Total (D)	62776226	108477757
Total Manufacturing & other Expenses {A+B+C+D}	3931663526	3686256619

SCHEDULE Q : INTEREST AND FINANCE CHARGES

Interest Paid	10505692	61591969
Financing & Other Charges	14232885	6300782
Total	24738577	67892751

SCHEDULE R : STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**1. ACCOUNTING CONVENTION**

The Financial statements are prepared under historical cost convention in accordance with applicable mandatory Accounting Standards issued by "The Institute of Chartered Accountants of India" and relevant presentational requirements of the Companies Act, 1956.

2. USE OF ESTIMATES

The preparation of Financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and the estimates are recognised in the period in which the results are known / materialised.

3. FIXED ASSETS

Fixed assets are stated at their original cost of acquisition/revaluation, including taxes, freight, and other incidental expenses related to acquisition and installation of the concerned assets. Internally fabricated assets are valued at cost. Interest on borrowed funds attributable to acquisition/construction of fixed assets & related preoperative expenses up to the date of commencement of commercial production, are capitalized.

4. CAPITAL WORK IN PROGRESS

Project under commissioning and other capital work in progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

5. DEPRECIATION

Depreciation on fixed assets is provided on straight-line Method (SLM) at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956 and on the re-valued cost wherever applicable. The difference of the depreciation between the revalued cost and historical cost has been charged to Profit & Loss Account. Saplings and Flower Beds have been written off at the rate of 1/7th & 1/10th of the cost respectively.

6. GOVERNMENT GRANTS

Grants in the nature of promoter's contribution and in which repayment is ordinarily not expected are treated as shareholders funds.

Grants in relation to specific fixed assets are deducted from the cost of the fixed assets.

7. INVENTORIES

The basis of valuation of inventories is as under:

- (i) Raw material, semi finished goods and finished goods are valued at lower of cost or net realizable value. The raw material costs are based on weighted average method
- (ii) Stores and spares are valued at cost and scrap is valued at net realisable value
- (iii) In compliance with AS-2 prescribed by ICAI, the company has included excise duty on stock of finished goods, however this has no impact on profit of the company for the year under review..

8. FOREIGN CURRENCY TRANSACTION

Transaction in foreign currency is recorded at the exchange rate prevailing at the time of transaction. Exchange differences, if any, arising out of transactions settled during the year are recognised in the profit and loss account.

In the case of assets and liabilities standing at the year end date, the balances are stated at the rates prevailing at the year end and the exchange difference there on are adjusted in the profit and loss account.

In respect of forward contracts taken by the Company, the difference between the forward rate and the exchange rate at the end of transaction is recognised as expenses over the life of the forward contract.

9. INTANGIBLE ASSETS

The R&D expenditure on revenue account has been capitalised under the head fixed assets and are being amortised over a period of 10 years.

Intangible assets recognised in the financial statements are amortised over the useful life of the asset.

10. REVENUE RECOGNITION

Items of income & expenditure are recognised on accrual basis. Dividend is accounted for when the right to receive payment is established.

11. RETIREMENT BENEFITS

- i) Company's Contribution to Provident Fund and Family Pension fund are charged to Profit & Loss Account.
- ii) Contribution to Provident Fund is accounted for on accrual basis with corresponding contribution to recognised Fund.
- iii) Gratuity liability is defined benefit or obligation and is provided for on the basis of an actuarial valuation made at the end of each financial year. The liability so provided is unfunded.
- iv) Leave encashment is provided for on the basis of an actuarial valuation made at the end of each financial year.

12. MISCELLANEOUS EXPENDITURE

Miscellaneous expenditure not written off is amortised over a period of five years.

13. TAXES ON INCOME

Income Tax for the year comprises of current tax and deferred tax. Current tax provision has been determined on the basis of relief and deductions available under the Income Tax Act, 1961. Deferred tax is recognised for all timing differences, subject to the consideration of prudence, applying the tax rates that have been substantively enacted by the Balance Sheet date.

14. BORROWING COSTS

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying assets is one that necessarily takes substantial period of time to get ready for intended uses. All other borrowing costs are charged to revenue.

15. DEFERRED REVENUE EXPENDITURE

Expenses incurred by Company under various head for Brand building /launching of new projects have been charged to deferred expenditure. These expenditure are written off over a period of 10 year as the benefit of these expenditure will be available to the company during this period.

16. EARNING PER SHARE

The earning considered in ascertaining the Company's EPS comprises as the net profit after tax. The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the year.

17. COMMON EXPENSES

Common expenses relating to Head Office and other Administrative offices have been allocated to various profit centres on a reasonable basis.

18. INVESTMENTS

Long term investments are stated at cost. Provision is made for diminution in the value of long term investments, if such decline is other than temporary. Current Investment is carried at cost or fair value, which ever is lower.

19. OPERATING LEASES

Assets taken on lease under which all risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease payments under operating leases are recognized as expenses.

20. IMPAIRMENT OF ASSETS

As at each Balance Sheet date, the carrying amount of assets is tested for impairment so as to determine

- the provision for impairment loss, if any, required or
- the reversal, if any, required of impairment loss recognized in previous periods.

Impairment loss is recognized when the carrying amount of assets exceeds its recoverable amount.

21. ROUNDING OFF

Amounts have been rounded off to the nearest Rupee.

22. PROVISION, CONTINGENT LIABILITIES & CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognised when there is present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

HARISH SHARMA
Company Secretary

BIKRAM BHATTACHARYA
CFO

R.P.CHHABRA
Director

KANWAR DEEP SINGH
Chairman & Managing Director

SCHEDULE S : NOTES FORMING PART OF ACCOUNTS**1) CONTINGENT LIABILITIES ETC.**

There is no contingent liabilities on account of letter of credit. Bank Guarantees & Corporate guarantee given to bank/financial and other institutions are given below :-

Sl.	Particulars	(Amt. in Rs. Lacs) 2011	(Amt. in Rs. Lacs) 2010
a)	Corporate Guarantees	1877.00	1877.00
b)	Bank Gurantees. (On Hundered % Margin)	106.00	41.68
	Total	1983.00	1918.68

2. ADDITIONAL INFORMATION PURSUANT TO PROVISIONS OF PARAGRAPH (3) TO 4(D) OF PART II OF SCHEDULE VI TO THE COMPANIES ACT, 1956 TOGETHER WITH OTHER NOTES.**a) PARTICULARS IN RESPECT OF INSTALLED CAPACITIES AND ACTUAL PRODUCTION**

Classes of Goods	Unit	Licensed Capacity		Installed capacity		Actual Production/Purchases	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Steel	Nos.	N.A.	N.A.	N.A.	N.A.	342347	256561
Pharma	Million	N.A.	N.A.	N.A.	N.A.	238.98	169.93

b) PRODUCTION / PURCHASE AND SALES

Classes of Goods	Unit	Opening Stock	Production/ Purchase	Sales/In house Consumption	Closing Stock
Steel Items	Nos.	4405	342347	339430	7322
Pharma	Million	35.58	238.98	209.48	65.08

Percentage of Material	Current Year (Rs.)	Previous Year (Rs.)
	31.03.2011	31.03.2010
- Imported	Nil	Nil
- Indigenous	100 %	100 %
3. CIF Value of Imports	NIL	118.22 Lacs
4. Earnings in Foreign Exchange	NIL	NIL
5. Expenditure in Foreign Currency		
Director's Travelling	NIL	11.48 Lacs
Imports (Machinery)	NIL	118.22 Lacs
Imports (Technical know-how)	NIL	38.60 Lacs
6. Previous year's figure have been reworked, regrouped, rearranged and reclassified wherever deemed necessary to make them comparable.		
7. A sum of Rs.1,04,35,398/- (Rupees One Crore Four Lacs Thirty Five Thousand Three Hundred Ninety Eight Only) (Previous Year 1,14,82,119/- (Rupees One Crore Fourteen Lacs Eighty Two Thousand One Hundred Nineteen Only) is lying as unclaimed dividend in separate accounts with HDFC Bank, Chandigarh. During the year a sum of Rs.18,34,385/- pertaining to unclaimed dividend for the year 2002-03 was transferred to Investor Education and Protection Fund pursuant to Section 205 of the Companies Act, 1956.		
8. In the opinion of the management the current assets, loans and advances are of the value stated, if realised in the ordinary course of business. Out of the total amount of Loan and Advances a Sum of Rs. 4.60 Crores stands outstanding from Medisphare Marketing Limited. The company has initiated a legal action for recovery of the same.		
9. Reduction in the value of the investments has been considered in the books, as the same are current investments. Current year Rs.8,03,683/- (Previous Year Rs.Nil).		
10. The Company has entered into a scheme of arrangement under section 391-394 of the Companies Act, 1956 with Alchemist Foods Limited, a wholly owned subsidiary which has been approved by the Hon'ble High Court of Delhi and High Court of Punjab and Haryana at Chandigarh vide its order dated 1st November, 2010 & 2nd December, 2010 respectively. The same has been registered with the Office of Registrar of Companies at Delhi and Chandigarh dated 2nd December, 2010 & 23rd December, 2010. Hence, appointed date for the implementation of the scheme comes to 23rd December, 2010 with effect from 1st April 2008 being the effective date.		
As per scheme, food division of Alchemist limited has been demerged from the Company and merged with Alchemist Foods Limited. All the properties, assets, both movable and immovable, liabilities including contingent liabilities and reserves, all income and expenses of the Food Division have without further act all deed been transferred to and vested with Alchemist Foods Limited at their book values, as a going concern with effect from the appointed date i.e. 1st April, 2008. In consideration, thereof, Alchemist Foods Limited has issued 1,00,00,000 Equity Shares of Rs. 10/- each at a premium of Rs. 90/- per shares to Alchemist Limited and amount of Rs. 27.44 Crores be treated as unsecured loan from Alchemist Limited to Alchemist Foods Limited.		
As per Scheme of arrangement, Authorized share capital of Alchemist Limited i.e. Rs. 121.25 Crores as on effective date i.e. 1st April, 2008 has been partly clubbed with Authorized Share Capital of the Transferee Company i.e. Alchemist Foods Limited. Accordingly, after implementation of scheme of arrangement, authorized share capital of Alchemist Limited has been reduced to Rs. 80.00 Crores consisting of 3.00 Crore equity shares of Rs. 10/- each aggregating to Rs. 30.00 Crores and 50.00 Lac redeemable preference shares of Rs. 100/- each aggregating to Rs. 50.00 Crores.		
11. Alchemist Limited has two wholly owned subsidiary companies Alchemist Foods Limited and Alchemist Enterprises Pte. Ltd. In Accordance with General Circular No. 2/2011 dated 8th February 2011 issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Profit and Loss Accounts and other documents of subsidiary companies are not being attached with the Balance Sheet of the Company.		
12. Secured Loans :		
a) Terms Loans		
i) Punjab National Bank :- Secured Loan of Rs. 90,70,068/- (Rs. Ninety Lacs Seventy Thousand Sixty Eight Only) (Previous Year - Nil) secured through Exclusive Charge on Fixed Assets Block, situated at F-5, Kishangarh Rajiv Gandhi I.T. Park, Chandigarh		

b) Working Capital Facilities

- i) **Bank of India :-** Working Capital facility of Rs. 2,89,49,433/- (Rs. Two Crore Eighty Nine Lacs Forty Nine Thousand Four Hundred Thirty Three Only) Previous Year Rs. 2,74,01,332/- (Rs. Two Crore Seventy Four Lacs One Thousand Three Hundred Thirty Two Only) secured against hypothecation of Stocks & and book debt of the company's unit located at Chambaghat, Solan (H.P.). It is further secured by collaterally secured of Land and Building and other structures (erected or to be erected) and other structure of above unit, immovable properties of the Unit situated at Rajgarh, Distt. Sirmour (H.P.) and personal guarantee of Managing Director.

c) Demand Loans :-

Demand Loan of Rs. 69,53,663/- (Rs. Sixty Nine Lacs Fifty Three Thousand Six Hundred Sixty Three Only) (Previous Year Rs. 4,53,72,435/- (Rs. Rs. Four Crore Fifty Three Lacs Seventy Two Thousand Four Hundred Thirty Five Only) secured against the Term Deposit Receipts of the company.

d) Vehicle Loans :-

Vehicle Loans of Rs. 2,82,34,249/- (Rupees Two Crore Eighty Two Lacs Thirty Four Thousand Two Hundred Forty Nine Only) (Previous Year Rs. 3,12,07,003/- (Rupees Three Crore Twelve Lacs Seven Thousand Three Only) are Secured against hypothecation of vehicles.

13. RELATED PARTY DISCLOSURES**i) Key Management Personnel :**

Sh. Kanwar Deep Singh, Managing Director is covered by the definition of Key Management Personnel. Remuneration is paid to Managing Director under his contract of employment with the company [see note 15 below]

Year Ended		31.03.2011 (Rs.)	31.03.2010 (Rs.)
a)	Salary	36,00,000	36,00,000
b)	House Rent	36,00,000	36,00,000
c)	Perquisites	13,80,108	11,89,665
d)	Contribution to funds	4,32,000	4,32,000

II) Detail of Related Parties Transaction :**(a) (Rs. in Lacs)**

Sr. No.	Particulars	Nature	Maximum Outstanding	Closing Balance	Dr/Cr
1.	KDS Corporation Pvt. Ltd.	ICD	14331.68	13481.68	Cr.
2.	Karan Deep Singh	Rent	0.05	Nil	—
3.	Kaman Deep Singh	Rent	0.05	Nil	—
4.	Alchemist Foods Ltd.	ICD	16779.66	7638.08	Dr.
5.	Alchemist Foods Ltd. (WOS)	Investments	10005.00	10005.00	Dr.
6.	Alchemist Enterprises Pte. Ltd. (WOS)	Investments	0.35	0.35	Dr.

- b) During the year company supplied material worth Rs.773.67 Lacs to M/s Alchemist Life Science Limited, and Rs.8.32 Lacs to M/s Alchemist Hospitals Ltd, a sum of Rs.13.54 Lacs paid to Jass Developers on account of rent, an sum of Rs. 60.28 Lacs paid to Black Cat Protections Pvt. Ltd. on account of security services, rent of Rs.0.72 Lacs received from Alchemist Airways Pvt. Ltd. respectively. These supplies were made at the fair market rates and the term and condition thereof are not prejudicial to the interest of the company.
- c) During the year, a sum of Rs.36.00 Lacs was paid to Mr. Kanwar Deep Singh, Key Managerial personnel and a sum of Rs. 0.64 Lacs each was paid to Mr. Karan Deep Singh and Mr. Kaman Deep Singh being the relative of Key Managerial Person respectively as rent.

- d) During the year a sum of Rs. 25.14 Lac was paid to Mr. Kanwar Deep Singh, Rs. 2.35 lacs to Mr. Karan Deep Singh, Rs. 800/- to Mrs. Harpreet Kaur & Rs. 400/- Mrs. to Isher Kaur, Rs. 4.42 Lacs to Mr. Ravinder Singh, (Relative of Key Managerial Person), Rs. 34.88 Lacs to M/s K.D.S. Corporation Pvt. Ltd., Rs. 1.19 Lacs to M/s Optimum Constructors and Developers Limited (Associated Concern) on account of Dividend for the year 2009-10.

14. SEGMENT REPORTING

(Rs. in Lacs)

Sr. No.	Particulars	Agri Business	Pharma & Chemicals	Total
a)	Segment Revenue			
	Revenue from Sales	26016.78	15038.09	41054.87
	Total Revenue	26016.78	15038.09	41054.87
b)	Segment Results			
	Operating Profit(Loss)	647.97	493.45	1141.42
	Add :- Unallocated Incomes			50.29
	Profit Before Tax			1191.71
	Provision for Taxes			(309.01)
	Prior Period Items \Provision Written Back			(73.41)
	Profit After Tax			809.29
c)	Other Information :			
	Segment Assets	7010.75	5461.47	12472.22
	Segment Liabilities	1648.82	1253.43	2902.25
	Fixed Assets (Incl. Capital Work in Progress)	6512.04	2483.77	8995.82
	Depreciation	1819.08	352.10	2171.18
	Non Cash Exp. Other than Depreciation	137.23	85.25	226.68

- a) Segments have been identified in line with the Accounting Standard on Segment Reporting [AS-17] taking into account the organizational structure as well as differential risk and returns of these segments.
- b) Income, Expenses, Assets and Liabilities that are identifiable with/allocable to segments are considered for determining the segment results, segment assets and segment liabilities.

15. DIRECTORS REMUNERATION AND BENEFITS

Sr. No.	Particulars	31.03.2011 Rs.	31.03.2010 Rs.
a)	Salary	36,00,000	36,00,000
b)	House Rent	36,00,000	36,00,000
c)	Perquisites	13,80,108	11,89,665
d)	Contribution to funds	4,32,000	4,32,000
e)	Sitting Fees	1,10,000	1,35,000

The Remuneration paid to Managing Director as per Section 309 of the Companies Act 1956 is within 5% of the net profits. The food division has been demerged from Alchemist Limited and merged with Alchemist Foods Ltd. (A Wholly owned subsidiary) from appointed date i.e. 23rd Dec. 2010 as per Scheme of Arrangement u/s 391-394 of the Act as approved by Hon'ble Court of Delhi and Punjab and Haryana High Court, Chandigarh vide its order(s) dated 1st Nov. 2010 & 2nd Dec. 2010 respectively. The profits for the purpose of payment of remuneration of Managing Director up to 24th Dec. 2010 has been calculated on consolidated basis and thereafter on Standalone basis & accordingly managerial remuneration has been calculated which is within the limit(s) as prescribed u/s 309 of the Companies Act, 1956.

16. AUDITORS REMUNERATION

Sr. No.	Particulars	31.03.2011 Rs.	31.03.2010 Rs.
a)	Statutory Audit Fee	9,52,992	9,52,992
b)	Tax Audit Fee	1,58,832	1,58,832
c)	Certification Fee	3,11,043	2,96,707

17. EARNING PER SHARE (EPS)

Particulars	31.03.2011 Rs.	31.03.2010 Rs.
Profit after Tax	8,09,29,072	15,75,09,686
Basic/Weighted average No of Equity shares outstanding during the year	1,22,44,800	1,22,44,800
Nominal value of Equity Shares (Rs.)	10/-	10/-
Earning per Share (Rs.)		
- Basic EPS	6.61	12.86
- Diluted EPS	6.61	12.86

18. As per Accounting Standard-28 "Impairment of Assets", the company has assessed the conditions of all the assets used in its operation and is of the opinion that there is no impairment of assets, hence no provision was made.

19. RETIREMENT BENEFITS :

As per Accounting Standard-15, Actuarial Valuation was done in respect of Gratuity and Leave Encashment as on 31st March, 2011 the detail of Disclosure is given as under :

Particular	Gratuity	Leave
Disclosure as per AS 15 - Revised - Defined Benefit Plans		
Change in benefit obligations	Rs.	Rs.
Obligations at period beginning	7,654,643	4,352,103
Service Cost	1,361,459	1,425,397
Interest Cost	561,775	313,122
Transfer to Alchemist Foods	(1,264,913)	(876,154)
Actuarial (gain)/loss	(42,569)	(47,263)
Obligations at period end	8,270,395	5,167,205
Change in plan assets		
Plans assets at period beginning, at fair value	—	—
Expected return on plan assets	—	—
Actuarial gain/loss	—	—
Contributions	—	—
Benefits settled	—	—
Plans assets at period end, at fair value	—	—
Funded Status		
Fair value of plan assets at the end of the year	—	—
Present value of obligations at the end of the period	8,270,395	5,167,205
Liability recognized in the balance sheet	(8,270,395)	(5,167,205)
Details of Gratuity / Leave cost		
Service cost	1,361,459	1,425,397
Interest cost	561,775	313,122
Expected return on plan assets	—	—
Actuarial (gain)/loss	(42,569)	(47,263)
Net gratuity / leave cost	1,880,665	1,691,255
Experienced Adjustment on Plan Liabilities	(42,569)	(47,263)
Experience Adjustment on Plan Assets	—	—
Assumptions		
Interest rate	8.00 %	8.00 %
Discount factor	8.00 %	8.00 %
Estimated rate of return on plan assets	0.00 %	0.00 %
Salary Increase	6.00 %	6.00 %
Attrition rate	5.00 %	5.00 %
Retirement age	60	60

20. Finished Goods Stock of Steel Division for year 2011 has been carried over including excise duty.
21. Common Expenses relating to Head Office and other Administrative Office have been allocated to various profit centers on the following basis
- Financial Cost : Fixed and Current assets employed
 - Other Expenses : Sales/Reasonable Estimates.
22. During the year 12,70,170 preference shares were redeemed and as per provisions of the Companies Act, 1956 a sum of Rs. 12,70,17,000/- has been transferred to Capital Redemption Reserve out of General Reserve. Further a sum of Rs. 22,28,28,673/- has been transferred from General Reserve to Preference Shares redemption reserve on account of premium amount of preference shares redeemed.
23. The significant component and classification of deferred tax assets/liabilities on account of timing differences are :

	Amount	Amount	
i) Expenses charged in Financial Statements but allowable in future years under Income Tax Act 1961 u/s 43B : Provisions for the year (Bonus+Earned leave+Gratuity) (Net of amount paid during the year)	5133988	1705383	Deferred Tax Assets
ii) Difference between carrying amount Of Fixed Assets in financial Statement and for Income Tax purpose	7107280	(2360861)	Deferred Tax Liabilities
Deferred tax liabilities [a-b]		(655478)	

24. **DISCLOSURE OF MICRO AND SMALL ENTERPRISES (CREDITORS)**

The company is in the process of compiling information from the suppliers regarding their status as Micro/Small Scale Enterprises, so as to disclose the information as required by MSMED Act and Schedule VI of the Companies Act relating to Micro, Small and Medium Enterprises. In absence of confirmed information about the suppliers, it is practically not feasible to state the amount payable to them as on 31st March, 2011.

25. The balances of some Debtors and creditors, Loan and Advances are subject to confirmation and as such there balances are reflected in the Balance Sheet as appearing in the books, pending reconciliation, the net effect is unascertainable.

26. **ASSETS TAKEN ON OPERATING LEASE :**

Some of the Office premises have been taken on operating leases for a period of less than 10 years and are generally renewable at the option of the lessee. The agreements have an escalation clause. There are no sub leases and the leases are generally cancellable in nature.

27. Disclosures as per Clause 32 of the Listing Agreement with the stock exchanges.

a) Loan and advance in the nature of loan to subsidiary :

(Rs. in Lacs)

Name of Company	Relationship	As At 31 st March 2011	As At 31 st March 2010	Maximum balance outstanding during the year
Alchemist Foods Limited	Wholly owned Subsidiary	7638.08	414.00	16779.66

Loans and advance shown above fall under the category of Loan and Advance in nature of loan which are repayable on demand.

b) The loanee has not made any investments in shares of the Company.

28. The Company has announced a dividend of 20% for the current financial year. However, the CDT liability of Rs. 39,72,825/- accruing on the same, has not been provided. In light of the CDT of Rs. 40,75,902/- provided by the subsidiary Alchemist Foods Limited. The netting benefit has been claimed on the basis of the provision contained under section 115-O of the Income Tax Act, 1961.

Harish Sharma
Company Secretary

Bikram Bhattacharya
CFO

R.P. Chhabra
Director

Kanwar Deep Singh
Chairman Cum Managing Director

Balance Sheet Abstract

BALANCE SHEET ABSTRACT AND COMPANY'S BUSINESS PROFILE

a) Registration Details

Registration No. 1 9 2 6 4 3 State Code 5 5

Balance Sheet Date 3 1 0 3 2 0 1 1

b) Capital Raised During the Year (Amount in Rs. Thousands)

Public Issue

N I L

Bonus Shares

N I L

Rights Issue

N I L

Private Placement

N I L

c) Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities

2 8 9 8 9 2 8

Sources of Funds

Paid-up Capital

4 0 5 6 5 7

Secured Loans

7 3 2 0 7

Deferred Tax

2 0 9 3 1

Application of Funds

Net Fixed Assets

6 8 2 4 6 3

Net Current Assets

9 5 6 9 9 8

Accumulated Losses

N I L

Total Assets

2 8 9 8 9 2 8

Reserves & Surplus

6 4 0 7 1 1

Unsecured Loans

1 7 5 8 4 2 2

Investments

1 2 3 3 4 7 3

Misc. Expenditure

2 5 9 9 4

d) Performance of Company (Amount in Rs. Thousands)

Turnover

4 1 1 0 5 1 6

Profit / Loss before Tax

1 1 1 8 3 0

Earning Per Share in Rs.

6 . 6 1

Total Expenditure

3 9 6 9 3 5 5

Profit / Loss after Tax

8 0 9 2 9

Dividend Rate (%)

2 0

e) Generic Names of Five Principal products/services of Company (As per monetary terms)

Product Descriptions

Steel

Agro Products

Pharma/Chemical

On behalf of the Board

Date : 1st Sep., 2011 **HARISH SHARMA** **BIKRAM BHATTACHARYA** **R.P.CHHABRA** **KANWAR DEEP SINGH**
Place : New Delhi Company Secretary CFO Director Chairman & Managing Director

Cash Flow Statement

(Amount in Lacs)

For the year ended	31.03.11	31.03.10
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Interest, Tax, Other Income & Prior Period Item and Provision Written Back	1388.81	2466.94
Depreciation & Amortization	442.57	992.34
	1831.38	3459.28
<u>Adjustments for :</u>		
Trade & Other Receivables	(7193.67)	(273.60)
Inventories	2257.29	(591.32)
Trade Payables & Other Liabilities	(2435.13)	415.41
Cash Generated from Operations	(5540.13)	3009.77
Interest Paid	(247.39)	(678.93)
Prior Period Item	(73.41)	—
Deferred Tax Liability	(6.55)	(172.84)
Opening profit transfer to Demerged Company (AFL)	(1477.07)	—
Provision for Income Tax	(302.45)	(269.23)
Net Cash Flow From Operating Activities	(7647.01)	1888.77
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets (Gross)	13979.11	(2061.18)
Sale of Fixed Assets (Net of Depreciation)	288.05	47.95
Deferred Expenses	10.27	(228.79)
Adjustments in Balance Sheet (Dep. Capitalised)	—	7.09
(Purchase)/Sale of Investments	(9921.23)	12.28
Interest & Other Incomes	50.29	229.15
Net Cash Used in Investing Activities	4406.50	(1993.50)
C) CASH FLOW FINANCING ACTIVITIES		
Total Proceeds from Borrowings	6738.66	773.79
Dividends Paid and Including Dividend Tax	(244.90)	(285.57)
Increase in Capital (Incl. Share Premium)	(1270.17)	(165.23)
Preference Shares Redemption Premium	(2961.20)	(413.08)
Net Cash From Financing Activities	2261.95	(90.09)
E) Net Increase & Decrease in Cash & Cash Equivalents	(978.56)	(194.82)
F) Cash & Cash Equivalents (Opening Balance)	2081.09	2275.91
G) Cash & Cash Equivalents (Closing Balance) (G=F+E)	1102.53	2081.09

HARISH SHARMA
Company Secretary

BIKRAM BHATTACHARYA
CFO

R.P. CHHABRA
Director

KANWAR DEEP SINGH
Chairman & Managing Director

Auditors' Certificate

We have examined the attached Cash flow statement of Alchemist Limited for the year ended 31st March 2011. The statement has been prepared by the company in accordance with the requirements of the listing agreement Clause 32 with Stock Exchange and is based on and derived from the audited accounts of the company for the year ended 31st March, 2011.

CA. Ashish Chhabra
Partner
Membership No. 507083

N.KUMAR CHHABRA & CO.
Chartered Accountants
Firm Registration No. 000837N

Date : 1st September, 2011
Place : New Delhi

Auditors' Report on Consolidated Financial Statement

TO THE BOARD OF DIRECTORS OF
ALCHEMIST LIMITED

We have audited the Consolidated Balance Sheet of ALCHEMIST LIMITED and its subsidiary as at 31st March, 2011, the related Consolidated Profit and Loss Account and Consolidated Cash Flow Statement for the year ended on the 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 the 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 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 the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We Report that consolidated financial statement have been prepared by the company's management in accordance with the requirements of the Accounting Standard AS-21-"Consolidated Financial Statements", issued by the Institute of Chartered Accountant of the Indian and on the basis of the separate audited financial statement of Alchemist Limited and its subsidiary included in consolidated financial statements.

Based on our audit as aforesaid to the best of our information and according to the explanations given to us, we are of the opinion that the attached consolidated financial statement, read with notes thereon given a true and fair view in conformity with the accounting principles generally accepted in India.

- (i) in the case of Consolidated Balance Sheet, of the Consolidated state of affairs of the company as at 31st March, 2011,
- (ii) in the case of Consolidated Profit & Loss Account, of the Consolidated Profit of the Company for the year ended on that date and,
- (iii) in the case of Consolidated Cash Flow Statement of Consolidated the Cash Flow for the year ended on that date.

Date : 1st September, 2011
Place : New Delhi

CA. Ashish Chhabra
Partner
Membership No. 507083
N. KUMAR CHHABRA & CO.
Chartered Accountants
Firm Registration No. 000837N

Consolidated Balance Sheet

(Amount in Rupees)

As at	Schedule	31-03-11	31-03-10
SOURCES OF FUNDS			
1. Shareholders' Funds :			
a) Capital	A	405657000	532674000
b) Reserves & Surplus	B	808635821	1028097790
2. Loan Funds :			
a) Secured Loans	C	384865641	349143282
b) Unsecured Loans	D	1758422270	808620770
3. Deffered Tax Liabilities (Net)		158585638	121760100
TOTAL		3516166370	2840295942
APPLICATION OF FUNDS			
1. Fixed Assets	E		
a) Gross block		3260707847	2631004686
b) Less : Depreciation		542507716	452947924
c) Net block (a-b)		2718200131	2178056762
2. Investments (At cost)	F	232973492	240850347
3. (i) Current Assets, Loans & Advances :			
a) Inventories	G	362341276	295518399
b) Sundry Debtors	H	209204428	173203998
c) Cash and Bank Balances	I	221061147	209597637
d) Loans and Advances	J	148675742	133209839
		941282593	811529873
Less :			
(ii) Current Liabilities & Provisions :			
a) Current Liabilities	K	372554463	408456138
b) Provisions	L	49614600	24489600
		422169063	432945738
Net Current Assets (i-ii)		519113530	378584135
4. Miscellaneous Expenditure (To the extent not written off or adjusted)	M	45879217	42804698
TOTAL		3516166370	2840295942
Significant Accounting Policies	R		
Notes to the Accounts	S		

The annexed schedules referred to above form an integral Part of the Financial Statements.
This is the Balance Sheet referred to in our Report of even date.

On behalf of the board

CA. Ashish Chhabra **HARISH SHARMA** **BIKRAM BHATTACHARYA** **R.P. CHHABRA** **KANWAR DEEP SINGH**
Partner Company Secretary CFO Director Chairman & Managing Director
Membership No. 507083

N.KUMAR CHHABRA & CO.
Chartered Accountants
Firm Registration No. 000837N

Date : 1st September, 2011
Place : NEW DELHI

Consolidated Profit and Loss Account

(Amount in Rupees)

For the year ended	Schedule	31-03-11	31-03-10
INCOME			
Sales/Other Incomes	N	5033643295	3986557018
Increase/(Decrease) in Stocks	O	58868409	61710432
		5092511704	4048267450
EXPENDITURE			
Materials,, Manufacturing & Other Expenses	P	4695446736	3686256619
Interest & Financing Charges	Q	52143961	67892751
Misc. Expenses Written Off	M	20521462	15707751
		4768112159	3769857121
PROFIT FOR THE PERIOD		324399545	278410329
Depreciation		98334885	83525796
NET PROFIT BEFORE TAX		226064660	194884533
Provision for Tax			
Current Tax		(51549809)	(26922676)
Deferred Tax		(36825538)	(17284201)
PROFIT AFTER TAX		137689313	150677656
Prior Period Items\Provisions year taxes		(7341263)	6832030
NET PROFIT		130348050	157509686
APPROPRIATIONS			
Proposed Dividend		49614600	24489600
Corporate Dividend Tax		4075902	4067415
Transfer to General Reserves		11011578	15750969
Surplus Carried Forward to Balance Sheet		65645970	113201702
		130348050	157509686
Earning Per Share (Equity shares Per value Rs.10/- each)			
– Basic & Diluted (Refer Note No. 11 of Schedule)			
-- Basic EPS		10.65	12.86
-- Diluted EPS		10.65	12.86
Significant Accounting Policies	R		
Notes to the Accounts	S		

The annexed schedules referred to above form an integral Part of the Financial Statements.
This is the Profit & Loss Account referred to in our Report of even date.

On behalf of the board

CA. Ashish Chhabra Partner
Membership No. 507083

HARISH SHARMA Company Secretary

BIKRAM BHATTACHARYA CFO

R.P. CHHABRA Director

KANWAR DEEP SINGH Chairman & Managing Director

N.KUMAR CHHABRA & CO.
Chartered Accountants
Firm Registration No. 000837N

Date : 1st September, 2011
Place : NEW DELHI

Schedules forming part of the Consolidated Balance Sheet

(Amount in Rupees)

As at	31-03-11	31-03-10
SCHEDULE A : SHARE CAPITAL		
I) Authorised		
Equity Shares - 3,00,00,000 of Rs.10/-each (Previous year - 1,22,50,000 of Rs.10/- each)	300000000	122500000
Preference Shares - 50,00,000 of Rs.100/- each (Previous year - 1,09,00,000 of Rs.100/- each)	500000000	1090000000
II) Issued, Subscribed and Paid-up		
Equity Shares - 1,22,44,800 of Rs..10/- each (Previous year - 1,22,44,800 of Rs.10/- each)	122448000	122448000
Redeemable Preference Shares 28,32,090 of Rs.100/- Each (Previous year - 41,02,260 of Rs.100/- each)	283209000	410226000
TOTAL	405657000	532674000

SCHEDULE B : RESERVES AND SURPLUS		
I) Share Premium	9408000	9408000
II) General Reserve		
Balance brought forward	347983700	380529195
Add: Transfer from Profit & Loss A/c	11011578	15750969
Less: Transfer to Preference Shares Redemption Reserve	222828673	31773464
Less: Transfer to Capital Redemption Reserve	127017000	16523000
	9149605	347983700
III) Capital Redemption Reserve		
Balance Brought Forward	111365000	94842000
Add : Transfer from General Reserve	127017000	16523000
	238382000	111365000
IV) Preference Shares Redemption Reserve		
Balance brought forward	236706973	246241009
Add: Transferred from General Reserve	222828673	31773464
Less: Utilized for the Redemption of Preference Shares	296119517	41307500
	163416129	236706973
V) Profit and Loss Account Balance		
Balance Brought Forward	322634117	209432415
Surplus as Per Profit and Loss Account	65645970	113201702
	388280087	322634117
TOTAL	808635821	1028097790

SCHEDULE C : SECURED LOANS		
(a) Term Loans	257909508	194885131
(b) Working Capital Facilities	91374716	77678713
(c) Demand Loans (Against FDR)	6953663	45372435
(d) Vehicle Loans	28627754	31207003
TOTAL	384865641	349143282

(Refer Note No. 6 For Securities)

Schedules forming part of the Consolidated Balance Sheet

(Amount in Rupees)

As at	31-03-11	31-03-10
SCHEDULE D : UNSECURED LOANS		
Deposit From Public	145253500	296452000
Inter Corporate Deposits	1348168770	247168770
Long Term Securities Received	265000000	265000000
TOTAL	1758422270	808620770

SCHEDULE E : FIXED ASSETS

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 1.4.2010	Sale/ Adjustment	Additions/ Capitalised	As on 31.03.2011	As on 1.4.2010	On Sale/ Adjusting	For the year	As on 31.03.2011	As on 31.03.2011	As on 31.03.2010
Land	329937875	—	20038290	349976165	—	—	—	—	349976165	329937875
Building	920221482	305190	58148871	978065163	146176310	—	32217574	178393884	799671279	774045172
Plant and Machinery	503708572	137716	90050335	593621191	133369702	8739	27031522	160392485	433228706	370338870
Sapling	68129905	—	423857	68553762	67167353	—	1357920	68525273	28489	962552
Green House	54258089	—	—	54258089	22382387	—	2577259	24959646	29298443	31875702
Office Equipments	14287970	—	2243922	16531892	3553027	5223	895259	4443063	12088829	10734943
Compu. & Peripherals	24947408	—	27617197	52564605	9686687	450707	6715302	15951282	36613323	15260721
Computer Software	—	—	26001857	26001857	—	—	869103	869103	25132754	—
Furniture & Fixture	15977264	—	4683845	20661109	6491581	30069	1211798	7673310	12987799	9485683
Vehicles	126718793	37481928	42368650	131605515	38071549	8280355	13301025	43092219	88513296	88647244
Technical Know How	4332687	—	4263105	8595792	11870	—	605818	617688	7978104	4320817
R & Development	118707893	—	49294294	168002187	26037458	—	11552305	37589763	130412424	92670435
Capital Work in progress	449776747	—	342493772	792270520	—	—	—	—	792270520	449776747
Total	2631004686	37924834	667627996	3260707847	452947924	8775093	98334885	542507716	2718200131	2178056762
Prev. Year Balances	2392551642	7256602	245709647	2631004686	37174484	2461840	84235280	452947924	2178056762	

SCHEDULE F : INVESTMENTS

Other than Trade Investments :		
Quoted Shares		
- Andhra Bank [Current Year Equity Shares 3394 (Previous Yr. 3394) of Rs.10/- each]	154223	154223
- Punjab Alkalies Ltd. (Current Yr. Equity SharesNil....) of Rs.10/- each (Previous Yr. 370030) of Rs.10/- each.	—	7108042
- Marksans Pharma Ltd. [Curr. Yr. Equity Shares 657100 of Rs.1/- each (Previous Yr. 657100 of Rs.1/- each)]	1478476	2282159
	1632699	9544424

Schedules forming part of the Consolidated Balance Sheet

(Amount in Rupees)

As at	31-03-11	31-03-10
SCHEDULE F : INVESTMENTS (Contd...)		
Other Than Trade Investments :		
Unquoted Shares		
- Dooteriah & Kalej Valley Tea Estate Pvt Ltd. (Current year Equity shares 36000 (Previous Year 36000) of Rs 100/- Each	18180173	18180173
- Alchemist Medisphare Limited (Current Year Equity Shares 22500 (Previous year 22500 Shares) of Rs.10/- Each)	225000	225000
- AUSA LLC (Current Yar Equity Shares 49951 (Previous Year 49951)) of US\$ 100 Each)	212400750	212400750
- Alchemist Enterprise(s) Pte. Ltd. (Current year Equity Shares 1000 (Previous year - Nil) of SGD \$ 1 Each)	34870	—
	230840793	230805923
Investment in Mutual Funds		
Religare Mutual Funds (Units 50000 of Rs.10/- Each)	500000	500000
	500000	500000
Total	232973492	240850347

SCHEDULE G : INVENTORIES

(Inventories as taken, valued and certified by the Management)		
Raw Materials	48878888	40924420
Finished Goods	103880826	84724870
Work in Progress/Semi finished goods	209024920	169164560
Store, Spares and Scrap	556642	704549
Total	362341276	295518399

SCHEDULE H : SUNDRY DEBTORS

Over six months		
Unsecured - Considered good	11185329	11012519
Other Debts		
Unsecured - Considered good	198019099	162191479
Total	209204428	173203998

Schedules forming part of the Consolidated Balance Sheet

(Amount in Rupees)

As at	31-03-11		31-03-10
SCHEDULE I : CASH & BANK BALANCES IN HAND			
Cash in hand	11107543		12105497
Balance with Banks - Current Accounts	76980869		88413531
Balance with Banks - Escrow Account with Punjab National Bank	89557258		—
Balance with Banks - Fixed Deposit A/c (Including deposit of Rs. 83.69 Lacs (Prev. Yr. Rs. 615.42 Lacs) under Lien against demand loans and Rs. 42.13 lacs (Prev. Yr. Rs. 41.68 lacs) under lien as guarantees given by banks to various Government Authorities)	43415477		109078609
Total	221061147		209597637
SCHEDULE J : LOANS & ADVANCES			
(Unsecured Considered Good)			
Securities	37632516		39021697
Advances Paid to Suppliers for Goods/Services	31521353		17486607
Advances Recoverable in Cash or in Kind or for value to be received	79521873		76701535
Total	148675742		133209839
SCHEDULE K : CURRENT LIABILITIES			
Sundry Creditors	131359201		200747129
Advance Received	130237932		117713681
Security Received	4220000		4261791
Unclaimed Dividend	10435398		11482119
Provision for Expenses	44333244		53640849
Other Liabilities	51968688		20610569
Total	372554463		408456138
SCHEDULE L : PROVISIONS			
Proposed Dividend	49614600		24489600
Total	49614600		24489600
SCHEDULE M : MISCELLANEOUS EXPENDITURE			
Deferred Revenue Expenditure			
Balance Brought Forward	41947547		34775835
Add : During the Year	23595981		22879463
Less : Written off	20350032		15707751
Balance Carried Forward	45193496		41947547
Preliminary & Pre operative Expenses			
Balance Brought Forward	857151		671239
Add : During the year	—		185912
Less : Written Off	171430		—
	685721		857151
Total	45879217		42804698

Schedules forming part of the Consolidated Profit and Loss Account

(Amount in Rupees)

For the year ended	31-03-11	31-03-10
SCHEDULE N : SALES/OTHER INCOME		
Gross Sales	5036159679	3973612903
Less :- Excise Duty	9839746	9971160
Net Sale	5026319933	3963641743
Other Income	7323362	22915275
Total	5033643295	3986557018

SCHEDULE O : INCREASE / DECREASE IN STOCK		
Opening Stock :		
- Finished goods	84724870	59717644
- Work in Progress	169164560	133132175
- Store, Spares & Scrap Material	704549	33728
	254593979	192883547
Closing Stock :-		
- Finished goods	103880826	84724870
- Work in Progress	209024920	169164560
- Scrap Material	556642	704549
	313462388	254593979
Increase / (Decrease) in Stocks	58868409	61710432

SCHEDULE P : MATERIALS, MANUFACTURING & OTHER EXPENSES		
A) Raw Material		
Opening Stock	40924420	43503253
Add : Purchases	4388888750	3417347311
	4429813170	3460850564
Less : Closing Stock	48878888	40924420
Sub Total (A)	4380934282	3419926144
(B) Other Manufacturing Expenses		
Consumable, Stores & Spares including Freight	35401576	36269171
Power & Fuel Expenses	31899554	25582201
Sub Total (B)	67301130	61851372
(C) Payment to and Provision for Employees		
Salaries & Wages incl. Bonus, Gratuity, Welfare Expenses	92454206	90342018
Employer's Contribution towards Provident & other Funds	8896634	5659328
Sub Total (C)	101350840	96001346
(D) Selling and Administration Expenses		
Rent	28770633	20466532
Postage, Telegram & Courier	765418	1208369
Repair & Maintenance	5465518	5175178

Schedules forming part of the Consolidated Profit and Loss Account

(Amount in Rupees)

For the year ended	31-03-11	31-03-10
SCHEDULE P : MATERIALS, MANUFACTURING & OTHER EXPENSES (Contd.)		
Travelling Expenses	9666212	8002695
Fee & Taxes	2503069	1251762
Insurance Charges	6489170	5940599
Telephone, Internet & Communication Charges	6312746	5898483
Vehicle Running & Maintenance	11580217	8491861
Director's Sitting Fees	110000	150000
Misc. and General Expenses	16881247	11330084
Marketing Expenses	31440259	25720350
Advertisement & Publicity	7835767	2865679
Printing & Stationery	2280515	1862996
Auditor's Remuneration		
Statutory Audit Fee	1394192	952992
Tax Audit Fee	158832	158832
For Others	311043	296707
Legal & Professional Charges	6311994	4460285
Business Promotion / Entertainment Expenses	7583652	4244353
Sub Total (D)	145860484	108477757
Total Manufacturing & other Expenses {A+B+C+D}	4695446736	3686256619

SCHEDULE Q : INTEREST AND FINANCE CHARGES

Interest Paid	36039694	61591969
Financing & Other Charges	16104267	6300782
Total	52143961	67892751

SCHEDULE R : STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES TO THE CONSOLIDATED ACCOUNTS**1. PRINCIPLES OF CONSOLIDATION**

The consolidated financial statements include the financial statement of parent company and its subsidiary. The Consolidated Financial Statements have been prepared in accordance with the Accounting Standards (AS) 21, Consolidated Financial Statements, issued by the Institute of Chartered Accounts of India. The Consolidated financial statement have been combined on a line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating inter-group balances and inter-group transactions resulting in unrealized profit or losses.

2. BASIS OF PRESENTATION

- The consolidated financial statements relate to Alchemist Ltd. ("The Company") and its subsidiary.
- Notes to these consolidated financial statement are intended to serve as a means of information disclosure and guide to better understanding of the consolidated position of the companies. Recognizing, this purpose, the company has disclosed only such notes from the individual financial statement, which fairly present the needed disclosures.

3. OTHER SIGNIFICANT ACCOUNTING POLICIES

These are set out under "Significant Accounting Policies" as given in the unconsolidated stand alone financial statements of Alchemist Limited and its subsidiary.

Harish Sharma
Company Secretary

Bikram Bhattacharya
CFO

R.P. Chhabra
Director

Kanwar Deep Singh
Chairman Cum Managing Director

SCHEDULE S : NOTES FORMING PARTS OF THE CONSOLIDATED ACCOUNTS

1. Alchemist Limited has two wholly owned subsidiary companies Alchemist Foods Limited and Alchemist Enterprise(s) Pte. Ltd.
2. – The Company has entered into a scheme of arrangement under section 391-394 of the Companies Act, 1956 with Alchemist Foods Limited, a wholly owned subsidiary which has been approved by the Hon'ble High Court of Delhi and High Court of Punjab and Haryana at Chandigarh vide its order dated 1st November, 2010 & 2nd December, 2010 respectively. The same has been registered with the Office of Registrar of Companies at Delhi and Chandigarh dated 2nd December, 2010 & 23rd December, 2010. Hence, appointed date for the implementation of the scheme comes to 23rd December, 2010 with effect from 1st April 2008 being the effective date.
 - As per scheme, food division of Alchemist limited has been demerged from the Company and merged with Alchemist Foods Limited. All the properties, assets, both movable and immovable, liabilities including contingent liabilities and reserves, all income and expenses of the Food Division have without further act all deed been transferred to and vested with Alchemist Foods Limited at their book values, as a going concern with effect from the appointed date i.e. 1st April, 2008. In consideration, thereof, Alchemist Foods Limited has issued 1,00,00,000 Equity Shares of Rs. 10/- each at a premium of Rs. 90/- per shares to Alchemist Limited and amount of Rs. 27.44 Crores be treated as unsecured loan from Alchemist Limited to Alchemist Foods Limited.
 - As per Scheme of arrangement, Authorized share capital of Alchemist Limited i.e. Rs. 121.25 Crores as on effective date i.e. 1st April, 2008 has been partly clubbed with Authorized Share Capital of the Transferee Company i.e. Alchemist Foods Limited. Accordingly, after implementation of scheme of arrangement, authorized share capital of Alchemist Limited has been reduced to Rs. 80.00 Crores consisting of 3.00 Crore equity shares of Rs. 10/- each aggregating to Rs. 30.00 Crores and 50.00 Lac redeemable preference shares of Rs. 100/- each aggregating to Rs. 50.00 Crores and authorised share capital of Alchemist Foods Limited has been increased from Rs. 10,00,00,000/- to Rs. 51,25,00,000/- consisting of 5,12,50,000 equity shares of Rs. 10/- each.
3. Alchemist Enterprise(s) Pte Ltd. was incorporated in Singapore as a wholly owned subsidiary company of Alchemist Limited on 11th Jan 2011 with paid up share capital of SGD 1000 the company has not commenced any business and also no accounts have been prepared for the period from 11th Jan 2011 to 31st March 2011, hence the financials have not been taken into accounts for consolidation purposes.

4. CONTINGENT LIABILITIES ETC.

There is no amount payable against contingent liabilities on account of letter of credit and capital contract. Bank Guarantees & Corporate guarantee given to bank/financial & Other institution, are given below.

Sl.	Particulars	(Amt in Rs. Lacs) 2011	(Amt. in Rs. Lacs) 2010
a)	Corporate Guarantees	1877.00	1877.00
b)	Bank Guarantees. (On Hundred % Margin)	125.82	41.68
	Total	2002.82	1918.68

5. Previous year's figure have been reworked, regrouped, rearranged and reclassified wherever deemed necessary to make them comparable.
6. **Secured Loans :**
 - a) **Terms Loans**
 - i) **Punjab National Bank :-** Secured Loan of Rs. 90,70,068/- (Rs. Ninety Lacs Seventy Thousand Sixty Eight Only) (Previous Year Rs. Nil (Rupees Nil)) secured through Exclusive Charge on Fixed Assets Block, situated at F-5, Kishangarh Rajiv Gandhi I.T. Park, Chandigarh.

- ii) **Punjab National Bank** :- Secured Loan of Rs. 24,63,32,682/- (Rs. Twenty Four Crore Sixty Three Lacs Thirty Two Thousand Six Hundred Eighty Two Only) (Previous Year Rs. 17,98,85,131/- (Rs. Seventeen Crore Ninty Eight Lacs Eighty Five Thousand One Hundred Thirty One Only) secured through first Charge against Fixed Assets of plant situated at village Banmajra, Tehsil Kharar, Distt. Ropar, Punjab & Commercial Broiler Farms at Boothgarh and Ranjitpura, Poultry Feed Mill at Pathankot & Misc fixed Assets of retail outlets at different locations. It is further secured by Personal Guarantee of Managing Director.
- iii) **UCO Bank** :- Secured Loan of Rs. 25,06,758/- (Rs. Twenty Five Lacs Six Thousand Seven Hundred Fifty Eight Only) (Previous Year Rs. 1,50,00,000/- (Rs. One Crore Fifty Lacs Only) secured against Mortgage of Land & Building and other moveable & immovable fixed assets of the company's Egg Layer Farm (present & future) located at District Burdwan (West Bengal). It is further secured by personal Guarantee of Managing Director.

b) Working Capital Facilities

- i) **Punjab National Bank** :- Working Capital facility of Rs. 4,76,88,455/- (Rs. Four Crore Seventy Six Lacs Eighty Eight Thousand Four Hundred Fifty Five Only) (Previous Year Rs. 3,55,53,171/- (Rs. Three Crore Fifty Five Lacs Fifty Three Thousand One Hundred Seventy One Only) secured against hypothecation of Stocks & Receivables of the company Plant at Village Banmajra, Tehsil Kharar, Distt. Ropar, (Punjab) & two Poultry Farms at Boothgarh & Ranjitpura and Feed Mill at Pathankot and ROC DELI and Diner Retail outlets. It is further secured by Personal Guarantee of Managing Director. The Working capital facilities will also be collaterally secured by way of first charge on the block assets of food divisions except Durgapur unit of the company.
- ii) **UCO Bank** :- Cash Credit Limit of Rs. 1,47,36,828/- (Rupees One Crore Forty Seven Lacs Thirty Six Thousand Eight Hundred Twenty Eight Only) (Previous Year Rs. 1,47,24,210/- (Rs. One Crore Forty Seven Lacs Twenty Four Thousand Two Hundred Ten Only) secured against hypothecation of entire current assets of the Company's Egg layer Farm including Stocks, SIP, Loans and advances and receivable of the Company's Durgapur Unit in District Burdwan (West Bengal). Its further secured by Personal Guarantee of Managing Director and collaterally secured by way of EMTD/Exclusive charge on land & building and other assets movable and immovable fixed assets of the company's Egg Layer Farm for (present & future) located at District Burdwan (West Bengal).
- iii) **Bank of India** :- Working Capital facility of Rs. 2,89,49,433/- (Rupees Two Crore Eighty Nine Lacs Forty Nine Thousand Four Hundred Thirty Three Only) (Previous Year Rs. 2,74,01,332/- (Rupees Two Crore Seventy Four Lacs One Thousand Three Hundred Thirty Two Only) secured against hypothecation of stocks and book debt of the company's unit located at Chambaghat, Solan (H.P.). It is further secured by collaterally security of Land and Building and other structure of above unit, immovable properties of the Unit situated at Rajgarh, Distt Sirmour (H.P.) and personal guarantee of Managing Director.

c) Vehicle Loans :-

Vehicle Loans of Rs. 2,86,27,754 (Rupees Two Crore Eighty Six Lacs Twenty Seven Thousand Seven Hundred Fifty Four Only) (Previous Year Rs. 3,12,07,003/- (Rs. Three Crore Twelve Lacs Seven Thousand Three Only) are Secured against hypothecation of vehicles.

d) Demand Loans :-

Demand Loan of Rs. 69,53,663 (Rs. Sixty Nine Lacs Fifty Three Thousand Six Hundred Sixty Three Only) (Previous Year Rs. 4,53,72,435/- (Rs. Four Crore Fifty Three Lacs Seventy Two Thousand Four Hundred Thirty Five Only) secured against the Term Deposit Receipts of the company.

7. RELATED PARTY DISCLOSURES

l) Key Management Personnel :

Sh. Kanwar Deep Singh, Managing Director is covered by the definition of Key Management Personnel. Remuneration is paid to Managing Director under his contract of employment with the company (See note 9)

Year Ended	31.03.2011 (Rs.)	31.03.2010 (Rs.)
a) Salary	36,00,000	36,00,000
b) House Rent	36,00,000	36,00,000
c) Perquisites	13,80,108	11,89,665
d) Contribution to funds	4,32,000	4,32,000

II) Detail of Related Parties Transaction :

a)

Rs. in Lacs

Sr. No.	Particulars	Nature Outstanding	Maximum Balance	Closing	Dr/Cr
1.	KDS Corporation Pvt. Ltd	ICD	14331.68	13481.68	Cr.
2.	Karan Deep Singh	Rent	0.05	Nil	—
3.	Kaman Deep Singh	Rent	0.05	Nil	—

- b) During the year company supplied material worth Rs. 773.67 Lacs to M/s Alchemist Life Science Limited, and Rs. 8.32 Lacs to M/s Alchemist Hospitals Ltd., a sum of Rs. 13.54 Lacs paid to Jass Developers, on account of rent, an amount of Rs. 1.10 Crore paid to Black Cat Protections Pvt. Ltd. on account of Security Services, an sum of rent of Rs. 0.72 Lacs received from Alchemist Airways Pvt. Ltd. respectively. These supplies were made at the fair market rates and the term and condition thereof are not prejudicial to the interests of the company.
- c) During the year, a sum of Rs.36.00 Lacs was paid to Mr. Kanwar Deep Singh, Key Managerial personnel and a sum of Rs.0.64 Lacs each was paid to Mr. Karan Deep Singh and Mr. Kaman Deep Singh being the relative of Key Managerial Person respectively as rent.
- d) During the year a sum of Rs. 25.14 Lac was paid to Mr. Kanwar Deep Singh, Rs. 2.35 Lacs to Mr. Karan Deep Singh, Rs. 800/- to Mrs. Harpreet Kaur & Rs. 400/- to Mrs. Isher Kaur Rs. 4.42 Lacs to Mr. Ravinder Singh, (Relative of Key Managerial Person), Rs. 34.88 Lacs to M/s K.D.S. Corporation Pvt Ltd., Rs. 1.19 Lacs to M/s Optimum Constructors and Developers Limited (Associates Concern) on account of Dividend for the year 2009-2010.

8. **SEGMENT REPORTING**

(Rs. in Lacs)

Sr. No.	Particulars	Agri Business	Pharma & Chemicals	Total
a)	Segment Revenue			
	Revenue from Sales	35225.11	15038.09	50263.20
	Total Revenue	35225.11	15038.09	50263.20
b)	Segment Results			
	Operating Profit(Loss)	1693.98	493.45	2187.43
	Add :- Unallocated Incomes			73.22
	Profit Before Tax			2260.65
	Provision for Taxes			(883.76)
	Prior Period Items \Provisions Written Back			(73.41)
	Profit After Tax			1303.48
c)	Other Information :			
	Segment Assets	3951.36	5461.47	9412.83
	Segment Liabilities	2968.26	1253.43	4221.69
	Fixed Assets (Incl. Capital Work in Progress)	30123.31	2483.77	32607.09
	Depreciation	5072.97	352.10	5425.08
	Non Cash Exp. Other than Depreciation	193.38	85.25	278.63

- a) Segments have been identified in line with the Accounting Standard on Segment Reporting [AS-17] taking into account the organizational structure as well as differential risk and returns of these segments.
- b) Income, Expenses, Assets and Liabilities that are identifiable with/allocable to segments are considered for determining the segment results, segment assets and segment liabilities.

9. DIRECTORS REMUNERATION AND BENEFITS

Sr. No.	Particulars	31.03.2011 Rs.	31.03.2010 Rs.
a)	Salary	36,00,000	36,00,000
b)	House Rent	36,00,000	36,00,000
c)	Perquisites	13,80,108	11,89,665
d)	Contribution to funds	4,32,000	4,32,000
e)	Sitting Fees	1,10,000	1,35,000

The Remuneration paid to Managing Director as per Section 309 of the Companies Act 1956 is within 5% of the net profits. The food division has been demerged from Alchemist Limited and merged with Alchemist Foods Ltd. (A Wholly owned subsidiary) from appointed date i.e. 23rd Dec. 2010 as per Scheme of Arrangement u/s 391-394 of the Act as approved by Hon'ble Court of Delhi and Punjab and Haryana High Court, Chandigarh vide its order(s) dated 1st Nov. 2010 & 2nd Dec. 2010 respectively. The profits for the purpose of payment of remuneration of Managing Director up to 24th Dec. 2010 has been calculated on consolidated basis and thereafter on Standalone basis & accordingly managerial remuneration has been calculated which is within the limit(s) as prescribed u/s 309 of the Companies Act, 1956.

10. AUDITORS REMUNERATION

Sr. No.	Particulars	31.03.2011 Rs.	31.03.2010 Rs.
a)	Statutory Audit Fee	13,94,192	9,75,493
b)	Tax Audit Fee	1,58,832	1,58,832
c)	Certification Fee	3,11,043	2,96,707

11. EARNING PER SHARE (EPS)

Particulars	31.03.2011 Rs.	31.03.2010 Rs.
Profit after Tax	13,03,48,050	15,75,09,686
Basic/Weighted average No of Equity shares outstanding during the year	1,22,44,800	1,22,44,800
Nominal value of Equity Shares(Rs.)	10/-	10/-
Earning per Share [Rs.]		
- Basic EPS	10.65	12.86
- Diluted EPS	10.65	12.86

12. As per Accounting Standard-28 "Impairment of Assets", the company has assessed the conditions of all the assets used in its operation and is of the opinion that there is no impairment of assets, hence no provision was made.

13. RETIREMENT BENEFITS :

Particular	Gratuity	Leave
Disclosure as per AS 15 - Revised - Defined Benefit Plans		
Change in benefit obligations	Rs.	Rs.
Obligations at period beginning	7,654,643	4,352,103
Service Cost	2,626,372	2,301,551
Interest Cost	1,411,918	896,294
Transfer to Alchemist Foods	(1,214,316)	(841,108)
Actuarial (gain)/loss	(67,865)	(74,352)
Obligations at period end	10,410,751	6,634,488
Change in plan assets		
Plans assets at period beginning, at fair value	—	—
Expected return on plan assets	—	—
Actuarial gain/loss	—	—
Contributions	—	—
Benefits settled	—	—
Plans assets at period end, at fair value	—	—
Funded Status		
Fair value of plan assets at the end of the year	—	—
Present value of obligations at the end of the period	10,410,751	6,634,488
Liability recognized in the balance sheet	(10,410,751)	(6,634,488)
Details of Gratuity / Leave cost		
Service cost	2,211,602	2,008,569
Interest cost	612,371	348,168
Expected return on plan assets	—	—
Actuarial (gain)/loss	(67,865)	(74,352)
Net gratuity / leave cost	2,756,108	2,282,385
Experienced Adjustment on Plan Liabilities	(67,865)	(74,352)
Experience Adjustment on Plan Assets	—	—
Assumptions		
Interest rate	8.00 %	8.00 %
Discount factor	8.00 %	8.00 %
Estimated rate of return on plan assets	0.00 %	0.00 %
Salary Increase	6.00 %	6.00 %
Attrition rate	5.00 %	5.00 %
Retirement age	60	60

14. ASSETS TAKEN ON OPERATING LEASE :

Some of the Stores and Office premises have been taken on operating leases for a period of Less less than 10 years and are generally renewable at the option of the lessee. The agreements have an escalation clause. There are no sub leases and the leases are generally cancellable in nature.

Harish Sharma
Company Secretary

Bikram Bhattacharya
CFO

R.P. Chhabra
Director

Kanwar Deep Singh
Chairman Cum Managing Director

Consolidated Cash Flow Statement for the year ended

(Amount in Lacs)

For the year ended	31.03.11	31.03.10
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Interest, Tax, Other Income & Prior Period Item	2635.44	2466.94
And Provision Written Back		
Depreciation & Amortization	1188.56	992.34
	3824.00	3459.28
<u>Adjustments for :</u>		
Trade & Other Receivables	(514.66)	139.40
Inventories	(668.23)	(591.32)
Trade Payables & Other Liabilities	260.49	415.59
Cash Generated from Operations	2901.60	3422.95
Interest Paid	(521.44)	(678.93)
Deferred Tax Asset/(Liability)	(368.26)	(172.84)
Provision for Income Tax	(515.50)	(269.23)
Net Cash Flow From Operating Activities	1496.41	2301.95
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets (Gross)	(6676.28)	(2457.10)
Sale of Fixed Asset (Net of Depreciation)	291.50	47.95
Deferred Expenses	(235.96)	(230.65)
Adjustments in Balance Sheet (Dep. Capitalised)	—	7.09
(Purchase)/Sale of Investments	78.77	10.28
Interest & Other Incomes	73.23	229.15
Net Cash Used in Investing Activities	(6468.74)	(2393.28)
C) CASH FLOW FINANCING ACTIVITIES		
Total Proceeds from Borrowings	9855.24	773.79
Dividends Paid Including Dividend Tax	(536.91)	(285.57)
Increase in Capital (Incl. Share Premium)	(1270.17)	(165.23)
Preference Shares Redemption Premium	(2961.20)	(413.08)
Net Cash From Financing Activities	5086.97	(90.09)
E) Net Increase & Decrease in Cash & Cash Equivalents	114.64	(181.41)
F) Cash & Cash Equivalents (Opening Balance)	2095.98	2277.39
G) Cash & Cash Equivalents (Closing Balance) (G=F+E)	2210.61	2095.98

HARISH SHARMA
Company Secretary

BIKRAM BHATTACHARYA
CFO

R.P. CHHABRA
Director

KANWAR DEEP SINGH
Chairman & Managing Director

Auditors' Certificate

We have examined the attached Consolidate Cash flow statement of Alchemist Limited for the year ended 31st March 2011. The statement has been prepared by the company in accordance with the requirements of the listing agreement Clause 32 with Stock Exchange and is based on and derived from the audited accounts of the company for the year ended 31st March, 2011.

CA. Ashish Chhabra
Partner
Membership No. 507083

N.KUMAR CHHABRA & CO.
Chartered Accountants
Firm Registration No. 000837N

Date : 1st September, 2011
Place : New Delhi

ALCHEMIST LIMITED

Regd. Office : 23, Nehru Place, New Delhi 110019

ATTENDANCE SLIP
22nd Annual General Meeting

Regd. Folio No. _____

DP ID. No. _____

Client I.D. No. _____

No. of Shares held _____

I hereby record my presence at the 22nd Annual General Meeting of the Company on Friday, the 30th September, 2011 at 9.30 A.M. at 23, Nehru Place, New Delhi 110019.

Member's/Proxy's Name

Signature of the Member/Proxy

NOTE : Members attending the meeting in person or by proxy are requested to complete the attendance slip and hand it over at the entrance of the Meeting Hall.



ALCHEMIST LIMITED

Regd. Office : 23, Nehru Place, New Delhi 110019

PROXY FORM
22nd Annual General Meeting

Regd. Folio No. _____

DP ID. No. _____

Client I.D. No. _____

No. of Shares held _____

I/We _____

of _____

in the District of _____ being a Member/Members

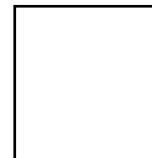
of the Company hereby appoint _____

of _____ or failing him/her _____ of _____

as my/our Proxy to vote for me/us on my/our behalf at the 22nd Annual General Meeting of the Company to be held on Friday, the 30th September, 2011 at 9.30 A.M. at 23, Nehru Place, New Delhi 110019 and any adjournment (s) thereof.

Signed this _____ day of _____ 2011

Signature _____



NOTES :

1. This form, in order to be valid and effective, should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
*Those who hold shares in demat form must quote their Client I.D. No. and Depository Participant (DP) ID. No.
2. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself.

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ALCHEMIST LTD.
23, Nehru Place,
New Delhi - 110 019

