

27TH
ANNUAL REPORT
2015-2016



ALCHEMIST LIMITED

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CORPORATE INFORMATION

Board of Directors	Mr. Pavan Kumar Verma Mr. Vinay Kumar Mittal Ms. Maria Fernandes Mr. Tanveer Gill	Whole Time Director Director (Non-Executive) Director (Independent) Additional Director (Independent)
Chief Financial Officer	Mr. Bikram Bhattacharya	
Company Secretary & Compliance Officer	Mr. Vinay Singh	
Statutory Auditors	M/s N. Kumar Chhabra & Co. Chartered Accountants, Chandigarh.	
Bankers	Punjab National Bank Bank of India HDFC Bank	
Registrar & Share Transfer Agents	M/s. Link Intime Private Limited	
Registered & Head Office	23, Nehru Place New Delhi - 110019 Phone: 011-40600800, Fax: 40600888 E-mail: investors@alchemist.co.in Website: www.alchemist.co.in	
Chandigarh Office	SCO 12-13, Sector 9-D, Madhya Marg, Chandigarh - 160009 Phone: 0172-4680000, Fax: 2740099	
Works Pharma Unit	Electronic Complex, Chambaghat, Solan, Himachal Pradesh	
Steel Unit	Chanalon, Near Kurali, District :Ropar, Punjab Phone: +91-0160-5003184-85.	
Floriculture Unit	Dappar, Ambala Chandigarh Highway, District Mohali, Punjab Phone: +91-1762-248666-248668, Village Kanogata, Rajgarh, District Sirmour (Himachal Pradesh)	

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the 27th Annual Report on the business and operations of the Company along with the Audited Annual Financial Statements and the Auditors' Report thereon for the financial year ended 31st March, 2016. The financial highlights for the year under review are given below:

FINANCIAL HIGHLIGHTS**(₹ in lacs)**

Particulars	Financial Year 2015-16	Financial Year 2014-15
Revenue from Operations & Other Income	4,050	27,414
Operating Profit /(Loss)	(462)	(1,018)
Finance Charges	276	196
Profit (Loss) before depreciation & Tax	(739)	(1,214)
Depreciation	862	682
Exceptional Item	278	Nil
Profit/ (Loss) before Tax	(1,879)	(1,896)
Taxation	209	100
Profit/ (Loss) for the year	(2,088)	(1,996)
Proposed Dividend	Nil	Nil
Tax on Dividend	Nil	Nil

The volatility and uncertainty in the economy continued during the year. Due to slow down in the markets across the world and decline in the export the net revenue of the Company was ₹ 4,050 lacs as compared to ₹ 27,414 lacs during the previous year. The Operating profit/(loss) i.e profit/ (loss) before interest, depreciation & Tax during the year was ₹ (462) lacs as compared to ₹ (1,018) lacs during the previous year. The net profit/(loss) after tax was ₹ (2,088) lacs during the year as compared to ₹ (1,996) lacs during the previous year.

CHANGE IN NATURE OF BUSINESS, IF ANY

There is no change in the nature of business of the Company during the year.

DIVIDEND

Considering the continued weak operating environment in the standalone business and in view of the losses for the year, no dividend is permitted to be paid to the Members for Financial Year 2015-16, as per the Companies (Declaration and Payment of Dividend) Rules, 2014.

SHARE CAPITAL

The paid up Equity Share Capital was ₹ 1355.98 Lacs and paid up Preference Share capital was ₹ 31.86 Lacs as on March 31st, 2016.

DEPOSITORY SYSTEM

As the members are aware, the Company's equity shares are compulsorily tradable in electronic form. As on March 31st, 2016, 12,777,561 shares (94.23%) of the Company's total paid-up capital representing 13,559,800 shares are in dematerialized form. In view of the numerous advantages offered by the Depository system, members holding shares in physical mode are advised to avail of the facility of dematerialization from either of the depositories.

LISTING

The Shares of your Company are listed on Bombay Stock Exchange Limited (BSE) and National Stock Exchange India Limited (NSE). The Listing fee for the year 2016-17 has been paid to the Stock Exchanges. Annual custodian charges of Depository have also been paid to NSDL and CDSL for the same period.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

During the year the Company has transferred the unpaid or unclaimed dividends for the financial year 2007-2008 amounting to ₹ 1,073,327/- to Investor Education & Protection Fund (IEPF). This amount was due & payable and remained unclaimed and unpaid for a period of seven years as per relevant provisions of Companies Act, 2013 and rules made thereunder.

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company.

The amount of dividend for the subsequent years i.e from the financial year ended 31st March, 2009 and onwards, remaining unclaimed for a period of seven years from the date of transfer to Unpaid dividend account of the Company shall be transferred to the Investor Education and Protection Fund set up by the Government of India and no payments shall be made in respect of any such claims.

SUBSIDIARY COMPANY & CONSOLIDATED FINANCIAL STATEMENTS

As on 31st March, 2016, the company has four subsidiary companies namely Alchemist Foods Limited, Alchemist Infrastructures Private Limited and Alchemist Hospitality Group Limited, Alchemist Enterprise (s) Pte Limited, Singapore.

The Financial Statements of Alchemist Limited's wholly owned foreign subsidiary "Alchemist Enterprise (S) Pte Ltd." is not consolidated because the same is under the compilation process till the date of balance sheet. Financial statements of other subsidiaries are consolidated as per the requirements of the Companies Act, 2013, accounting standards and accounting policies applicable to the company.

Pursuant to Section 129(3) of the Act, a statement containing the salient features of the financial statements of the subsidiary companies is attached to the Financial Statements in Form AOC-1. The Company will make available the said financial statements and related detailed information of the subsidiary companies upon the request by any member of the Company or its subsidiary companies. These financial statements will also be kept open for inspection by any Member at the Registered Office of the Company. The Consolidated Financial Statements presented by the Company include the financial statements of its subsidiary companies.

DEPOSITS

The Company has not accepted any deposits from the public during the year under review.

PERFORMANCE REVIEW

The company's main business segments are Agri Business comprising largely floriculture Steel and Chemicals pharma division comprising the manufacturing and trading. The company's subsidiaries are in the business of foods and food processing, infrastructures and Hospitality.

PHARMA DIVISION

Alchemist Pharma division is a strong vertical of Alchemist Group with around 200 SKU's and promoted through a very strong committed field force. Pharma division enjoys tremendous respect with the medical fraternity and covering a universe of around 40,000 Doctors and 20,000 retailers across the country. Alchemist's Molecules have been acknowledged with tremendous response at the market place. A detailed write up on the pharma divisions is contained in the section on Management Discussion and Analysis elsewhere in this report.

AGRI DIVISION

The company continued to mark its presence in business of Global Agri Trade.

STEEL DIVISION

Steel business segment is consistently making achievement and the production efforts are now supplemented by trading activity as well.

Particulars of loans, guarantees or investments under section 186

Complete details of Loans, Guarantees and Securities, and Investments covered under Section 186 of the Companies Act, 2013 given during the year under review is provided below: .

DETAILS OF INVESTMENTS:-

SL. No.	Date of investment	Details of Investee	Amount (In Lacs)	Purpose for which the proceeds from investment is proposed to be utilized by the recipient	Date of BR	Date of SR (if reqd)	Expected rate of return
1	23.04.2014	Alchemist Foods Limited	13900.21	For the expansion of the business	28.05.2015	23.04.2014	1% OCRP

Related Party Transaction

All the related party transactions are entered on arm's length basis and are in compliance with applicable provisions of the Act and the Listing Agreement.

All related party transactions are presented to the Audit Committee and the Board. Said approvals are obtained for the transactions which are foreseen and repetitive in nature. A statement of all related party transactions is presented before the Audit Committee periodically, specifying the nature, value and terms and conditions of the transactions.

Related Party Transaction Policy as approved by the Board is uploaded on Company's Website at the web link i.e. <http://www.alchemist.co.in/investors.html>.

The details of the transactions with the Related Party are provided in the accompanying financial statements. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

All possible measures have been undertaken successfully by your Company to achieve the desired objective of energy conservation and technology absorption. Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Companies (Accounts) Rules, 2014 is annexed as **Annexure-I**

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Corporate Social Responsibility Committee (CSR Committee) has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board. The CSR Policy may be accessed on the Company's website at the link: <http://www.alchemist.co.in/investors.html>.

The Annual Report on CSR activities is annexed herewith marked as **Annexure II**.

DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL APPOINTED/RESIGNED/RETIRED DURING THE YEAR

In accordance with the provisions of Companies Act, 2013 and Article of Association of the Company, Mr. Vinay Kumar Mittal (DIN-00287042) will retire by rotation at the ensuing Annual General Meeting and being eligible offer himself for re-appointment. The Board recommends his re-appointment as a Director of the Company.

The Board has appointed Mr. Tanveer Gill as an Independent Director of the Company effective from 30th March, 2016 to 29th March, 2021, subject to the approval of the shareholders. Mr. Tanveer Gill, appointed as an Additional Director, will hold office till the ensuing AGM and is eligible for appointment. The Company has received requisite request in writing from a member of the Company proposing the candidature of Mr. Tanveer Gill for the office of Independent Director. The Board recommends his re-appointment as an Independent Director of the Company.

During the year following Directors resigned/ceases from the Board -

- Mr. Major Gen. (Retd.) Anil Kumar Oberoi and Mr. Jaspreet Singh Jolly with effect from 18th April, 2015 and 20th May, 2015 respectively.
- Mr. Tarlochan Singh and Mr. R. P. Chhabra with effect from 15th April, 2015 and 5th June, 2015 respectively.
- Mr. Asoke Kumar Chatterjee with effect from 04th August, 2015 due to death. Ms. Silpi Chakraborty resigned with effect from 27th January, 2016.

The Board places on record its appreciation of the immense contribution made by above Directors to the Company.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Act and relevant regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges. All independent directors shall hold office for a term up to five consecutive years on the Board of a Company, but shall be eligible for reappointment for next five years on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

The details of program for familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company at <http://www.alchemist.co.in/investors.html>. All the independent directors of the Company are made aware of their role, responsibilities & liabilities at the time of their appointment /re-appointment, through a formal letter of appointment, which also stipulates various terms and conditions of their engagement.

Meetings

During the year 6 (Six) Board Meetings and 4 (four) Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and Listing Regulations.

COMPANY POLICY ON DIRECTOR APPOINTMENT AND REMUNERATION

The Company has in place a Nomination & Remuneration Committee in accordance with the requirements of the Companies Act, 2013 read with the rules made thereunder and Regulation 19 of SEBI (Listing Obligations and Disclosures Requirements) Regulation, 2015. The details relating to the same are given in Report on Corporate Governance forming part of this Report.

The Committee has formulated a policy on Director's appointment and remuneration including recommendation of remuneration of the key managerial personnel and Senior Management, board diversity, composition and the criteria for determining qualifications, positive attributes and independence of a Director.

PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of Unpublished Price Sensitive Information (UPPSI) in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Relevant provisions of SEBI (Listing Obligations and Disclosures Requirements) Regulation, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

VIGIL MECHANISM / WHISTLE BLOWER POLICY/ RISK MANAGEMENT

In order to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behaviour the company has adopted a Vigil Mechanism Policy/ Whistle Blower policy.

In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. The common risks inter alia are: Regulations, competition, Business risk, Investments, retention of talent and expansion of facilities. Business risk, inter-alia, further includes financial risk, political risk, fidelity risk, legal risk. These risks are assessed and steps as appropriate are taken to mitigate the same.

INTERNAL CONTROL SYSTEM

Details of internal control system and its adequacy are included in the Management Discussion and Analysis Report, which forms part of this Report.

OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place a Prevention of Sexual Harassment policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the year 2015-2016, no complaints were received by the Company related to sexual harassment.

STATUTORY AUDITORS

M/s N. Kumar Chhabra & Co., Chartered Accountants, have been appointed as statutory auditors of the Company at the 25th Annual General Meeting held on September 26th, 2014 for a period of three years subject to ratification by members at every subsequent Annual General Meeting. Therefore, ratification of appointment of Statutory Auditors is being sought from the members of the Company at the ensuing AGM.

The Company has received a certificate from M/s N. Kumar Chhabra & Co., Chartered Accountants, Statutory Auditors to the effect that their re-appointment, if made, would be within the limits prescribed under Section 141(3) (g) of the Companies Act, 2013 and they are not disqualified to be re-appointed as Statutory Auditors.

EXPLANATION TO AUDITOR'S REMARKS

The Board has taken note of the Observations made by the Auditors in their Report.

Reply to Auditors qualifications/observations-

- **Regarding redemption of preference shares otherwise than out of the profits-** The redemption process had been carried by the company as part of contractual obligations on due dates. The amount is not material in overall context and the company will make the reserves for this purpose in future. The management will raise the funds through fresh issue in future for the aforesaid purpose, so that the provision of the companies act will not be violated.
- **Regarding computation of Depreciation-** Depreciation is provided based on useful life of the Assets as prescribed in schedule II of the Companies Act, 2013. The Company had to make assumption about the life of assets in view of changes in the law and has made best judgement assessment for all the circumstances and ensure to comply the provisions of schedule II of the Companies Act, 2013.
- **Regarding outstanding export receivables-** The Company has extended credit from time to time as per the market practice for export receivable and regular follow up is being done to recover the same and the management is confident to recover the same. Hence no provision made by the management.
- **Regarding consolidation of the financial statement of the foreign wholly owned subsidiary Alchemist Enterprises (S) Pte Ltd-** The Financial Statements of wholly owned foreign subsidiary "Alchemist Enterprise (S) Pte

Ltd.” is not consolidated because the same is under the compilation process till the date of balance sheet and the company is under process of closure.

- **Regarding internal financial control-** To have an effective and transparent internal financial control, the management have engaged an outside agency to document the present internal financial controls in place and make improvements wherever required. Since the agency was engaged in February, 2016, they were still in the process of establishing the internal financial control as on March 31st, 2016.

SECRETARIAL AUDITORS

The Board has appointed M/s Virender Sharma & Associates, Company Secretaries to conduct Secretarial Audit for the financial year 2015-16. The Secretarial Audit Report for the financial year ended 31st March, 2016 is annexed herewith marked as **Annexure- III** to this Report.

EXPLANATION TO SECRETARIAL AUDITOR’S REMARKS

The Board has taken note of the Observations made by the Secretarial Auditors in their Report.

- **Regarding redemption of preference shares otherwise than out of the profits-** The redemption process had been carried by the company as part of contractual obligations on due dates. The amount is not material in overall context and the company will make the reserves for this purpose in future. The management will raise the funds through fresh issue in future for the aforesaid purpose, so that the provision of the companies act will not be violated.

INTERNAL AUDITORS

The Company has appointed Ms. Swaraj Sindhu, Chartered Accountant (Membership No.-515486) as internal auditor to undertake the audit exercise. During the year, the Company continued to implement their suggestions and recommendations to improve the control environment. This includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors findings are discussed with the process owners and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

COST AUDITORS

M/s. SDM & Associates, Cost Accountants, Chandigarh, is being appointed as the Cost Auditor of the Company to conduct the audit of the cost records of the Company for the financial year the for financial year 2015-16.

The Board of Directors at its meeting held on 10th May, 2016, has approved the appointment of M/s. SDM & Associates, Cost Accountants as the Cost Auditors of the Company, for conducting audit of cost records for the financial year ending 31st March, 2017. A proposal for ratification of remuneration of the Cost Auditors for Financial Year 2016-17 is placed before the shareholders.

PARTICULARS OF EMPLOYEES

Information in accordance with the provisions of Section-134 (3) (q) and Section 197(12) of the Act read with Rule 5(1) & Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are appended as **Annexure IV** to the Directors’ Report.

Human Resources

Your Company treats its “Human Resources” as one of its most important assets. The Company has taken pragmatic steps for strengthening organizational competency through involvement and development of employees as well as installing effective systems for improving the productivity, quality and accountability at functional levels.

INDUSTRIAL RELATIONS

During the year under review, your Company enjoyed cordial relationship with workers and employees at all levels.

INSURANCE

Your Company has taken reasonable steps to prevent risks and the Board is kept apprised of the risk assessment and minimization procedure. The assets of the Company have been adequately covered under insurance. The policy values have been enhanced taking into consideration the expanded and upgraded facilities of the Company.

INFORMATION TECHNOLOGY

The Company continues to derive its business and service functions through deployment of a strong Information Technology network across its offices, verticals, outlets etc. to inculcate efficiency and discipline at all levels. In pursuit of this, the Company has further strengthened its Human Resource Information System (HRIS) viz. My Adrenalin, which is web portal dedicated to employees. The employee’s information like personal data (personal information, qualification and remuneration details etc.), employee data (current & past employment and training details), self-task (attendance, leave and training

request, IT declarations etc.) and MIS continue to be coordinated through this System. The Management of the Company interacts with the employees with regular thoughts and messages on this portal. Also Monthly Newsletter of the Company and other significant information are posted on the same. This initiative of the company is a move towards paperless regime, reduction in costs, saving of trees and thereby environment. A detailed write up on the IT Business is contained in the section on Management Discussion and Analysis.

RESEARCH AND DEVELOPMENT

The Company continues to give significant attention to Research & Development which has been providing significant support to the manufacturing capabilities of the Company and has helped the company in expanding its product basket significantly. This has also enabled the Company to become the most preferred source for its customers and also launch global associations.

EXTRACT OF ANNUAL RETURN

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in **MGT 9** as a part of this Annual Report as **ANNEXURE-V**.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

A detailed analysis of the Company's performance is discussed in the Management Discussion and Analysis Report, which forms part of this Annual Report and marked as **Annexure-VI**.

CORPORATE GOVERNANCE

As required by regulation 27(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the stock exchanges, a detailed report of Corporate Governance as well as Corporate Governance Compliance Certificate is included in the Annual Report and marked as **Annexure-VII**.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, the Directors confirm that:-

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- accounting policies have been selected and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period.
- proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities
- the annual accounts have been prepared on a going concern basis; and;
- Internal financial controls followed by the company and those internal financial controls are adequate and were operating effectively.
- proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively. To have an effective and transparent internal financial control, the management have engaged an outside agency to document the present internal financial controls in place and make improvements wherever required.

ACKNOWLEDGEMENT

We thank the Government of India and Governments of various states, where the company has its operations. We also take this opportunity to thank our bankers Punjab National Bank, UCO Bank, Bank of India, State Bank of India, HDFC Bank Ltd and other banks for their continuous support to the company.

We also thank our esteemed customers & clients, vendors, and investors for their continued support during the year. We also take this opportunity to place on record appreciation of the contribution made by our employees at all levels. Our growth demonstrates their commitment, handwork, support, and cooperation.

For and on behalf of the Board of Directors
ALCHEMIST LIMITED

Sd/-
Pavan Kumar Verma
(Whole time Director)
DIN-00213365

Date: 10th August, 2016
Place: New Delhi

ANNEXURE INDEX

Annexure	Content
I	Particulars of Energy Conservation, Technology Absorption and Foreign Exchange
II	Annual Report on Corporate Social Responsibility (CSR) Activities
III	Secretarial Audit Report
IV	Particulars of Employees under Section 134(3)(q) and Section 197(12) of the Companies Act, 2013
V	Annual Return Extracts in MGT 9
VI	Statement containing salient features of the financial statement of subsidiaries Companies in Form AOC-1.
VII	Management Discussion and Analysis Report
VIII	Report on Corporate Governance

Annexure I**Particulars of Energy Conservation, Technology Absorption and Foreign Exchange**

Particulars of Conservation of energy, Technology absorption and Foreign exchange earnings and outgo in terms of Section 134 (3) (m) of the Act read with Rule, 8 of the Companies (Accounts) Rules, 2014, forming part of the Directors' Report for the year ended 31st March, 2016.

A. CONSERVATION OF ENERGY**(i) The Steps taken or impact on Conservation of Energy and the steps taken by the Company for utilizing alternate sources of Energy**

The Company continues to work towards Conservation of Energy and has been taking various measures like replacement of outdated energy intensive equipment with energy saving equipment, better use of natural/ artificial lights, installation of variable frequency drive in place of conventional motors, timely maintenance of electrical equipment etc. It has helped the company in improving efficiency, reduction in cost of production with lesser break down of machinery.

(ii) The Capital Investment (if any) on Energy conservation equipment

The Company is engaged in energy conservation on continuous basis. The company has taken adequate steps for effective utilization of power for cost reduction.

B. TECHNOLOGY ABSORPTION

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

C. Research and Development (R&D)

Your Company continues to accord high priority to the Research & Development activities. Research & Development Centre of the Company carries out research work in several areas with the objective of introducing new products; improve quality of existing products and to lower the cost of production.

D. FOREIGN EXCHANGE EARNINGS AND OUTGO

Total Foreign Exchange Earned	Nil
Total Foreign Exchange Outgo	Nil

For and on behalf of the Board of Directors
ALCHEMIST LIMITED

Sd/-
Pavan Kumar Verma
(Whole time Director)
DIN-00213365

Date: 10th August, 2016
Place: New Delhi

Annexure II

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the company’s CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes

The aim of the Corporate Social Responsibility Policy (CSR Policy) as approved by Board of Directors of the Company is to ensure that the Company becomes a socially responsible Corporate Entity contributing towards improving the quality of life of the Society at large. The policy applies to all CSR initiatives and activities undertaken / to be undertaken by the Company independently or any Group Company or any NGO or through a registered public charitable trust.

The Vision of CSR Policy is as to align and integrate its resources with Society’s developmental needs towards creating a better tomorrow.

The Mission of CSR Policy is to align its objective, vision and carry out initiatives in the area of education and skill development, social and economic welfare, and environmental sustainability.

Web Link for CSR Policy: <http://www.alchemist.co.in>

2. Composition of the CSR committee

S. No.	Name	Designation
1.	Mr. Pavan Kumar Verma	Chairman
2.	Ms. Maria Fernandes	Member
3.	Mr. Vinay Kumar Mittal	Member

3. **Average net profit of the company for last three financial years** : ₹ (282.58) Lacs

4. **Prescribed CSR Expenditure (2% of the amount as in item 3 above)** : ₹ Nil

5. **Details of CSR spend for the financial year :**

a) Total amount spent for the financial year : ₹ Nil

b) Amount unspent if any : ₹ Nil

c) Manner in which the amount spent during the financial year : N.A

S. No.	Projects/ Activities	Sector	Locations	Amount Outlay (Budget) project or programme wise	Amount spent on projects or programme	Cumulative expenditure upto reporting period	Amount spent: Direct or through implementing agency
-	-	-	-	-	-	-	-

6. **Reason for not spending in the prescribed CSR Expenditure-** In view of the Net Loss of ₹ (2,088) Lacs in the current financial year, and due to average net loss of ₹ (282.58) Lacs of the company for the last three financial years the management of the Company decided not to spend on CSR activities.

FOR ALCHEMIST LIMITED

Date: 10th August, 2016
Place: New Delhi

Sd/-
Pavan Kumar Verma
(Chairman- CSR Committee)

Annexure III**FORM NO. MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2015**

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

To,
The Members,
Alchemist Limited
23, Nehru Place
New Delhi

I have conducted the secretarial Audit in respect of Compliance with the applicable statutory provisions and adherence to good corporate practices by the Company. Secretarial Audit was conducted in a manner that provided us with a reasonable basis for evaluating the corporate conduct /statutory Compliance and expressing our opinion thereon.

Management Responsibility for Secretarial Compliances

The Company's Management is responsible for preparation and maintenance of secretarial records and for devising proper systems to ensure compliance with the provisions of applicable laws and regulations.

Auditor's Responsibility

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

I believe that the Audit Evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

Opinion

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2016, according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made there under;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii) The Depositories Act, 1996 and the Regulations and Bye-Laws framed there under;
- iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ;
 - c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993.
 - d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
 - (ii) Listing Agreement entered into by the Company with National Stock Exchange of India Limited and BSE Limited.
- Based on our verification of **Alchemist Limited** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives, during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016 complied with the Aforesaid laws *subject to the following observations (Material Compliances are listed in the Annexure-1 attached to this report):*

1. *Non Compliance of Section 55(2)(a) of the Companies Act, 2013. The Company has redeemed the preference shares including premium amounting to ₹ 53.56 Lacs during the year; ₹ 51.34 Lacs has been redeemed otherwise than out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purposes of such redemption.*

Based on the information received and records maintained, we further report that:

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

2. Adequate notice of atleast seven days has been given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent properly before the scheduled meeting. There exists a system for Directors to seek and obtain further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. All the decisions are carried unanimously. The members of the Board have not expressed dissenting views on any of the agenda items during the period under review.
4. The Company has a proper Board process.
5. During the audit period, the Company has not declared and paid dividend and necessary compliance of the Companies Act, 2013 was made in this regard.

I further report that the management has :-

- (a) adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with the applicable laws, rules, regulations, guidelines; and
- (b) complied with the following laws specifically applicable to the Company:-
 1. The Factories Act, 1948
 2. Payment of Wages Act, 1936.
 3. Minimum Wages Act, 1948.
 4. Employee State Insurance Act, 1948.
 5. The Employees' Provident Funds And Miscellaneous Provisions Act, 1952.
 6. Payment of Bonus Act, 1965.
 7. Payment of Gratuity Act, 1972.
 8. Contract Labor (Regulation and Abolition) Act, 1970.
 9. Maternity Benefit Act, 1961.
 10. Child Labour Prohibition Act, 1986.
 11. Industrial Employment Standing Orders Act, 1946.
 12. Employees' Compensation Act, 1923.
 13. Equal Remuneration Act, 1976.
 14. Weekly Holidays Act, 1942.
 15. Apprentice Act, 1961.
 16. The Building & Other Construction Workers (Regulation of Employment and Condition of Service Act), 1996.
 17. The Employments Exchanges (CNV) Act, 1959 & Rules.
 18. Labour Welfare Fund Act.
 19. Sexual Harassment at the Workplace Act & Rules, 2013.
 20. Drugs and Cosmetics Act, 1940.

I have relied on the information and representation made by the Company and its Officers for system and mechanism formed by the Company for compliances under other applicable laws to the Company.

I further report that compliance of applicable financial laws including Direct and Indirect Tax Laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

**FOR VIRENDER SHARMA & ASSOCIATES
COMPANY SECRETARIES**

Sd/-
**CS VIRENDER SHARMA
(PROPRIETOR)
M.NO. 28250
C. P. NO.10231**

**PLACE: NEW DELHI
DATE:10.05.2016**

This report is to be read with our letter of even date which is annexed as **Annexure-1** and forms an integral part of this report.

Annexure to Secretarial Audit Report

In Our opinion and to the best of our information and according to the examinations carried by us and explanations furnished and representations made to us by the Company, its officers and agents, we report that the Company has, during the period under review, complied with the provisions of the Acts, the Rules made there under and the Memorandum and Articles of Association of the Company with regard to:-

1. Maintenance of various statutory registers and documents and making necessary entries therein.
2. Contracts, common seal, registered office and publication of name of the Company.
3. Filing of Forms, returns, documents & resolutions required to be filed with the Registrar of Companies, Regional Director, Central Government, Company Law Board or such other authorities has been ensured at the date of reporting of this report.
4. Service of documents by the Company on its members, Directors, Stock Exchanges, auditors & the Registrar of Companies
5. Constitution of the Board of the Directors, Audit Committee, Nomination & Remuneration Committee, Stake Holders Relationship Committee, Corporate Governance and Social Responsibility Committee
6. Appointment, Re-appointment & Retirement of Directors including Managing Director and Executive Directors and payment of remuneration to them.
7. Disclosure of interest & concerns in contracts & arrangements, shareholdings, and directorships in other Companies & interest in other entities by Directors.
8. Disclosure requirement in respect to their eligibility for appointment , declaration of their independence, compliance with the code of conduct for Directors and senior management personnel as per clause 49 of the Listing Agreement and with the Alchemist Limited policy on Insider's information by the Directors.
9. Establishing a policy on related party transaction and hosting the same on website of the Company. All the transactions with related parties were in ordinary course of business and arm's length basis and were placed before the audit Committee periodically.
10. Establishing a vigil Mechanism and providing to complainants if any, unhindered access to the Chairman of the Audit Committee.
11. Constituting the Corporate Governance and Social Responsibility Committee, formulating and adopting Corporate Social Responsibility policy indicating the activities to be undertaken by the Company and hosting the same on the website of the Company.
12. Formulation & adoption of various policies and hosting the same on the website of the Company.
13. Appointment of the Key Managerial Personnel of the Company.
14. Appointment & remuneration of statutory Auditor & Cost Auditor.
15. Appointment of Internal Auditor
16. Notice of the meeting of the Board & Committee thereof.
17. Minutes of the meetings of the Board and Committee thereof.
18. Notice Convening the Annual General Meeting held during the period under review and holding of the meeting on that date.
19. Minutes of the General Meeting.
20. Approval of members, Board of Directors, Committee of Directors and Government authorities, wherever required.
21. Report of the Board of the Director's for the Financial year ending 31.03.2015.
22. Closure of register of members/record date.
23. Transfer of amounts as required under the Act to the Investor Education & Protection Fund.
24. Investment of the Company's fund including inter corporate Loans & Investment.

**FOR VIRENDER SHARMA & ASSOCIATES
COMPANY SECRETARIES**

Sd/-

**CS VIRENDER SHARMA
(PROPRIETOR)**

M.NO. 28250

C. P. NO.10231

PLACE: NEW DELHI

DATE:10.05.2016

**To,
The Members,
Alchemist Limited
23, Nehru Place
New Delhi**

Our report of even date is to be read along with this letter:

1. Management of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of the events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**FOR VIRENDER SHARMA & ASSOCIATES
COMPANY SECRETARIES**

**Sd/-
CS VIRENDER SHARMA
(PROPRIETOR)
M.NO. 28250
C. P. NO.10231**

**PLACE: NEW DELHI
DATE:10.05.2016**

Annexure IV
PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 134(3)(q) AND SECTION 197 (12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

S. No.	Requirements of Rule 5(1)	Details																								
(i)	the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	<table border="1" data-bbox="770 337 1401 685"> <thead> <tr> <th data-bbox="770 337 1170 395">Name of Directors</th> <th data-bbox="1170 337 1401 395">Ratio to Median Remuneration</th> </tr> </thead> <tbody> <tr> <td data-bbox="770 395 1170 430">Mr. Maj. Gen. (Retd.) Anil Oberoi *</td> <td data-bbox="1170 395 1401 430">1.07</td> </tr> <tr> <td data-bbox="770 430 1170 466">Mr. Pavan Kumar Verma</td> <td data-bbox="1170 430 1401 466">18.24</td> </tr> <tr> <td data-bbox="770 466 1170 501">Mrs. Maria Fernandes</td> <td data-bbox="1170 466 1401 501">0.26</td> </tr> <tr> <td data-bbox="770 501 1170 536">Mr. Tarlochan Singh *</td> <td data-bbox="1170 501 1401 536">Nil</td> </tr> <tr> <td data-bbox="770 536 1170 571">Mr. R P Chhabra *</td> <td data-bbox="1170 536 1401 571">0.03</td> </tr> <tr> <td data-bbox="770 571 1170 607">Mr. Jaspreet Singh Jolly *</td> <td data-bbox="1170 571 1401 607">Nil</td> </tr> <tr> <td data-bbox="770 607 1170 642">Mr. Asoke Kumar Chatterjee *</td> <td data-bbox="1170 607 1401 642">0.05</td> </tr> <tr> <td data-bbox="770 642 1170 677">Ms. Silpi Chakraborty *</td> <td data-bbox="1170 642 1401 677">0.05</td> </tr> <tr> <td data-bbox="770 677 1170 685">Mr. Tanveer Gill **</td> <td data-bbox="1170 677 1401 685">Nil</td> </tr> </tbody> </table> <p data-bbox="770 696 1401 747">*During the year following directors ceased to be associated with the Company-</p> <p data-bbox="770 754 1401 808">- Mr. Tarlochan Singh and Mr. Maj. Gen. (Retd.) w.e.f April 15, 2015 w.e.f April 18, 2015 respectively.</p> <p data-bbox="770 814 1401 868">Mr. Jaspreet Singh Jolly and Mr. R P Chhabra w.e.f.w.e.f May 20, 2015 and June 05, 2015.</p> <p data-bbox="770 874 1401 928">Mr. Asoke Kumar Chatterjee and Ms. Silpi Chakraborty w.e.f August 04, 2015 and January 27, 2016.</p> <p data-bbox="770 934 1401 988">Hence, remuneration has been considered till that date during the financial year 2015-16.</p> <p data-bbox="770 994 1401 1023">** Mr. Tanveer Gill appointed w.e.f March 30, 2016.</p>	Name of Directors	Ratio to Median Remuneration	Mr. Maj. Gen. (Retd.) Anil Oberoi *	1.07	Mr. Pavan Kumar Verma	18.24	Mrs. Maria Fernandes	0.26	Mr. Tarlochan Singh *	Nil	Mr. R P Chhabra *	0.03	Mr. Jaspreet Singh Jolly *	Nil	Mr. Asoke Kumar Chatterjee *	0.05	Ms. Silpi Chakraborty *	0.05	Mr. Tanveer Gill **	Nil				
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Mr. Jaspreet Singh Jolly *	Nil																									
Mr. Asoke Kumar Chatterjee *	0.05																									
Ms. Silpi Chakraborty *	0.05																									
Mr. Tanveer Gill **	Nil																									
(ii)	the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	<table border="1" data-bbox="770 1033 1401 1444"> <thead> <tr> <th data-bbox="770 1033 1170 1091">Name of Directors / KMP</th> <th data-bbox="1170 1033 1401 1091">Percentage increase in Remuneration</th> </tr> </thead> <tbody> <tr> <td data-bbox="770 1091 1170 1127">Mr. Maj. Gen. (Retd.) Anil Oberoi *</td> <td data-bbox="1170 1091 1401 1127">Nil</td> </tr> <tr> <td data-bbox="770 1127 1170 1162">Mr. Pavan Kumar Verma</td> <td data-bbox="1170 1127 1401 1162">43.81</td> </tr> <tr> <td data-bbox="770 1162 1170 1197">Mrs. Maria Fernandes</td> <td data-bbox="1170 1162 1401 1197">Nil</td> </tr> <tr> <td data-bbox="770 1197 1170 1232">Mr. Tarlochan Singh *</td> <td data-bbox="1170 1197 1401 1232">Nil</td> </tr> <tr> <td data-bbox="770 1232 1170 1268">Mr. R P Chhabra *</td> <td data-bbox="1170 1232 1401 1268">(90.00)</td> </tr> <tr> <td data-bbox="770 1268 1170 1303">Mr. Jaspreet Singh Jolly *</td> <td data-bbox="1170 1268 1401 1303">Nil</td> </tr> <tr> <td data-bbox="770 1303 1170 1338">Mr. Asoke Kumar Chatterjee *</td> <td data-bbox="1170 1303 1401 1338">(70.00)</td> </tr> <tr> <td data-bbox="770 1338 1170 1373">Ms. Silpi Chakraborty *</td> <td data-bbox="1170 1338 1401 1373">Nil</td> </tr> <tr> <td data-bbox="770 1373 1170 1408">Mr. Tanveer Gill **</td> <td data-bbox="1170 1373 1401 1408">Nil</td> </tr> <tr> <td data-bbox="770 1408 1170 1444">Mr. Bikram Bhattacharya **</td> <td data-bbox="1170 1408 1401 1444">Nil</td> </tr> <tr> <td data-bbox="770 1444 1170 1479">Mr. Vimal Kumar Sharma **</td> <td data-bbox="1170 1444 1401 1479">Nil</td> </tr> </tbody> </table> <p data-bbox="770 1454 1401 1506">*During the year following directors ceased to be associated with the Company-</p> <p data-bbox="770 1512 1401 1566">- Mr. Tarlochan Singh and Mr. Maj. Gen. (Retd.) w.e.f April 15, 2015 w.e.f April 18, 2015 respectively.</p> <p data-bbox="770 1572 1401 1626">Mr. Jaspreet Singh Jolly and Mr. R P Chhabra w.e.f.w.e.f May 20, 2015 and June 05, 2015.</p> <p data-bbox="770 1632 1401 1686">Mr. Asoke Kumar Chatterjee and Ms. Silpi Chakraborty w.e.f August 04, 2015 and January 27, 2016.</p> <p data-bbox="770 1692 1401 1746">Hence, remuneration has been considered till that date during the financial year 2015-16.</p> <p data-bbox="770 1752 1401 1881">**Mr. Bikram Bhattacharya (CFO) appointed w.e.f. May 28, 2015 and Mr. Vimal Kumar Sharma (CS) appointed w.e.f. August 10, 2015. Mr. Tanveer Gill appointed w.e.f March 30, 2016. Hence, remuneration has been considered from that date during the financial year 2015-16. Percentage in brackets represents negative percentage.</p>	Name of Directors / KMP	Percentage increase in Remuneration	Mr. Maj. Gen. (Retd.) Anil Oberoi *	Nil	Mr. Pavan Kumar Verma	43.81	Mrs. Maria Fernandes	Nil	Mr. Tarlochan Singh *	Nil	Mr. R P Chhabra *	(90.00)	Mr. Jaspreet Singh Jolly *	Nil	Mr. Asoke Kumar Chatterjee *	(70.00)	Ms. Silpi Chakraborty *	Nil	Mr. Tanveer Gill **	Nil	Mr. Bikram Bhattacharya **	Nil	Mr. Vimal Kumar Sharma **	Nil
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Ms. Silpi Chakraborty *	Nil																									
Mr. Tanveer Gill **	Nil																									
Mr. Bikram Bhattacharya **	Nil																									
Mr. Vimal Kumar Sharma **	Nil																									
(iii)	the percentage increase in the median remuneration of employees in the financial year	(1.93%)																								

ALCHEMIST LIMITED

(iv)	the number of permanent employees on the rolls of company	526																												
(v)	the explanation on the relationship between average increase in remuneration and company performance;	As per Industry Standards.																												
(vi)	comparison of the remuneration of the Key Managerial Personnel against the performance of the company	<table border="1"> <thead> <tr> <th>Particulars</th> <th>₹/ lac</th> </tr> </thead> <tbody> <tr> <td>Remuneration of Key Managerial Personnel(KMP) during financial year 2015-16 (aggregated)</td> <td>61.69*</td> </tr> <tr> <td>Revenue from operations</td> <td>4050</td> </tr> <tr> <td>Remuneration (as % of revenue)</td> <td>1.52%</td> </tr> <tr> <td>Profit before tax (PBT)</td> <td>(1,879)</td> </tr> <tr> <td>Remuneration (as % of PBT)</td> <td>(3.28%)</td> </tr> </tbody> </table> <p>*Mr. Bikram Bhattacharya (CFO) appointed w.e.f. May 28, 2015 and Mr. Vimal Kumar Sharma (CS) appointed w.e.f. August 10, 2015. Hence remuneration has been considered from that date during the financial year 2015-16.</p>	Particulars	₹/ lac	Remuneration of Key Managerial Personnel(KMP) during financial year 2015-16 (aggregated)	61.69*	Revenue from operations	4050	Remuneration (as % of revenue)	1.52%	Profit before tax (PBT)	(1,879)	Remuneration (as % of PBT)	(3.28%)																
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(vii)	variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year	<table border="1"> <thead> <tr> <th>Particulars</th> <th>Unit</th> <th>31.03. 2016</th> <th>31.03. 2015</th> <th>Variation (%)</th> </tr> </thead> <tbody> <tr> <td>Closing rate of share at BSE</td> <td>₹</td> <td>20.00</td> <td>27.80</td> <td>(28.06)</td> </tr> <tr> <td>EPS (Consolidated)</td> <td>₹</td> <td>(15.40)</td> <td>(14.72)</td> <td>4.62</td> </tr> <tr> <td>Market Capitalization</td> <td>₹/ Lac</td> <td>2,711.96</td> <td>3769.62</td> <td>(28.06)</td> </tr> <tr> <td>Price Earnings ratio</td> <td>Ratio</td> <td>(1.30)</td> <td>(1.89)</td> <td>0.31</td> </tr> </tbody> </table>	Particulars	Unit	31.03. 2016	31.03. 2015	Variation (%)	Closing rate of share at BSE	₹	20.00	27.80	(28.06)	EPS (Consolidated)	₹	(15.40)	(14.72)	4.62	Market Capitalization	₹/ Lac	2,711.96	3769.62	(28.06)	Price Earnings ratio	Ratio	(1.30)	(1.89)	0.31			
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Price Earnings ratio	Ratio	(1.30)	(1.89)	0.31																										
(viii)	average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	The average increase / (decrease) in salaries of employees other than managerial personnel in FY 2015-16 was (2.62%) Whereas there was 43.81% increase in the managerial remuneration in the FY 2015-16.																												
(ix)	comparison of the each remuneration of the Key Managerial Personnel against the performance of the company;	<table border="1"> <thead> <tr> <th>Particulars</th> <th>WTD</th> <th>CFO*</th> <th>CS *</th> </tr> <tr> <td></td> <th>₹/ lac</th> <th>₹/ lac</th> <th>₹/ lac</th> </tr> </thead> <tbody> <tr> <td>Remuneration</td> <td>31.42</td> <td>25.25</td> <td>5.01</td> </tr> <tr> <td>Revenue from operations</td> <td colspan="3">4050</td> </tr> <tr> <td>Remuneration(as% of revenue)</td> <td>0.78</td> <td>0.62</td> <td>0.12</td> </tr> <tr> <td>Profit before tax (PBT)</td> <td colspan="3">(1,879)</td> </tr> <tr> <td>Remuneration(as% of PBT)</td> <td>(1.67)</td> <td>(1.34)</td> <td>(0.27)</td> </tr> </tbody> </table> <p>*Mr. Bikram Bhattacharya (CFO) appointed w.e.f. May 28, 2015 and Mr. Vimal Kumar Sharma (CS) appointed w.e.f. August 10, 2015. Hence remuneration has been considered from that date during the financial year 2015-16.</p>	Particulars	WTD	CFO*	CS *		₹/ lac	₹/ lac	₹/ lac	Remuneration	31.42	25.25	5.01	Revenue from operations	4050			Remuneration(as% of revenue)	0.78	0.62	0.12	Profit before tax (PBT)	(1,879)			Remuneration(as% of PBT)	(1.67)	(1.34)	(0.27)
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(x)	the key parameters for any variable component of remuneration availed by the directors	<p>a) Performance review of the individual basis the Key Responsibility Areas (KRAs) and other measurable Indicators.</p> <p>b) Performance of the organization in that year and Profitability along with other financial outcomes.</p>																												
(xi)	the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year; and	<table border="1"> <thead> <tr> <th>Name & Position</th> <th>Ratio</th> </tr> </thead> <tbody> <tr> <td>Mr. Sathya Shankar S. (CEO, IT Vertical)</td> <td>1.49</td> </tr> </tbody> </table>	Name & Position	Ratio	Mr. Sathya Shankar S. (CEO, IT Vertical)	1.49																								
Name & Position	Ratio																													
Mr. Sathya Shankar S. (CEO, IT Vertical)	1.49																													
(xii)	Affirmation that the remuneration is as per the remuneration policy of the company.	Yes, the remuneration is as per remuneration policy of the company.																												
(xiii)	List of Personnel who are in receipt of remuneration aggregating not less than Rs. 60 Lacs per annum and employed throughout the financial year	There were no such personnel.																												

Annexure V**FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN****As on financial year ended on 31.03.2016****Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.****I. REGISTRATION & OTHER DETAILS**

CIN	L72200DL1988PLC192643
Registration Date	05/07/1988
Name of the Company	Alchemist Limited
Category/Sub-category of the Company	Public Company limited by shares
Address of the Registered office & contact details	Alchemist Limited 23, Nehru Place, New Delhi-110019
Whether listed company	Yes
Name, Address & contact details of the Registrar & Transfer Agent, (if any).	M/s Link Intime India Pvt. Ltd. 44, Community Centre, IInd Floor, Naraina Industrial Area, Phase 1, Near PVR Naraina, New Delhi Contact No. - 011-41410592-94, Telefax: 011-41410591 Email: delhi@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1.	Pharma, Chemical and Minerals	24232	71.37
2.	Agri Business	0090	28.62

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary of the Company	% of Shares held	Applicable Section
1.	Alchemist Foods Limited SCO, 12-13, Sec-9D, Chandigarh-160009	U15400CH2008PLC031186	Subsidiary	85.00	Section 2(87) (ii)
2.	Alchemist Infrastructures Private Limited 23, Nehru Place, New Delhi-110019	U74999DL2011PTC221158	Subsidiary	100.00	Section 2(87) (ii)
3.	Alchemist Hospitality Group Limited Village Dapparambla, Chandigarh Road, Dist- Patiala-Punjab	U55101PB2005PLC028503	Subsidiary	74.88	Section 2(87) (ii)
4.	Alchemist Healthcare Limited 23, Nehru Place, New Delhi- 110019 *	U74999DL2016PLC290389	Subsidiary	99.88	Section 2(87) (ii)
5.	Alchemist Enterprise (S) Pte. Ltd, Singapore	NA	Subsidiary	100.00	Section 2(87) (ii)

* Alchemist Healthcare Limited becomes wholly owned subsidiary w.e.f. June 01st, 2016.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	1381532	221780	1603312	11.82	1381532	2221780	1603312	11.82	Nil
b) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Bodies Corp.	3118341	0	3118341	23.00	3118341	Nil	3118341	23.00	Nil
e) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Any other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total shareholding of Promoter (A)-(1)	4499873	221780	4721653	34.82	4499873	221780	4721653	34.82	Nil
(2) Foreign									Nil
a) NRI Individuals/ HUF	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Other Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Bodies Corp. (Cam Finance and General Trade)	Nil	20000	20000	0.15	Nil	20000	20000	0.15	Nil
d) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Any other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total shareholding of Promoter (A)-(2)	Nil	20000	20000	0.15	Nil	20000	20000	0.15	Nil
Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	4499873	241780	4741653	34.97	4499873	241780	4741653	34.97	Nil
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	5000	Nil	5000	0.04	5000	Nil	5000	0.04	Nil
b) Banks / FI	200000	Nil	200000	1.47	200000	Nil	200000	1.47	Nil
c) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Insurance Companies	309076	Nil	309076	2.28	309076	Nil	309076	2.28	Nil
g) FIs	2424165	Nil	2424165	17.88	2424165	Nil	2424165	17.88	Nil
h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (B)(1):-	2938241	Nil	2938241	21.67	2938241	Nil	2938241	21.67	Nil
2. Non-Institutions									
a) Bodies Corp.	2404149	8800	2412949	17.79	2368184	8800	2376984	17.53	(0.26%)
b) Individuals									
i) Individual shareholders holding nominal share capital up to ₹ 1 lakh	1499057	328859	1827916	13.48	1754890	324459	2079349	15.33	1.85
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1137002	Nil	1137002	8.39	1024907	Nil	1024907	7.56	(0.83%)
c) Others -									
(i) Clearing Members	59138	Nil	59138	0.44	57638	Nil	57638	0.43	(0.01)
(ii) HUF	Nil	Nil	Nil	Nil	50890	Nil	50890	0.38	0.38

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Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Non Resident Indians	227501	211200	438701	3.24	78538	207200	185738	2.11	1.13
OCBs	2200	Nil	2200	0.02	2200	Nil	2200	0.02	Nil
Foreign Nationals	2000	Nil	2000	0.01	2000	Nil	2000	0.01	Nil
Trusts	Nil	Nil	Nil	Nil	200	Nil	200	0.0015	0.0015
Foreign Bodies – D R	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (B)(2):-	5331047	548859	5879906	43.36	5339447	540459	5879906	43.36	Nil
Total Public Shareholding(B)= (B)(1)+ (B)(2)	8269288	248859	8818147	65.03	8277688	540459	8818147	65.03	Nil
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Grand Total (A+B+C)	12769161	490639	13559800	100	12777561	782239	13559800	100	Nil

(i) Shareholding of Promoter

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	KDS Corporation Pvt. Ltd	3059000	22.56	Nil	3059000	22.56	Nil	Nil
2	Kanwar Deep Singh	1257020	9.27	Nil	1257020	9.27	Nil	Nil
3	Ravinder Singh	220780	1.63	Nil	220780	1.63	Nil	Nil
4	Karan Deep Singh	117400	0.86	Nil	117400	0.86	Nil	Nil
5	Toubro Investment Ltd.	59341	0.44	Nil	59341	0.44	Nil	Nil
6	Cam Finance & Ge. Trade	20000	0.15	Nil	20000	0.15	Nil	Nil
7	Sukhvinder Kaur	2312	0.02	Nil	2312	0.02	Nil	Nil
8	Vijay Anand	4200	0.03	Nil	4200	0.03	Nil	Nil
9	Shyam Sunder	1000	0.01	Nil	1000	0.01	Nil	Nil
10	Harpreet Kaur	400	0.00	Nil	400	0.00	Nil	Nil
11	Isherkaur	200	0.00	Nil	200	0.00	Nil	Nil
	Total	4741653	34.97	Nil	4741653	34.97	Nil	Nil

(ii) Change in Promoters' Shareholding (please specify, if there is no change *)

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of Total Shares of the Company	No. of Shares	% of total shares of the Company
	At the beginning of the year	Nil	Nil		
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer / bonus/ sweat equity etc.):				
	At the end of the year			Nil	Nil

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(iii) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No. and the name of the Shareholders	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of Total Shares of the Company	No. of Shares	% of total shares of the Company
(i) Davos International Fund	At the beginning of the year	746000	5.50		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease(e.g. allotment / transfer/ bonus/ sweat equity etc):			Nil	Nil
	At the End of the year (or on the date of separation, if separated during the year)			746000	5.50
(ii) HSBC Bank (Mauritius) Ltd. A/c Plutus Terra India Fund	At the beginning of the year	670000	4.94	Nil	Nil
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer/ bonus / sweat equity etc):				4.94
	At the End of the year (or on the date of separation, if separated during the year)			Nil	Nil
(iii) Basics Soft solutions Pvt. Ltd.	At the beginning of the year	607698	4.48		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer/ bonus / sweat equity etc):			Nil	Nil
	At the End of the year (or on the date of separation, if separated during the year)			607698	4.48
(iv) Torus Infra Development Pvt. Ltd.	At the beginning of the year	600000	4.42		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer/ bonus / sweat equity etc):			Nil	Nil
	At the End of the year (or on the date of separation, if separated during the year)			600000	4.42
(v) Passage to India Master Fund Ltd.	At the beginning of the year	576165	4.25	576165	4.25
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer/ bonus / sweat equity etc):			Nil	Nil
	At the End of the year (or on the date of separation, if separated during the year)			576165	4.25

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Sl. No. and the name of the Shareholders	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of Total Shares of the Company	No. of Shares	% of total shares of the Company
(vi) Netedge Technosoft Pvt. Ltd.	At the beginning of the year	454458	3.35		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer/ bonus / sweat equity etc):				
	At the End of the year (or on the date of separation, if separated during the year)			454458	1.16
(vii) Antara India Evergreen Fund Ltd	At the beginning of the year	432000	3.19		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer/ bonus / sweat equity etc):			Nil	Nil
	At the End of the year (or on the date of separation, if separated during the year)			432000	3.19
(viii) Sunil Talwar	At the beginning of the year	373838	2.76		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer/ bonus / sweat equity etc):			Nil	Nil
	At the End of the year (or on the date of separation, if separated during the year)			373838	2.76
(ix) Endogram Leasing And Trading Co. Pvt. Ltd.	At the beginning of the year	255287	1.88		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer/ bonus / sweat equity etc):			Nil	Nil
	At the End of the year (or on the date of separation, if separated during the year)			255287	1.88
(x) The New India Assurance Company Limited.	At the beginning of the year	200000	1.47		
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer/ bonus / sweat equity etc):			Nil	Nil
	At the End of the year (or on the date of separation, if separated during the year)			200000	1.47

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(iv) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Shareholding at the end of the year	
	Name of the Director/KMP	No. of shares	% of Total Shares of the Company	No. of Shares	% of total shares of the Company
1.	Mr. Pavan Kumar Verma	Nil	Nil	Nil	Nil
2.	Mr. Maj. Gen. (Retd.) Anil Oberoi	Nil	Nil	Nil	Nil
3.	Mr. R.P. Chhabra	Nil	Nil	Nil	Nil
4.	Mr. Asoke Kumar Chatterjee	Nil	Nil	Nil	Nil
5.	Mr. Tarlochan Singh	Nil	Nil	Nil	Nil
6.	Mr. Jaspreet Singh Jolly	Nil	Nil	Nil	Nil
7.	Ms. Maria Fernandes	Nil	Nil	Nil	Nil
8.	Mr. Vinay Kumar Mittal	Nil	Nil	Nil	Nil
9.	Ms. Silpichakraborty	Nil	Nil	Nil	Nil
10.	Mr. Tanveer Gill	Nil	Nil	Nil	Nil
11.	Mr. Bikram Bhattacharya	Nil	Nil	Nil	Nil
12.	Mr. Vimal Kumar sharma	Nil	Nil	Nil	Nil

V. INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(₹ In Lacs)

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (FY-2015-16)				
i) Principal Amount	1291.16	68747.18	Nil	70038.34
ii) Interest due but not paid	31.13	Nil	Nil	31.13
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	1322.29	68747.18	Nil	70069.47
Change in Indebtedness during the financial year				
* Addition	Nil	2563.52	Nil	2563.52
* Reduction	(306.44)	Nil	Nil	(306.44)
Net Change	(306.44)	2563.52	Nil	2257.08
Indebtedness at the end of the financial year (FY-2014-15)				
i) Principal Amount	977.21	71310.70	Nil	72287.91
ii) Interest due but not paid	38.64	Nil	Nil	38.64
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	1015.85	71310.70	Nil	72326.55

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VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Mr. Maj. Gen. (Retd.) Anil Oberoi (Whole Time Director)	Mr. Pavan Kumar Verma (Whole Time Director)	
1	Gross salary			
	(a) Salary inclusive of perquisites as per provisions contained in section 17 of the Income-tax Act, 1961	1.83	31.42	33.25
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961			
2	Stock Option		-	-
3	Sweat Equity		-	-
4	Commission - as % of profit - others, specify...		-	-
5	Others, please specify		-	-
	Total (A)	1.83	31.42	33.25
	Ceiling as per the Act	10% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013		

B. Remuneration to other directors

(₹ in Lacs)

S. No.	Particulars of Remuneration	Name of Directors								Total Amount
		*Mr. Asoke Kumar Chatterjee	*Mr. Tarlochan Singh	Ms. Maria Fernandes	*Mr. R.P. Chhabra	*Mr. Jaspreet Singh Jolly	Mr. Vinay Kumar Mittal	Ms. Silpi Chakraborty	Mr. Tanveer Gill	
1		Independent Directors								
	Fee for attending board committee meetings	0.09	Nil	0.45	0.45	-	-	0.09	-	1.08
	Commission	Nil	Nil	Nil	Nil	-	-	Nil	-	Nil
	Others, please specify	Nil	Nil	Nil	Nil	-	-	Nil	-	Nil
	Total (1)	0.09	Nil	0.45	0.45	-	-	0.09	-	1.08
2		Other Non-Executive Directors								
	Fee for attending board committee meetings	-	-	Nil	Nil	-	-	Nil	Nil	Nil
	Commission	-	-	Nil	Nil	-	-	Nil	Nil	Nil
	Others, please specify	-	-	Nil	Nil	-	-	Nil	Nil	Nil
	Total (2)	-	-	Nil	Nil	-	-	Nil	Nil	Nil
	Total (B)=(1+2)	0.09	Nil	Nil	0.45	-	-	Nil	Nil	1.08
	Total Managerial Remuneration									
	Overall Ceiling as per the Act	1% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013								

(*) excluding reimbursement of travel and other expenses incurred for the Company's business/meetings.

Notes:

* Mr. Tarlochan Singh, Mr. R.P. Chhabra, Mr. Jaspreet Singh Jolly and Mr. Asoke Kumar Chatterjee ceases from the board w.e.f. 15.04.2015, 05.06.2015, 20.05.2016, and 04.08.2015 respectively.

* Ms. Silpi Chakraborty appointed w.e.f. 28.09.2015 and ceases from the board w.e.f. 27.01.2016.

* Mr. Tanveer Gill appointed w.e.f. 30.03.2016.

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Mr. Bikram Bhattacharya (CFO)*	Mr. Vimal Kumar Sharma(CS)*	Total
1	Gross salary			
	a) Salary inclusive of perquisites as per provisions contained in section 17 of the Income-tax Act, 1961	25.25	5.01	30.26
	b) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify	-	-	-
	Total	25.25	5.01	30.26

* Mr. Bikram Bhattachayra (CFO) and Mr. Vimal Kumar Sharma (CS) appointed w.e.f 28th May, 2015, and 13th August, 2015 respectively. Hence, remuneration has been considered from that date during the financial year 2015-16.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

Annexure VI**Form-AOC-1**

Statement containing salient features of the financial statement of subsidiaries/
associate companies/ joint ventures

Part "A": Subsidiaries**(₹ in Lacs)**

S. No.	Name of the Subsidiary	Alchemist Foods Limited	Alchemist Infrastructures Private Limited	Alchemist Hospitality Group Limited
1	Financial Year Ending	31 st March 2016	31 st March 2016	31 st March 2016
2	Currency & Exchange rate on the last day offinancial year	INR	INR	INR
3	Share Capital	4017.44	1	5
4	Reserves & Surplus	22061.29	2.16	(4.94)
5	Total Assets	31616.47	5.01	0.96
6	Total Liabilities	31616.47	5.01	0.96
7	Investments	Nil	Nil	Nil
8	Turnover	8593.02	Nil	Nil
9	Profit before Taxation	(3276.12)	(0.30)	(0.26)
10	Provision for Taxation	(42.83)	Nil	Nil
11	Profit after Taxation	(3233.29)	(0.30)	(0.26)
12	Proposed Dividend	Nil	Nil	Nil
13	% of Shareholding	85%	100%	74.88%

Date: 10-05-2016
Place: New Delhi

Bikram Bhhatacharya
(Chief Financial Officer)

Pavan Kumar Verma
(Whole time Director)

Vinay Kumar Mittal
(Director)

Annexure VII**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Statements in the Management Discussion & Analysis Report which seek to describe the Company's objectives, projections, estimates, expectations or predictions may be considered to be "forward-looking statements" and are stated as required by applicable laws and regulations. Actual results may differ materially from those expressed or implied. Many factors including global and domestic demand-supply conditions, prices, raw-materials availability, technological changes, changes in Government regulations, tax laws and other statutes may affect the actual results, which could be different from what the Directors envisage in terms of future performance and outlook. Market data and product analysis contained in this Report have been obtained from Company's business division and industry publications, but their accuracy and completeness are not guaranteed and their reliability cannot be assured.

VISION

ALCHEMIST endeavors to emerge as a leader in diversified business segments by continuously achieving and surpassing the highest standards in quality driven manufacturing and sustainable development through environmentally friendly practices.

Vision of ALCHEMIST is to become a top 20 leading Indian Conglomerate by 2020. We will achieve this by pursuing certain key targets:

- To become a Top 20 Indian Conglomerate by 2020 by both Revenue and Size.
- To achieve a valuation of ₹ 50,000 crore (US \$10 Billion) with revenues of at least ₹ 10,000 crore.
- Have a substantial presence in 5 Sunrise Industries viz Food Processing, Healthcare, Infrastructure, Hospitality and Education by 2020.
- Occupy a Thought-Leadership position in the Global Indian Marketplace.
- Empower our executives to pursue excellence as well as conquer new territories and markets.
- To become a role model for future Indian entrepreneurs and passionate individuals and companies.

MISSION

Our Mission is to bring about an entrepreneurial revolution in India by identifying and infusing our Alchemy into businesses and markets and transmuting them into Golden opportunities. We aim to provide the best platform for shareholders, executives, employees and entrepreneurs to not only profit, prosper and succeed but also rise to the challenges and responsibilities of the new India being built in the 21st Century.

Started in 1981 by Sh. K.D. Singh, Alchemist Group is one of India's fastest growing Conglomerates. Our Group currently comprises of several companies with over 9,800 employees across India and around the World. Our vision is to become a Top 20 Indian diversified conglomerate by 2020 in all of India's 5 major "Sunrise Industries". We are a socially and ethically responsible Group and have a stellar record in human resources, global standards, environmental awareness and philanthropy.

INDUSTRY OVERVIEW**PHARMA & CHEMICALS****India's Pharmaceutical Industry: An overview****CURRENT MARKET TRENDS AND SCOPE**

The Indian pharmaceutical industry is estimated to grow at 20 per cent Compound Annual Growth Rate (CAGR) over the next five years. The Indian pharma industry will outperform the global pharma industry, which is set to grow at an annual rate of 5 per cent between the same periods. Presently the market size of the pharmaceutical industry in India stands at US\$ 20 billion. Indian pharmaceutical manufacturing facilities registered with the US Food and Drug Administration (FDA) stood at 523, highest for any country outside the US.

Indian pharmaceutical firms are eyeing acquisition opportunities in Japan's growing generic market as the Japanese government aims to increase the penetration of generic drugs to 60 per cent of the market by 2017 from 30 per cent in 2014, due to ageing population and rising health costs.

THE ROAD AHEAD: INDIAN PHARMA

Going forward, better growth in domestic sales would also depend on the ability of companies to align their product portfolio towards chronic and acute therapies. The Indian government has taken many steps to reduce costs and bring down healthcare expenses. Speedy introduction of generic drugs into the market has remained in focus and is expected to benefit the Indian pharmaceutical companies. In addition, the thrust on rural health programs, lifesaving drugs and preventive vaccines also augurs well for the pharmaceutical companies.

BUILDING BLOCKS OF ALCHEMIST LTD'S PHARMACEUTICAL BUSINESS:

Mission: It is said that "A Journey of Thousand Miles begins with a Single Step". Alchemist envisions completing the Clean India theme of Government of India with Healthy India. So Alchemist endeavors for Healthy India with Clean India theme.

Vision: To build and become a specialty focused holistic healthcare company and emerge as preferred partner for patient care in the chosen areas of most widespread diseases afflicting the human society.

Marketing Strategy: Alchemist Marketing Strategy is based on impacting the masses of India. All the programs like “Quit India” are aimed at creating awareness and solutions to the widespread diseases in society. The programs are mass based and societal in approach.

Geography And Customer Class: Pharmaceutical division of Alchemist Ltd has presence in Metro /Class I/II and Select class III towns across India. The year 2016 onwards we are trying to reach at the block levels of every state to make a great social impact.

People: People are the most valuable assets of our business and continue to define the Alchemist Pharmaceutical division. We have a strong team of 200 people. Out of this, 160 are deployed in customer facing activities and rests are engaged in plant and administrative functions. We plan to double our present strength in next 2 years. We are projected to be a company of 1000 people by 2020.

Product Portfolio: Alchemist current portfolio covers therapy areas like Immune enhancer, Nutraceutical, Antibacterial, Gastrointestinal, Pain reliever, Anti-allergic, Anti-cold, Steroids, Enzymes, Supplements, CNS etc). We intend to build further portfolio in Life Style segment through In-licensing /co-marketing, bio-similar, nanotechnology based products (In licensing).

Pharma Division Broad Outlook: The pharma division is the driving force of Alchemist Group with 200 SKUs spread over ethical and generic divisions. The division has been able to create a strong space in the minds of doctors through niche brands. Our flagship brands have been doing great to the society by addressing the most common ailments afflicting the society like Anemia, Calcium Deficiency and Weak Immunity through a unique programme called as QUIT INDIA.

QUIT INDIA PROGRAMME: An Alchemist Pharma Initiative

A journey of a thousand miles begins with a single step. Quit India movement signalled the same which brought to an end, many years of BRITISH Rule. After Independence, India has traversed many miles of success in diverse fields but healthcare continues to be a struggling point for Independent India and is a stigma on one of the fastest growing economies of world. Government measures have been done but have not been able to reach the masses. The only healthcare camp established by the Govt. of India was “PULSE POLIO” which took almost 4 decades to make India a polio free country. As a result of the absence of such measures, India and Indian Population continues to suffer from iron deficiency, calcium deficiency and weakened immunity. Moreover, weak immune system leads to Swine flu, Dengue, RTI, Cough and Cold that are taking its toll on Indian masses.

Alchemist as a socially responsible corporate has decided to work till we make India free of these three cardinal elements afflicting Indian Society. So Alchemist has initiated and re-ignited QUIT INDIA for ANEMIA, CALCIUM DEFICIENCY and WEAK IMMUNITY through a nationwide campaign from July which will continue till we give India freedom from these ailments. This nationwide programme is of importance as Alchemist has pledged to support 50% therapy free of cost to selectively poor patients on first purchase and this medicine will directly go to the doctors from where it will be distributed to patients.

Alchemist is represented through brands Anemi-XT for Iron Deficiency, Valcal-M for Calcium Deficiency and IGTG FORTE for Weak Immunity. The scope of this campaign is huge as alone Govt. efforts will not be sufficient to see that India is free of these diseases so Alchemist effort is a NATION WIDE MOVEMENT OF IMPORTANCE. This campaign would endeavour Alchemist to achieve the wider aim in addition to Clean India campaign of Govt of India by making Healthy India. So its objectives are not only Clean India but ensuring a Healthy India.

ALCHEMIST FLAGSHIP BRANDS:

IGTG FORTE: Alchemist Pharma Flagship brand IGTG FORTE has been acknowledged as India’s 1st Wonder Pill due to its use in difficult to treat indications. The molecule “bovine colostrum” has been approved by USFDA as an Orphan Drug. Alchemist brand IGTG FORTE has been used for treatment of difficult to treat diseases like Dengue Fever as all the recipients of this drug have clinically registered 5 Fold platelet rise in just 7 days. IGTG FORTE is being used to treat Idiopathic Infertility, not only the treatment with the brand is economical but the success rates are been compared to presently used IVF therapy. The difference in cost his few thousands with IGTG FORTE vs Many Lacs with IVF. IGTG Forte is being used as a support treatment to treat Arthritis, Cancer and even the most deadliest AIDS. In other words IGTG FORTE is a solution to all Immuno-Compromised conditions and the confidence of doctors that it has gained through regular use in patients and in clinic results have made them certify IGTG FORTE as India’s First Wonder Pill. Seeing the scope of the indications and confidence of Doctors IGTG FORTE is expected to reach a turn-over of 20 Crores in the next 5 years i.e. by 2020.

GASEASE: Gasease is another unique product with tremendous use. Alchemist endeavor is to see Gasease reaches to every Indian house hold as “Gas” is the most common problem of every Indian. We are looking for multiplication of product through word of mouth from every Indian to his neighbor, relatives and finally reaching in every Indian House-Hold. We are very proud when we say ALCHEMIST wants to make GAS FREE INDIA through Gasease.

VALCAL-M: Valcal-M is another unique product which is marketed by Alchemist and is the best calcium available. Valcal-M is a milk mineral complex which means Valcal-M is more than just calcium, it also additionally provides Copper, Iron, Manganese, Iron, Zinc, and Phosphorus and Vitamin D3. The milk calcium has the highest absorption of 95%. Alchemist Valcal-M is also called as “Milk Pill of India”. Valcal-M is chosen by all leading Gynecologists, Orthopedicians and Physicians for replenishing Calcium levels of India.

Alchemist Brands Reach In Institutions: Alchemist Pharma has emerged popular with the institutions where products are registered with the premier institutes of the country like AFMSD, DGAFMS, Alchemist pharma has product queries from reputed hospitals like Post Graduate Institute Chandigarh.

Alchemist Pharma Vying International Space: We are eyeing for International Space in the semi-regulated markets of Africa and South East Asia. The search for International Partners with reach and frequency is on and by 2017 we will be able to make a foray into these markets initiating the first International operations of Alchemist Pharma.

Alchemist Pharma : a 100 Crore organization By 2020

With giant leaps, Alchemist is stepping head to be a leading pharma player in domestic market and creating space in international market. With the defined progress and pace and focused approach a 100 Crore Alchemist Pharma is going to be a reality.

AGRI BUSINESS

India is the second largest producer of flowers. Floriculture in India has become one of the important commercial trades in agriculture and is viewed as a high growth industry after China. Indian Floriculture Market is growing at a Compounded Annual Growth Rate (CAGR) of about 30%. A strong increase in the demand for cut and loose flowers has made floriculture as one of the important commercial trades in Indian agriculture. According to report, "Indian Agriculture Market Report & Forecast: (2012-2017)", the demand for flowers is increasing robustly in India. While exports remain a key motivator for cultivators, the domestic demand for flowers is also increasing exponentially, especially in the metros and larger cities. Modernization and growing western cultural influences has driven consumers to buy flowers on a number of occasions like valentine's day, marriages, anniversaries, birthdays, friendship day, mother's day, etc.

FOOD PROCESSING

India is the world's second largest producer of food with the potential of being the biggest, backed by its food and agricultural sector. The food processing industry is one of the largest industries in India and is ranked fifth in terms of production, consumption, export and expected growth. The total food production in India is likely to double in the next 10 years. The country produces approximately 450 million broilers and 33 billion eggs every year. Growth rate of egg and broiler production is 16 per cent and 20 per cent respectively. Blessed with rich agro-technological advantage, India has come a long way in utilizing the poultry sector to the benefits of common masses along with earning ample foreign exchanges. The Indian poultry feed industry, dependent on the sound growth of poultry has a great untapped potential, with southern part of India holding the maximum share of poultry production and consumption.

The report "Indian Poultry Feed Market Forecast to 2017" portrays the current scenario of poultry feed industry in the country with a bird's eye view on both traditional and packaged feed. Our analysis anticipates the poultry feed market to grow at a CAGR of around 8% during period upto 2016-17. In coming years, the potential for packaged feed is expected to grow at a higher pace as compared with the traditional feed. The research report offers a well-framed picture of poultry feed market dynamics, essential to get a grasp of the market nerve.

Food Processing Division Outlook and Performance:

Alchemist's integrated poultry operation makes sure that each ROC chicken is hygienic, safe from any disease and free from any contamination. Chicken is sourced from HACCP Certified plant ISO 9001:2008 that ensures quality food products. The Company offers the entire spectrum of delicatessen products (varieties of Mortadella, Salami, Ham, Smoked & Cooked Sausages etc.) Indian (Seekh Kebab, Shammi Kebab, Tikkas etc.) and Breaded (Burger, Nuggets & Fingers) to retail & institutional customers.

The Company combines nutritional properties of chicken with contemporary eating trends, to create delectable products that fit everyone's lifestyles. ROC brings you a range of choicest chicken, tastiest delicatessen products, convenient ready to eat & ready to cook foods.

Fiscal Year 2015-16 was building year for the Company. The Company continued to transform its operations to better align, improve efficiency, and position the Company for sustainable, profitable growth. We have made very good progress, expanded to new territories and, at the same time worked hard to address the challenging retail environment that has been felt across the industry. The Company has started with 80 (Eighty) stores, expanded its retail presence, entered into states i.e J&K, Himachal Pradesh, Rajasthan & Uttarakhand, reached at the level of 105 (One hundred & Five) stores a growth of 31% registered, average 02 store added per month, in total 25 (Twenty Five) stores added in fiscal year.

STEEL BUSINESS

Size of the Steel Wire Industry in India is 2.6 million tonne approximately in terms of volume & USD 1.7 billion in terms of value, combining both organized and unorganized sectors. Approximately, 70% of total production comes from organized producers and the rest from the unorganized counterpart. Wire Industry is accountable for approximately 5% of total demand of steel in India. India constitutes approximately 1% of the global wire exports and approximately 3% of Indian production caters a portion of the global markets.

Steel wire is used to make barbed wire, razor wire, wire mesh, chain link fencing for Poultry and other wire fencing for nonresidential and residential building applications. The value is projected to increase at an annualized rate of 8.2%, fueling higher demand for wire fencing.

According to a market reports published by Transparency Market Research, "Fencing Market - Global Industry Analysis, Size, Share, Growth, Trends and Forecast, 2012-2018," the global fencing market is expected to reach USD 29.1 billion by 2018, growing at a CAGR of 4.4% from 2012 to 2018. The metal fencing market is in a commanding position owing to a wide range of products available under this category.

The global fencing market is largely driven by factors such as the rising consumer interest in home improvement and home décor and the need for security and safety. Expanding residential construction and growing economies across the globe are also supporting the growth of the fencing market. The increasing demand for residential fences and the growing acceptance and popularity of synthetic alternatives will serve as an opportunity for the fencing industry. The global fencing market is affected by the fluctuating raw material prices and the rising energy cost.

The fencing market is segmented into two major categories based on product type into agricultural wire fence and commercial wire fence. Based on material type, the market is divided into four segments, namely metal, wood, plastic & composite and concrete fencing. The end use segments covered in this report are residential, agricultural and the industrial sector. The market is further segmented by geography into North America, Europe, Asia Pacific and Rest of the World regions.

Alchemist Infosystems

ISO 9001, 20000, 27000 Certified

Introduction: Alchemist Infosystems, is an ISO 9001, 20000 and 27000 certified start-up based out of Chandigarh, part of Alchemist Group. We are committed to deliver end-to-end IT solutions & services to improve business agility, enhance quality & lower development and operational cost.

Originally established to service the Group's own expanding needs; our Services & solutions are now ready to help other organizations to overcome similar challenges. Our diligent team has successfully achieved great success in developing desktop application, web designing and mobile applications with best practices and contemporary technologies.

TECHNOLOGY PLATFORMS

DESKTOP SOLUTIONS

The following are suite of Desktop Solutions:

- CRM
- ERP
- Business Intelligence
- E-Commerce
- Enterprise Application Integration
- Enterprise Portals
- Content Management
- Real-Time Analytics
- Maintenance and Enhancement
- Migration and Modernization
- Remote Infrastructure Management
- POS Development

WEB

We have a team of developers, designers and analyst well versed with wide range of state of the art development and designing platforms and technology. Our team has developed and successfully maintained the support over a long period of time for the software's like ERP, POS, Material Management System and Health care, and has pioneered in the field. Our team has expertise in using White Hat Techniques to improve the visibility of the websites on Search Engines to increase business proficiency.

- Web Design, Brand Identity, Usability Design, UI Design, Data Visualization, Responsive Design
- Web Apps, HTML 5, UX / UI, Bootstrap, Foundation, Responsive Website
- Test Advisory Services, Functional Testing, Security Testing, Performance Testing, Test Automation, Digital Marketing, SMO, Viral Marketing, PPC, SEO.

MOBILE

Team of mobile application developers at Alchemist Infosystems has proved their potential through phenomenal track record. We are capable of converting any idea into full-fledged operational applications. Our team is equipped with the latest technologies of various platforms like Android, Windows, ios.

- Mobile Apps
- Mobile Website

TECHNOLOGY PLATFORMS

MOBILE SOLUTIONS

The following are suite of Mobile Solutions:

- Android
- IOS
- Windows
- Blackberry
- NFC(RFID)
- E-Commerce
- Enterprise Portals
- Content Management
- Real-Time Analytics
- Maintenance and Enhancement
- Migration and Modernization

PRODUCT PORTFOLIO | CLIENT DEVELOPMENT

ARGUS — ERP SYSTEM FOR POULTRY INDUSTRY

Description: An online connected solution for chain of restaurants that provides detailed financial reporting, enables inventory tracking in real-time, allows capture of all customer information for improved service and permits flexible product pricing configuration. The architecture is capable of handling chain of restaurants running both in connected and disconnected mode. The main highlights are:

- Well Designed to run on Touch Panels
- Dine In, Home Delivery & Take Away Options
- Data Push & Pull services to centralized server on single click
- Multiple Payment Options
- Work with all devices like Barcode, customer Display & cash drawer
- Roles for every option like Order Punching, Reporting, Bill Printing
- MIS Module covering every single transaction
- SMS & Mail integration for marketing or other purposes

Target Market: Chain of multi cuisine restaurants and fine Dine In restaurants.

Current Status: Development work is completed.

Expected time For Completion: Product Ready for market launch.

ARGUS — ERP SYSTEM FOR POULTRY INDUSTRY:

Description: Poultry ERP is a full-featured Poultry Management Software. It is tailored specifically for the poultry industry, providing end to end workflow, inventory and F&A management.

This product is prepared keeping in mind that most of the organizations today are having a tough time to get the desired results from their business ERP solution. Either they struggle to integrate incompatible solutions for each business function or are reduced to some elemental functionality and often end up with low productivity and curbed profits. Our ERP solution is prepared keeping in mind the needs of the big or small production units to seamlessly integrating and manage all key retail business functions:

- Multi Breeds, Farms
- Daily Events like Mortality, Culls, Feed Consumption, Type of Feed, Feed Formulation, Nutrients Analysis, Feed Mixing, Temperature, Humidity, Light, Body Weight/Egg Weight - CV, Uniformity, Vaccination Schedule.
- Complete end to end solution for managing the procurement, production & Sales of birds. Complete integration with the Accounting and operational MIS tools like TALLY & Qlick View.
- Can take care of the full production line automation integrating both the primary and secondary production processes.
- Suitable for Poultry Farmers (Broilers) and big production houses with full backward integration.
- Best practices driven solution.

Target Market: Poultry industry in third world countries.

Current Status: Development work is completed. Pending with Final product Testing.

Expected time For Completion:Product Ready for market launch.

LEGATO — MOBILE APPLICATION FOR FOOD ORDERING.

Our Latest Product “Legato Mobile App” is an eloquent and user friendly application for ordering food with just few clicks on your smart phone. Having a custom Mobile App can take the retail stores to next level. It provides the convenience to customers for planning their parties’ right from their phones. The App not only saves your time but also gives you an opportunity to avail exciting offers. One of the most flexible application providing home delivery services at your end. The main highlights of our application are:

- Categorized and Sub categorized Menu
- Locate Nearest Outlet

- Manage Multiple Addresses
- View Order History
- Order Tracking
- OTP functionality provided for valid users
- Cash on Delivery Methodology
- Parallel promotions and Feedback

Enhancements & Customizations

The Mobile App can be customized suiting the needs of restaurants, hotels, fast food centers, franchise food stores etc. Different functionalities can be added related to different food sectors. Currently the application is only available on Android platform. However, the application can be developed for I Phones and Windows OS.

Target Market: Chain of Take away and Fine dine in restaurants.

Current Status: Development work is completed for Android. The same is under development for iPhone and Windows OS.

Expected time For Completion: Android App is ready for market launch.

AHRIS: HUMAN RESOURCE INFORMATION SYSTEM

Description: This is a complete HRIS (Human Resource Information System) that helps to handle HR workflow and task based management compliant to Indian HR / Labour laws. Our product fulfils all the functional requirements of the human resources department from tracking employee histories, skills, abilities, salary and accomplishments to dealing with all the statutory requirement like managing the TDS, PF, ESI, Pension accounts etc.

The functions HRIS systems can perform includes:

- Payroll with automatic TDS computation
- Database for employee information
- Attendance records
- Performance evaluation
- Benefits administration
- Learning and recruiting management
- Employee self-service
- Employee scheduling
- Tracking of employee absenteeism
- Analytics
- Built in Bulletin boards

Target Market: Individual Companies & Conglomerates in India connecting multi-geographies

Current Status: Development work is in the final stage.

Expected time For Completion: 3-4 Months.

ALFA: MOBILE INTRANET

Description: "ALFA" basically and Employee Directory application for Big / small corporates is a full-featured responsive application that would enable the end customers to maintain an online directory for an organization with feature rich Business Tools. This is a very promising product, an android based application enabling employees to communicate, manage tasks and monitor key dashboards. We propose to launch this as an app for large corporates in India and other parts of the world. Salient features of the App are:

- Employee Directory with ability to call, email, Skype and What app
- Create 'On Demand Virtual Rooms' to chat, share documents, invite meetings, task management, track and review projects, and publish dashboards through intelligent screen scraping.
- Push notifications for birthdays and new joiners, events, meetings, etc.
- E-mail notification to admin for profile changes
- Dropdown feature for employee blood group, emergency contact, 24 x 7 panic button for employees

Target Market: Global Markets. Contemporary organizations. Alternate to Email communication.

Current Status: Under development 60-70 % of the work is already completed.

Expected time For Completion: 4-5 Months.

AUROUS — POS

Description: An online connected solution for chain of restaurants that provides detailed financial reporting, enables inventory tracking in real-time, allows capture of all customer information for improved service and permits flexible product pricing configuration. The architecture is capable of handling chain of restaurants running both in connected and disconnected mode. The main highlights are:

ALCHEMIST LIMITED

- CRM for saving customer details during the check-out
- Loyalty program for growing repeat business and increase sale
- Intelligent reporting for sales and accounting, as well as variance and profitability reports.
- Material management system for inventory and supply chain management
- Cost center management for identifying costing and economic viability
- Online ordering system for tech savvy customers
- Multiple menu building feature for making changes to the menu
- Custom Menu Building for creating customized menus
- Recipe Management for creating and tracking recipes
- Master control for making changes at every point of sale terminal from one central system
- Compatibility with most of the printers, card swipes, and barcode scanner

Target Market: Chain of multi cuisine restaurants, fine Dine in restaurants and retail outlets.

Current Status: Development work is completed.

Expected time For Completion: Product getting a good response in market.

ACTIVGARD — AN EMERGENCY HEALTHCARE SYSTEM

Description: ActivGard is an emergency healthcare system, which is designed to maximize the efficiency of providing emergency medical attention to the dependent of patients who are suffering from acute ailments, using the ActivGard device. The application can run on an iOS or android smart phone and includes a messaging service that handles the push and pull of messages between the mobile app and the web app. Salient features of the App are as follow:

- The ActivGard device notifies the caretaker of the patient through GCM (Google Cloud Messaging).
- The final notification is sent as GSM/text after which the call is transferred to the call center.
- The application also provides a list of ambulance service providers to the attendant for transportation purposes.
- Using the device's GPS and the attendant's mobile device, the application can track their movement and inform the care takers.

Target Market: Healthcare institutions and patients.

Current Status: Development work is completed.

Expected time For Completion: Product Ready for market launch.

INTERNATIONAL YOGA DAY 2016 – INTERNATIONAL EVENT MANAGEMENT

Description: Alchemist Infosystems managed the identification, security, and tracking of participants attending the International Yoga Day. The event was efficaciously executed with the use of NFC-enabled smart cards. Alchemist Infosystems created an event registration app for registering the participants for the main event, which was followed by printing of NFC-enabled smart cards for attendees, verification app for authentication of smart cards, and managing the MIS. Key features of the process are as below:

- Registration App for managing the registration of participants
- Printing/writing of NFC-enabled smart cards for better security and management
- Development of Verification app for authenticating the NFC cards
- Locking app for avoiding re-writing of cards
- Selfie app for the main event for instantly uploading selfies on official Facebook page through NFC enabled kiosks
- Complete MIS

Target Market: International events

Current Status: Successfully executed

Expected time For Completion: Already launched in the market

ALCHEMIST EMPLOYEE DIRECTORY (AED) – ANDROID APPLICATION

Description: Alchemist Employee Directory is an Android application which comprises all the details of employees. When users log in the application using their username and password, it allows them to view the details of other employees and perform one-on-one chat. Vital features of the application are as below:

- Employee Directory comprising details such as phone number, email id, etc.
- Employees can perform one-on-one chat with each other

Target Market: Internal purpose, Corporates

Current Status: Development work is completed.

Expected time For Completion: Already launched in the market

VCAPTUREDI YOUR VALUABLE MOMENTS | CLIENT DEVELOPMENT

Description: We often go to parties, corporate events and someone is clicking our pictures but majorly we never receive them. This is a platform which allows photographers to add their work on a global platform where anyone can look for a

particular event and then view pictures of that event, save them to their mobile or computer and even share it directly on social platforms like Facebook.

It is an innovative approach to serve humanity with happiness by capturing their valuable moments and sharing them on a platform which can be open for all or set privacy where a user would seek permission of enter password to view pictures of a particular event. The platform is being started from USA and would be shared and made popular in other parts of the world.

The functions of Vcaptured are as follows:

- Android App
- iOS App
- Web Portal
- Click & Direct Upload through Wifi Enabled Cameras to the particular event directory
- Search Event through QR Code
- Face Detection to find your own pictures in a particular event
- Social Networking Sharing

Target Market: The target audience of this product is global of any age and any country for anyone who is capable of using website and mobile apps.

Current Status: Development work is in the final stage.

Expected time For Completion: 3-4 Weeks.

RESEARCH & DEVELOPMENT CAPABILITIES

The Company's state-of-the-art Research and Development center is located at its plant at Solan (Himachal Pradesh), with dedicated facilities for innovative product research and we are driven by the intellectual competence of a team of highly skilled professionals. The Company's R&D size and environment for both formulation development & new products development is commensurate with the Company's vision to be a leader in the ethical and generic market segments. The value added formulations are based on strong Drug Delivery System in global market.

During the year under review the Company continued its thrust on frontline research and to strengthen its R & D capabilities and has achieved further breakthroughs and develop new products in the various medicinal segments that helped us to create new product portfolios addressing segments like Gastro Intestinal, Pain management, Nutritionals, Neurotropic Vitamins, Immunity Boosters, support therapy for Cardiovascular and diabetes, Anti-Infective, Gynaecology right from Calcium supplements to Drugs for Iron Deficiency Anaemia etc.

STRENGTHS

The Promoters of the Company have been harping on over to strategic thinking and implementation by identification of new verticals, their potential in order to achieve greater heights in the Industry. With this objective in mind, the promoters are focusing on professional management set up in the Industry whereby the professionals are placed at the helm of affairs of the company to work through systems approach to achieve the vision and mission of the company as set by the founders of this group. This is proving as one of the major strength of the company.

On the technical and operational side, the Company has been managed by a team of qualified professional looking after different aspects of the production and management. The Company has a very low attrition at the higher levels and continues to have very cordial industrial relations.

THREATS

The Indian pharma sector has undergone various changes in the recent past and the business that was one of the traditionally considered to be richest businesses faces many risks. Intense competition and patents related challenges have increased the risk profile of the sector. There are continued threats from other low cost countries like China. However, on the quality front, India is better placed relative to China.

The short-term threat for the pharma industry is the uncertainty regarding the implementation of GST. Though this is likely to have a negative impact in the short-term, the implications over the long-term are positive for the industry.

Some of the threats for food processing industry are regulatory developments impacting processed foods, competition from global players, loss of trained manpower to other industries and other professions due to various reasons may lead to further shortage of manpower. Rapid developments at contemporary global level and requirements of the industry may lead to fast obsolescence.

STRATEGIES

The strategy development and deployment at Alchemist continuous to be aligned to its vision and is working on four key strategic priorities. ALCHEMIST has already made substantial investment, creating manufacturing and other business infrastructure. The Company is consistently focusing on upgrading and expanding its facilities and infrastructure to Broad base the company in various diversified verticals and segments. The Company is also pursuing, several initiatives to set up some green field manufacturing facilities in verticals like Food Processing and Pharmaceuticals.

The Company is developing and producing value added products as per the market demand and new product developments

in the international market. The research & development efforts involve developing patent non-infringing processes, achieving process improvements, achieving production cost efficiencies, optimizing raw material sourcing, produce new products, innovate and enhance manufacturing techniques and continually expand its general scientific and engineering capabilities. ALCHEMIST is also focusing on spending to further strengthening its research and development department by equipping it with capabilities both in terms of manpower and machines.

INTERNAL CONTROL SYSTEMS

ALCHEMIST is continuously working to strengthen internal control systems commensurate with the size and scale of business. Clearly defined policies and procedures supplement the Internal Control procedures. A well established and empowered system of internal audit and control procedures independently review the financial and operational controls and reports deviations, if any, across all verticals and further enable rectification, as and when required. The Company is constantly engaged in practicing the best financial and operational control systems, as per international practices and standards. The Company's internal audit team carried out extensive audits throughout the year, across all verticals and reported to the Audit Committee of the Board of Directors. The Audit Committee continues to address all important issues and recommendations made by the Internal and Statutory Auditors which are consequently implemented to strengthen various functional areas.

HEALTH, SAFETY & ENVIRONMENT (HSE) POLICY

ALCHEMIST has recognized health management, occupational safety and environment protection (HSE) as one of the most important elements in the organization's sustainable growth and has closely linked it to Alchemists' cultural values. The Company continually strives to create a safe working environment by being responsive, caring and committed to the various needs governing the security and well-being of employees.

In order to honour the aforesaid commitments, the Company has implemented systems in its operations that accord with the requirements of health, safety and environmental standards and strive to:

- Assume its business and ethical responsibilities to exemplify its endeavour towards good corporate citizenship.
- Continue to inspire innovations in methods & practices and to ensure highest standards of health, safety and environment.
- Comply with all applicable laws and regulations with regards to HSE and continually aspire to the highest standards in the same.
- Commit to the continual reduction of waste and implement processes to ensure the reusability of natural resources.
- Continually invest in the up-gradation of facilities, maintenance of machinery and welfare of our employees.
- Constantly train and educate employees on contemporary best practices to ensure the highest levels of safety and sustainability in our operations.

INDUSTRIAL RELATIONS & HUMAN RESOURCE DEVELOPMENT

The Company continues to be committed and focused on its most valuable resource viz. its employees. The Company believes that employee plays a pivotal role in driving performance and has effectively empowered them. As a means of equipping employees with a range of skills including their up-gradation and to enable them to perform their responsibilities, training and human resource development (HRD) continued to receive priority during the year. Training and HRD efforts of the Company are aimed at sharpening business skills and competence needed for better employee performance and provides all possible opportunities and support to the employees to improve their performance and productivity. In pursuance of the Company's commitment to retain and develop best available talents, several programmes are conducted at various levels on a regular basis. Employee relations continued to be cordial and harmonious at all levels and in all units of the Company.

Annexure-VIII
REPORT ON CORPORATE GOVERNANCE
1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

At Alchemist, the essence of Corporate Governance lies in establishing the highest standards in good corporate governance and to attain high level of transparency, integrity and accountability. Our policies and procedures exemplify our core values in utmost professionalism across all functions of our organization. The company has, and will, continually endeavour to improve corporate practices, methodologies, and procedures to ensure that long term value is realized for all stakeholders of our organization. We aim to consistently offer our shareholders, customers, employees, vendors and the larger community mutually beneficial value through transparency in our associations, quality in our products and services, and integrity in our relationships. At Alchemist, we believe in maximizing stakeholder's value, profitability and growth including interaction with employees, shareholders, institutions, banks and all its business associates. The Company has implemented all mandatory requirements.

2. BOARD OF DIRECTORS
(a) Composition of Board

The Board of Directors of the Company comprises of Four (4) Directors. During the financial year 2015-2016, 6 (Six) Board Meetings were held viz (i) 28th May, 2015 (ii) 13th August 2015, (iii) 28th September, 2015, (iv) 09th November, 2015 (v) 03rd February, 2016 and (vi) 30th March, 2016

The Composition of the Board of Directors as on March 31st, 2016 with their attendance at the Board Meetings held during the year 2015-16 and at the last Annual General Meeting is given below:

Name of the Director	Office/ Designation	Executive/ Non-Executive	Independent/ Non-Independent	No. of Board Meetings attended	Attendance at the Last AGM	No. of Other Directorships
Maj. Gen. (Retd.) Anil Oberoi*	Executive Director (Whole Time Director)	Executive	Non-Independent	Nil	No	Nil
Mr. Pavan Kumar Verma	Whole Time Director	Executive	Non-Independent	6	Yes	17
Mr. R.P. Chhabra*	Director	Non- Executive	Independent	1	No	Nil
Sh. Asoke Kumar Chatterjee*	Director	Non-Executive	Independent	Nil	No	Nil
Mr. Tarlochan Singh*	Director	Non- Executive	Independent	Nil	No	Nil
Mr. Jaspreet Singh Jolly*	Director	Non- Executive	Independent	Nil	No	Nil
Ms. Maria Fernandes	Director	Non-Executive	Independent	6	Yes	13
Sh. Vinay Kumar Mittal **	Director	Non-Executive	Non Independent	5	Yes	17
Ms. Silpi Chakraborty**	Director	Non-Executive	Independent	2	No	Nil
Sh. Tanveer Gill***	Director	Non-Executive	Independent	1	No	3

Notes:

* During the year following Directors resigned/ceases from the Board-

- Maj. Gen. (Retd.) Anil Oberoi and Mr. R.P. Chhabra w.e.f. 18th April, 2015 and 05th June, 2015 respectively.
- Mr. Tarlochan Singh and Mr. Jaspreet Singh Jolly w.e.f. 15th April, 2015 and 20th May, 2015 respectively.
- Mr. Asoke Kumar Chatterjee Ceases from the Board w.e.f. 04th August, 2015 due to sudden demise.

** Mr. Vinay Kumar Mittal appointed w.e.f. 13th August, 2015. Ms. Silpi Chakraborty appointed w.e.f. 28th September, 2015 and resigned w.e.f. 27th January, 2016

*** Mr. Tanveer Gill appointed w.e.f. 30th January, 2016.

(b) Details of Director Seeking Appointment/ Re-appointment in the ensuing Annual General Meeting

The brief background and functional experience of the directors proposed for appointment/re-appointment are given below along with the details of the Companies in which they are directors and committees of which they are members.

- (i) Mr. Vinay Kumar Mittal, 52 and is BE (Civil), LLB and Masters in Business Administration (MBA). Mr. Mittal is having about 30 years of technical experience in the industry. He started his career in 1985 as engineer (Civil) with Hindustan Construction Company Limited and also worked with various reputed groups. Mr. Mittal also holds directorship in Dooteriah Tea Estates Pvt. Ltd., Pashok Plantation Estates Pvt. Ltd., Alchemist

Tea Estates Pvt. Ltd., Century 21 Properties India Pvt. Ltd., Alchemist Hospitality Group Ltd., Himachal Hotels & Resorts Pvt. Ltd., Alchemist Touchnology Ltd., Technology Parks Ltd., Alchemist Healthcare Limited, Alchemist Hospitals (Gurgaon) Private Limited, Alchemist Developers Limited, Eco Breaking Technologies India Pvt. Ltd., Alchemist Hill Resorts Private Ltd., Torus Infra Development Pvt. Ltd., Optimum Constructors and Developers Ltd., Placid Estate Pvt. Ltd. And Alchemist Realty Ltd. Mr. Mittal is Member in 2 (Two) Committee.

- (ii) Mr. Tanveer Gill, 34 years and is a graduate of Arts from Delhi University. He has had an outstanding career in National & International Badminton. Mr. Gill is a National Badminton Player and Asst. Coach, Mumbai Rockets Premier Badminton League (PBL) 2016 and having rich experiences in the field of management. He has been serving as Asst. Coach, Krrish Delhi Smashers Indian Badminton League IBL 2013.

Mr. Gill also won over 20 Delhi State Championship in all categories from 1994 onwards in Singles, Doubles and Mixed Doubles events. He also holds directorship in Alchemist Realty Limited, Alchemist Foods Limited and Alchemist Hospitals Limited.

(c) Separate Meeting of Independent Directors

- (iii) As stipulated by the Code of Independent Directors under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on March 31st, 2016 to review the performance of Non-independent Directors (including the Chairman) and the Board as whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

(d) Details of membership/chairmanship of Directors in Board Committee:

None of the Directors on the Board is a Member on more than 10 Committees and Chairman of more than 5 Committees, across all the companies in which he is a Director. The necessary disclosures regarding Committee positions have been made by the Directors. Further, in line with relevant provisions of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, only the Audit Committee and Stakeholder Relationship Committee have been taken into consideration in reckoning the number of committee memberships of Directors as Chairman or as Member

Name of the Director	Name of the Indian Public Limited Company	Nature of the Committee	Member/ Chairman
Mr.Pavan Kumar Verma	Alchemist Limited	(i) Audit Committee (ii) CSR Committee (iii) Stakeholder Relationship Committee	(i) Member (ii) Chairman (iii) Member
Maj. Gen. (Retd.) Anil Oberoi	Alchemist Limited	-	-
Mr. Tarlochan Singh	Alchemist Limited	-	-
Mr. Jaspreet Singh Jolly	Alchemist Limited	-	-
Mr. Asoke Kumar Chatterjee	Alchemist Limited	-	-
Mr. R.P. Chhabra	Alchemist Limited	-	-
Ms. Maria Fernandes	Alchemist Limited	(i) Audit Committee (ii) Nomination and Remuneration Committee (iii) CSR Committee	(i) Chairperson (ii) Chairperson (iii) Member
Mr. Vinay Kr. Mittal	Alchemist Limited	(i) Nomination and Remuneration Committee (ii) CSR Committee (iii) Stakeholders Relationship Committee	(i) Member (ii) Member (iii) Chairman
Ms. Silpi Chakraborty	Alchemist Limited	-	-
Mr. Tanveer Gill	Alchemist Limited	(i) Audit Committee (ii) Nomination and Remuneration Committee	(i) Member (ii) Member

(e) Remuneration of Directors

Name of the director	Salary inclusive of Perquisites and allowances	Sitting fee	Total
Executive Directors			
Sh. Pavan Kumar Verma	36.64	Nil	36.64
Maj. Gen. (Retd.) Anil Oberoi	1.83	Nil	1.83
Non-Executive Directors			
Mr. R.P. Chhabra		0.45	0.45
Sh. Asoke Kumar Chatterjee	Nil	0.09	0.09
Mr. Tarlochan Singh	-	-	-
Mr. Jaspreet Singh jolly	-	-	-
Ms. Maria Fernandes	Nil	0.45	0.45
Mr. Vinay Kumar Mittal	Nil	Nil	Nil
Ms. Silpi Chakraborty	Nil	0.09	0.09
Mr. Tanveer Gill	Nil	Nil	Nil
Total	38.47	1.08	39.55

(f) Certificate on code of conduct

As provided under Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, the Board Members and the senior management personnel have confirmed compliance with the Code of Conduct and Ethics for the year ended March 31st, 2016.

For and on behalf of the Board of Directors
ALCHEMIST LIMITED

Date: 10th August, 2016
Place: New Delhi

Sd/-
Pavan Kumar Verma
(Whole time Director)

3. CODE OF CONDUCT

As required by Regulations 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted a Code of Conduct for its Directors and Senior Executives. The CEO i.e Whole time Director has given a declaration that all the Directors and Senior Executives have affirmed the compliance with the Code of Conduct. A declaration to this effect signed by Mr. Pavan Kumar Verma, Whole time Director is attached to this report.

4. AUDIT COMMITTEE
Meeting and Attendance

The Audit Committee met 4 (four) times during the year on 28th May, 2015, 13th August, 2015, 09th November 2015 and 03rd February 2016 and was attended by members as under:

Name of members and Position	No. of meetings held	No. of meetings attended
Sh. Asoke Kumar Chatterjee* - Member	4	1
Sh. Pavan Kumar Verma - Member	4	4
Smt. Maria Fernandes - Chairperson	4	4
Smt. Silpi Chakraborty* - Member	4	1
Sh. Tanveer Gill** - Member	4	Nil

Note- *Sh. Asoke Kumar Chatterjee ceases from the board w.e.f. 04.08.2015 due to sudden demise.Smt. Silpi Chakraborty appointed w.e.f. 28.09.2015 and ceases from the board w.e.f. 27.01.2016.

**Sh. Tanveer Gill appointed w.e.f. 30.03.2016..

The Committee reviewed the financial results of the Company and recommended the same to the Board of Directors for their approval. The Company Secretary acts as Secretary of the Audit Committee.

The role and terms of reference of the Audit Committee covers the area as mentioned in the Listing Agreement and the Companies Act, 2013 are as under:-

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the Whistle Blower mechanism;
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

5. NOMINATION & REMUNERATION COMMITTEE

The Nomination and Remuneration Committee constituted with terms of reference as per provisions of the Companies Act, 2013. **Meeting and Attendance**

The committee met three (3) times during the year viz. on 13th August, 2015, 28th September, 2015 and 30th March, 2016 and was attended by members as under:

Name of members and Position	No. of meetings held	No. of meetings attended
Smt. Maria Fernandes Chairperson	3	3
Sh. Pavan Kumar Verma*Member	3	2
Sh. Vinay Kumar Mittal *Member	3	1
Sh. Tanveer Gill*Member	3	1

Note- 1. * Sh. Pavan Kumar Verma ceased to be members w.e.f. 30.03.2016 and Sh. Vinay Kumar Mittal and Sh. Tanveer Gill appointed as members w.e.f. 30.03.2016.

The Nomination and Remuneration Committee is empowered-

- to oversee the method, criteria and quantum of compensation for directors and senior management based on their performance and defined assessment criteria.
- to identify persons qualified to become directors, and who may be appointed in senior management and recommend to the Board their appointment and removal.
- to carry out evaluation of every director's performance.

Remuneration Policy

The remuneration of the Board members is based on the Company's size & its economic & financial position, industrial trends, compensation paid by the peer companies, etc. Compensation reflects each Board member's responsibility and performance. The level of compensation to Executive Directors is designed to be competitive in the market for highly qualified executives. The committee recommends the appointment and the remuneration for Executive Directors, and sitting fee for Non-executive directors is fixed within the limits prescribed under Companies Act, 2013.

The details of remuneration paid to Executive Directors and sitting fee paid to non-executive independent directors for attending the meetings of the Board and Committees thereof during the year are given herein above.

6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR)

The terms of Corporate Social Responsibility (CSR) Committee are as per the provisions of Section 135 of the Companies Act, 2013 and listing agreement with Stock Exchanges which inter alia include formulation and recommendation to the Board, a Corporate Social Responsibility (CSR) Policy and recommendation on the amount of expenditure (if any) to be incurred on the various CSR activities and monitoring of the CSR Policy of the company.

The CSR Committee consists of 3 directors' viz. Mr. Pavan Kumar Verma (Chairman), Mrs. Maria Fernandes and Mr. Vinay Kumar Mittal (Members).

7. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee consists of two Directors viz. Mr. Vinay Kumar Mittal (Chairman) & Mr. Pavan Kumar Verma (Member). This committee oversees and reviews all matters connected with redressal of Investor Grievances and complaints. The transfer of shares is undertaken by M/s Link Intime India Pvt. Ltd., New Delhi and they are fully equipped to deal with transfers and all related complaints of Investors.

Meeting and Attendance

The committee met 5 (five) times during the year viz. 28th May, 2015, 09th November, 2015, 09th December, 2015, 03rd February, 2016 and 08th March, 2016 and was attended by members as under:

Name of Members	No. of meetings held	No. of meetings attended
Sh. Asoke Kumar Chatterjee *(Chairman)	5	1
Sh. Vinay Kumar Mittal *(Chairman)	5	4
Mr. Pavan Kumar Verma (Member)	5	5

Note- * Mr. Asoke Kumar Chatterjee ceased to be a member w.e.f. 04.08.2015 and Mr. Vinay Kumar Mittal appointed w.e.f. 09.11.2015..

COMPLIANCE OFFICER

Company Secretary of the Company has been designated as Compliance Officer as per the provisions of the Listing Agreement executed with the Stock Exchanges.

Detail of Shareholders Complaints for the Period 2015-16

Nature of Complaint	Opening Balance	No. of Complaints received	No. of Complaints resolved	No. of Complaint Pending
Non Receipt of De-mat Credit	Nil	Nil	Nil	Nil
Non Receipt of Dividend	Nil	04	04	Nil
Non Receipt of Annual Report	Nil	05	05	Nil
Non Receipt of Share Certificate	Nil	Nil	Nil	Nil
SEBI	Nil	07	07	Nil
Total	Nil	16	16	Nil

All Complaints were resolved to the satisfaction of the Shareholders and no complaints remained unattended/ pending.

8. SUBSIDIARY COMPANY

As on 31st March, 2016, the Company is having 'Alchemist Foods Limited', 'Alchemist Infrastructures Private Limited', Alchemist Hospitality Group Ltd and "Alchemist Enterprise (S) PTE Ltd." as subsidiary companies.

Alchemist Limited's wholly owned foreign subsidiary "Alchemist Enterprise (S) PTE Ltd." is in the process of winding up. In the process the WOS has stopped operations and closed its bank accounts. A trade receivable of US\$ 4,00,000/- standing in its books against which the payment of ₹ 265.33 lacs has been received by Alchemist Limited. Such amount received has been reflected as "Closure proceeds of WOS" under Other Current Liabilities until the process of winding up of the company is completed.

Ms. Maria Fernandes, Independent Non-Executive Director is on the Board of Foods Limited. Mr. Pavan Kumar Verma, Wholetime Director is on the Board of Alchemist Infrastructures Private Limited and Alchemist Hospitality Group Limited and Mr. Vinay Kumar Mittal is on the Board of Alchemist Hospitality Group Limited

9. GENERAL BODY MEETINGS

The last 3 General Body Meetings of the members of the Company were held as per the following details:-

Financial Year	Location of the Meeting	Type of Meeting	Date	Time
2012-13	Deshbandhu Chittaranjan Memorial Society, C-405A, Chittranjan Park, New Delhi	Annual General Meeting	27-09-2013	10:00 A.M
2013-14	The Legend Inn, E-4, East of kailash, New Delhi	Annual General Meeting	26-09-2014	10:00 A.M
2014-15	The Legend Inn, E-4, East of kailash, New Delhi	Annual General Meeting	28-09-2015	10:00 A.M

The details of Special Resolution(s) passed through Postal Ballot are as under:

The Company received approval of the members vide notice dated 19th April, 2016 on 19th May, 2016 for passing Special Resolution under Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, to sell its stake, either in whole or in part, in its subsidiary i.e. Alchemist Foods Limited (AFL), at a price which shall be the fair value of the Company in whole or in tranches or on such terms and conditions and with such modifications as may be required by any of the concern authorities or as the Board of Directors of the Company may deem fit and appropriate in the best interest of the Company.

Mr. Naveen Shree Pandey, Practicing Company Secretary was appointed as the Scrutinizer for conducting the Postal Ballot process. The details of the voting pattern are as under:

Total Number of Postal Ballot received (Represented by Total Shares 7,032,056)	84
Number of open Ballot received	Nil
Number of Envelops	84
Ballot unsigned/ Blank	1
Effects not clear	Nil
Votes approving resolution (Special Resolution)	7,029,679
Votes against resolution (Special Resolution)	Nil
Number of Shares not considered for Postal Ballot	2,377

Procedure for Postal Ballot:

After receiving the approval of the Board of Directors, Notice of the Postal Ballot, text of the Resolution and Explanatory Statement, relevant documents, Postal Ballot Form and self-addressed postage envelopes are sent to the shareholders to enable them to consider and vote for and against the proposal within a period of 30 days from the date of dispatch.

Thereafter, the Board in its meeting held on 19th May, 2016 declared the result of the Postal Ballot. The same is published in the Newspapers and displayed on the Company Website and Notice Board and submitted to Stock Exchanges.

10. DISCLOSURES

- (i) During the year under review, besides the transactions reported in the Annual Report, there were no other related party transactions with its promoters, directors and management which are in a potential conflict with the interest of the Company at large.
- (ii) The Company has complied with various rules and regulations prescribed by Stock Exchanges, Securities and Exchange Board of India and other statutory authorities relating to the capital markets during the last three years.
- (iii) The Company has established a Whistle Blower Policy/ Whistle Blower Mechanism and formulated a policy for the same and no personnel has been denied access to the audit Committee.
- (iv) The Board of Directors of the Company has adopted the Code of Conduct for Directors and Senior Management and the same is posted on the website of the Company.
- (v) The financial statements have been made in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) so as to represent a true and fair view of the state of affairs of the Company.
- (vi) All mandatory requirements as per clause 49 of the listing Agreement have been complied with by the Company.

11. CEO/CFO Certification

Mr. Pavan Kumar Verma, Whole time Director and Mr. Bikram Bhattacharya, Chief Financial Officer have certified to the Board that:

- (a) They have reviewed financial statements and the cash flow statement for the year ended 31st March, 2016 and that to the best of their knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of their knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) They accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) They have indicated to the Auditors and the Audit committee
 - (i) Significant changes in internal control over financial reporting during the year;
 - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

The above certificate was placed before the board meeting on May 10th, 2016.

12. MEANS OF COMMUNICATIONS

(i)	Half yearly report sent to each house hold of shareholders	N.A
(ii)	Quarterly Results	The quarterly results are taken on record by Board of Directors and notified to Stock Exchange and published in newspaper in compliance with CI-41 of the Listing Agreement/Regulation 33 of SEBI (LODR) Regulations, 2015.

ALCHEMIST LIMITED

(iii)	Publications in Newspapers	English- Business Standard, The Financial Express and Mint Vernacular- DainikSavera, Hari Bhoomi, Naya India and Uttam Hindu
(iv)	Website where displayed?	Website of BSE & NSE as well as website of the Company
(v)	Whether it also displays official news releases?	No
(vi)	Whether presentation made to Institutional Investors or to Analysts?	No
(vii)	Whether Management. Discussion & Analysis is part of Annual Report?	Yes

13. GENERAL SHAREHOLDER INFORMATION

i)	Annual General Meeting (proposed): Date & Time: Venue:	September 14 th , 2016 at 10:00A.M. at Paharpur Business Centre, Nehru Place Greens, New Delhi - 110019
ii)	Financial Calendar (2016-17) (Tentative): Quarterly Results: Quarter ended 30 th June, 2016 Quarter ended 30 th September, 2016 Quarter ended 31 st December, 2016 Quarter/Year ended 31 st March, 2017	On or before 14 th August, 2016 On or before 14 th November, 2016 On or before 14 th February, 2017 On or before 30 th May, 2017
iii)	Date of Book Closure	11 th September, 2016 to 14 th September, 2016
iv)	Dividend payment date	N.A
v)	Listing of Equity Shares on Stock Exchanges	National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) The Annual Listing Fees in respect of both the Stock Exchanges for the financial year 2016-17 has already been paid.
vi)	Stock Code – The Bombay Stock Exchange Limited – National Stock Exchange of India Limited – ISIN Number (For Demat Trading)	526707 “ALCHEM” INE 964B01033
vii)	Market Price Data	As per Table-I below
viii)	Performance in comparison to broad-based BSE Sensex	As per Chart-I
ix)	Registrar and Transfer Agents	M/s LINK INTIME INDIA PVT. LTD. 44, Community Centre, IInd Floor, Naraina Industrial Area, Phase 1, Near PVR Naraina, New Delhi Contact No. - 011-41410592-94 Telefax: 011-41410591 Email: delhi@linkintime.co.in
x)	Share Transfer System	Trading in the Equity Shares of the Company is permitted only in dematerialised form. However, there are certain shares still in physical form with the pre-issue shareholders. All the share transfers in respect of physical shares are handled by the Registrar & Share Transfer Agents.
xi)	Distribution of Shareholding	As per Table II & III

ALCHEMIST LIMITED

xii)	Dematerialization of Shares and Liquidity	Shares held in Demat Form as on 31.03.2016:- With NSDL: 10762461 (79.37%) With CDSL: 2015100 (14.86%) Physical : 782239 (5.77%) Company's Equity Shares are tradable in De-mat form and there is good liquidity of the shares as the shares are actively traded both on NSE & BSE.
xiii)	Outstanding GDRs/ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity	Nil
xiv)	Plant Locations	Pharma Unit: Electronic Complex, Chambaghat, Solan, Himachal Pradesh Steel Unit Chanalon, Near Kurali, District Ropar, Punjab Floriculture Unit - Dappar, Ambala Chandigarh Highway, District Mohali, Punjab - Village Kanogata, Rajgarh, District Sirmour, (Himachal Pradesh)
xv)	Company Secretary & Compliance Officer	Vinay Singh Alchemist Limited 23, Nehru Place, New Delhi - 110019
xvi)	Address for Correspondence	Registered Office & Head Office: 23, Nehru Place, New Delhi - 110019 Tel. No. - 011-40600800 Email: investors@alchemist.co.in Website : www.alchemist.co.in

TABLE-I

Market Price Data:

Monthly high and low quotations of shares and volume of Equity Shares traded on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) for the year ended 31st March, 2016 are as follows:-

Month	BSE			NSE		
	High (₹)	Low (₹)	Monthly Vol. (Qty.)	High (₹)	Low (₹)	Monthly Vol. (Qty.)
April, 2015	37.70	25.55	431677	37.90	25.45	887563
May, 2015	29.40	26.00	53831	29.40	26.30	128868
June, 2015	26.30	20.50	34812	26.90	20.00	173806
July, 2015	28.55	22.25	76264	27.70	22.70	140458
August, 2015	29.90	20.15	76319	31.00	31.00	227045
September, 2015	24.60	21.05	16591	25.25	19.50	103890
October, 2015	23.75	20.00	32004	24.00	20.10	121607
November, 2015	25.35	20.00	49590	25.25	19.65	148465
December, 2015	37.90	23.10	564549	37.90	23.00	1974312
January, 2016	32.90	23.00	113737	33.80	22.30	400223
February, 2016	27.25	19.50	22191	27.00	20.00	95298
March, 2016	23.50	18.50	56777	23.95	18.50	154823

TABLE-II
Distribution of Shareholding as on 31st March, 2016:

No. of Equity Shares	Number of shareholders	% of shareholders	No. of Shares held	% of shareholding
1-5000	8149	98.9316	2321102	17.1175
5001-10000	34	0.4128	248701	1.8341
10001-20000	24	0.2914	372606	2.7479
20001-30000	2	0.0243	43447	0.3204
30001-40000	4	0.0486	138138	1.0187
40001-50000	1	0.0121	41133	0.3033
50001-100000	5	0.0607	346043	2.5520
100001 & above	18	0.2185	10048630	74.1060
Grand Total	8237	100	13559800	100
Physical Mode	1490	18.09	782239	5.77
Electronic Mode	6747	81.91	12777561	94.23

TABLE-III
Category of Shareholders as on 31st March, 2016:

Category	Number of Shareholders	% of Shareholders	No. of Shares held	% of shareholding
Promoter (s) and Persons acting in concert	11	0.13	4741653	34.97
Private Bodies Corporate	169	2.05	2376984	17.53
Indian Public	7688	93.33	3104256	22.90
NRI / OCBs / FIIs	207	2.51	2714103	20.01
Nationalized Bank	01	0.01	200000	1.47
Insurance Companies	02	0.02	309076	2.28
Mutual Funds	01	0.01	5000	0.04
HUF	100	1.21	50890	0.38
Others-Clearing Member/Trust	58	0.70	57838	0.43
TOTAL	8237	100.00	13559800	100.00

CHART-I

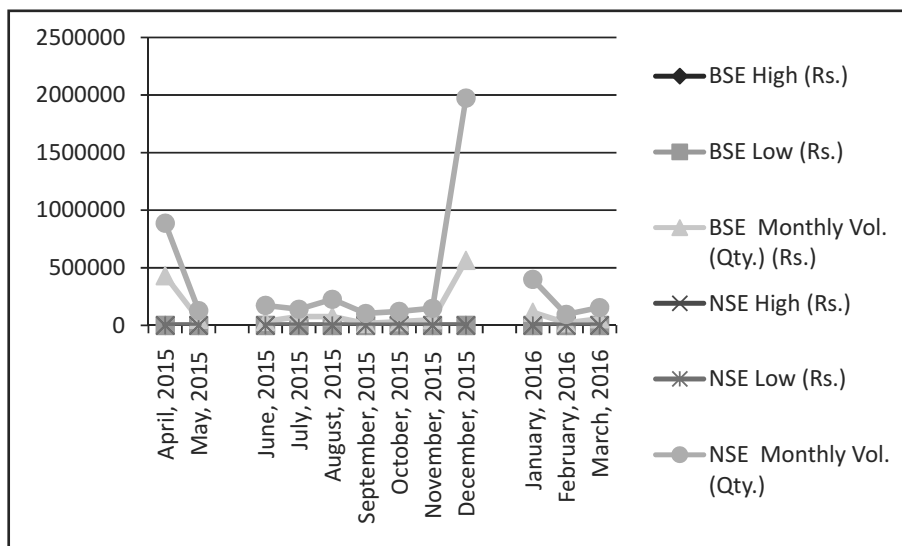


CHART-II

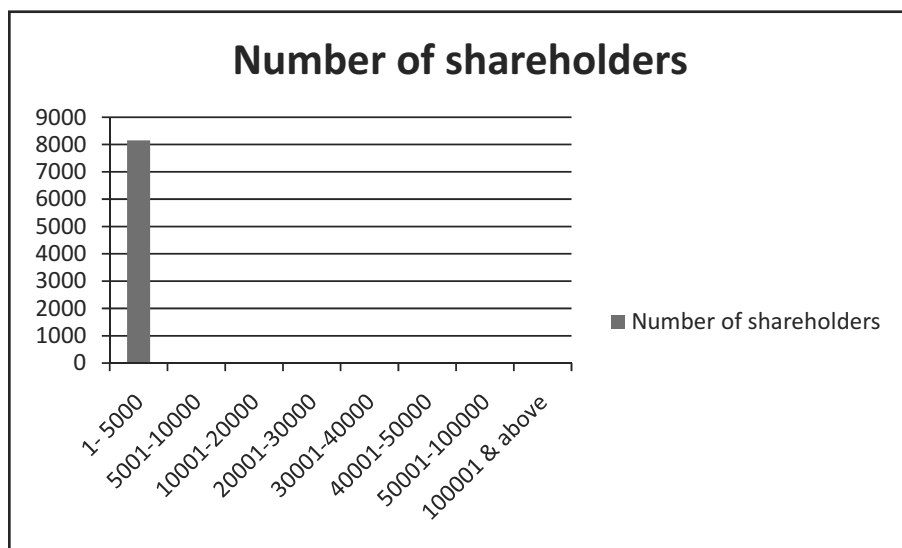


CHART-III

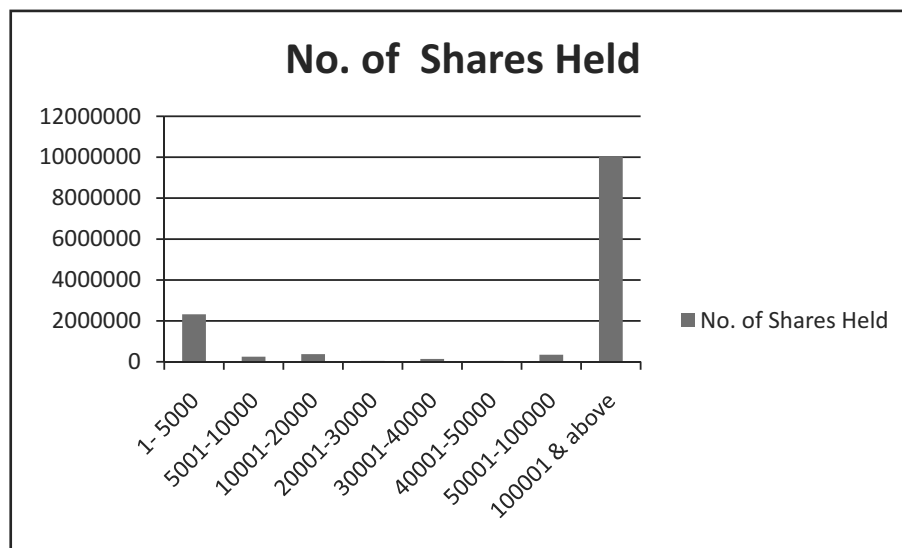
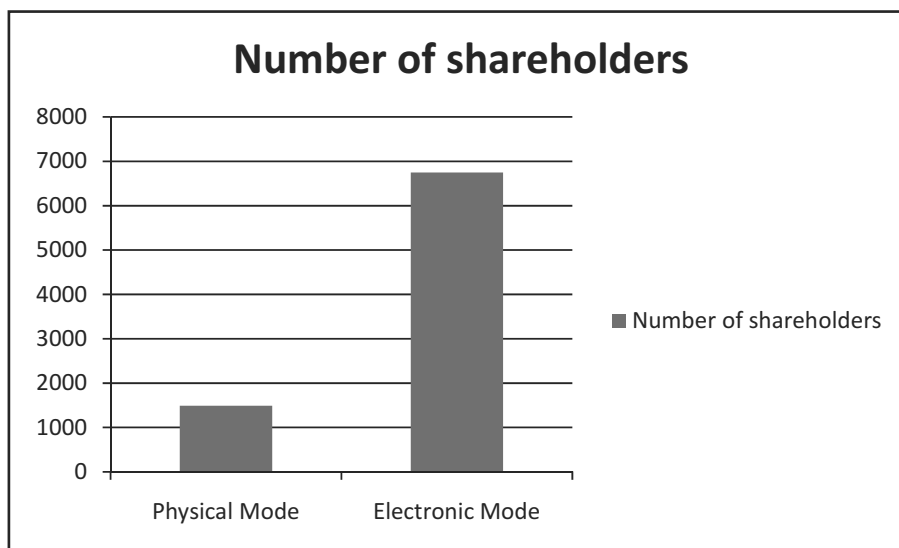


CHART-IV**14. NON MANDATORY REQUIREMENTS**

The Company has not, so far, adopted any non-mandatory requirements as stated in Listing Regulations.

CERTIFICATE ON CORPORATE GOVERNANCE

The Members,
Alchemist Limited
(CIN-L72200DL1988PLC192643)
23, Nehru Place,
New Delhi - 110019

Sub : CERTIFICATE ON CORPORATE GOVERNANCE

We have examined the compliance of conditions of corporate governance by Alchemist Limited ("the Company"), for the year ended March 31st, 2016, as stipulated in Clause 49 of the Listing Agreement entered into with Stock Exchange for the period April 01st, 2015 to November 30th, 2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as referred to in Regulation 15(2) of the Listing Regulations, for the period December 01st, 2015 to March 31st, 2016.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of 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, in all material respects, the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement/Listing Regulations, as applicable.

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.

Date: 10th August, 2016
Place: New Delhi

Sd/-
C.A. Ashish Chhabra
Partner
Membership No. 507083
N. Kumar Chhabra & Co.
Chartered Accountants
Firm Registration No. 000837N

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF ALCHEMIST LIMITED****Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of ALCHEMIST LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement, and a summary of the significant accounting policies and other explanatory information for the year then ended.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Basis for Qualified Opinion

The Company has not complied with the provisions of proviso to sub section 2 of Section 55 of the Act as out of the total value of preference shares (including premium) amounting to ₹ 53.56 lacs redeemed during the year, ₹ 51.34 lacs has been redeemed otherwise than out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of such redemption.

The Company has computed the Depreciation on the tangible fixed assets using straight line method based on the useful life of the assets as prescribed in Schedule II of the Companies Act, 2013 and the management estimates of useful life for tangible and intangible assets not covered by the Schedule II. ***However, for the assets purchased/commissioned prior to 1st April, 2010, the purchase date of assets has been considered as 1st April, 2010. The same is in violation of Accounting Standard 6-Depreciation Accounting as this treatment not only enhances the useful life of the assets that have already been consumed but has an effect over the depreciation computed. The loss to that extent is under/over stated and similarly the assets, the effect however could not be quantified.***

The Company has not made any provision on the export receivables amounting to ₹ 47363.02 lacs outstanding for more than a year as at the year end date. The loss to that extent is under stated and similarly the receivables, the effect however could not be quantified.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, ***except for the effects of the matter described in the Basis for Qualified Opinion paragraph above***, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the

accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its loss and its cash flows for the year ended on that date.

Emphasis of Matters

- a. Attention is invited to note no. 14 and 32 to the standalone financial statements wherein “the entire Capital advances amounting to ₹ 796.63 lacs have been considered as good and realisable by the Company. The Company has indicated it has undertaken legal action against one party whose outstanding is ₹ 459.80 lacs”.
It is relevant to note that out of the total capital advances, advances amounting to ₹ 784.06 lacs are outstanding for a period of more than three years. No provision on such capital advances is made.
- b. Attention is invited to note no. 42 to the standalone financial statements “The balances of majority of the Trade Receivables, Trade Payables and Loan & Advances made and received, 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”.
- c. Attention is invited to note no. 50 to the standalone financial statements “The economic downturn has impacted the international trade operations of the company. Taking cue the company has initiated many cost cutting measures including downsizing and vacation of office premises. During the year the company has vacated some office premises. Since the company had made some leasehold improvements to the same, the company had to take a write off of these leasehold improvements and accordingly has incurred a loss of ₹ 278.49 lacs reflected under Exceptional Items.”
- d. Attention is invited to note no. 51 to the standalone financial statements “Company’s wholly owned foreign subsidiary “Alchemist Enterprise (S) PTE Ltd.” is in the process of winding up. In the process the WOS has stopped operations and closed its bank accounts. A trade receivable of US\$ 4.00 lacs standing in its books against which the payment of ₹ 265.33 lacs has been received by Alchemist Limited. Such amount received has been reflected as “Closure proceeds of WOS” under Other Current Liabilities until the process of winding up of the company is completed.”
- e. Attention is invited to note no. 52 to the standalone financial statements “Cash in hand includes cash amounting to ₹ 180.54 lacs which was seized by the Income tax authorities during the search and seizure operation u/s 132 of the Income Tax Act, 1961 during the month of June, 2014.”

Our opinion is not qualified in respect of the matters as stated in the Emphasis of Matters paragraph.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”) issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) The matters described in the Basis for Qualified Opinion paragraph and Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
 - (f) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.
 - (h) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure B”.
 - (i) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer note no.29 to the standalone financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

for N. Kumar Chhabra & Co.

Chartered Accountants

Firm's Registration Number: 000837N

CA. Ashish Chhabra

Partner

Membership Number: 507083

Place of Signature: New Delhi

Date:10th May, 2016

Annexure- A to the Independent Auditor’s Report

Referred to in paragraph 1 under ‘Report on other Legal and Regulatory Requirements’ section of our report of even date. We report that:

- (i) (a) In our opinion and according to the information and explanations given to us, the Company has maintained fixed asset register **however the same does not specify the quantity and exact location of the fixed assets.**
- (b) In our opinion and according to the information and explanations given to us, **the Company has not physically verified the fixed assets during the year. In our opinion the periodicity of the physical verification is not reasonable having regard to the size of the Company and nature of its assets.**
- (c) In our opinion and according to the information and explanation given to us, the Company holds valid title for all the immovable properties in the books of the Company **except for one land valuing ₹ 55.59 lacs, the title deed of which has not been produced before us for our verification of the same.**
- (ii) In our opinion and according to the information and explanations given to us, inventories have been physically verified during the year by the management at reasonable intervals **except for the work in progress inventory.** The material discrepancies noticed have been properly dealt with in the books of accounts.
- (iii) According to the information & explanations given to us, the Company has granted loans, secured or unsecured outstanding at year end at ₹ 33.39 lacs to 10 companies covered in the register maintained under section 189 of the Act.
 - (a) **It has been informed to us that the terms of repayment have not been defined, however, they are repayable on the mutual agreement of both the parties involved. Moreover the loans granted are unsecured and interest free, thus the terms of such loans are prejudicial to the interests of the Company.**
 - (b) **All the loans made are interest free and schedule of repayment are not defined, hence the timeliness of repayment cannot be commented upon.**
 - (c) **As mentioned in the above paragraphs, since terms of repayment of loans are not documented, we are unable to comment on the overdue amount.**
- (iv) **The Company has given loans/amount recoverable to/from three parties whose year end outstanding balance is ₹ 2.62 lacs and has given corporate guarantee for ₹ 375.00 lacs for loan obtained by one party, in contravention of provisions of Section 185 of the Companies Act, 2013.**
Further, the Company has given interest free loans/amount recoverable to/from 15 parties whose year end outstanding balance is ₹ 80.81 lacs which is in contravention of sub section 7 of section 186 of the Companies Act, 2013 which requires that “No loan shall be shall be given under this section at a rate of interest lower than the prevailing yield of one year, three year, five year or ten year Government Security closest to the tenor of the loan”.
- (v) The Company has not accepted deposits. Hence the provisions of Section 73 to 76 or any other relevant provisions of the Act and the rules framed there under are not applicable to the Company.
- (vi) We have broadly examined the cost records maintained by the Company specified by the Central Government under sub section (1) of section 148 of the Act and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have however, not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) (a) Based on our audit procedures and on the information and explanations given by the management, we report that undisputed statutory dues including Provident Fund, Employees’ State Insurance, Income-tax, Sales-tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and any other statutory dues, to the extent applicable, have generally been regularly deposited with the appropriate authorities, **though there have been slight delays in few cases.** According to the information and explanations given to us, no statutory dues were outstanding as on 31st March, 2016, for a period of more than six months from the date it became payable.
 - (b) **Details of excise duty which has not been deposited as on 31st March, 2016 by the Company on account of dispute is given below:**

Name of the Statute	Nature of the dues	Forum where pending	Total Amount involved* (₹ in Lacs)	Amount paid under protest (₹ in Lacs)	Period to which amount relates
Central Excise Act, 1944	Excise Duty	Commissioner of Central Excise Commissionerate, Chandigarh.	173.55	63.13	December, 2007 to September, 2012

*** Amount as per demand order, not including interest and penalty as not quantified in the demand order.**

- (viii) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, ***during the year there have been delays in repayment of dues by the Company to financial institutions, banks or debenture holders. The details of the continuing default as on 31st March, 2016 in repayment of principle and interest is as follows:***

Name of Bank - Type of Loan	Sanction Amount	Default amount as on 31/03/16	Default cleared Amount	Default cleared date	Default outstanding as on 10/05/16
<i>Punjab National Bank - Project Term Loan</i>	210000000	11364337	38,45,524	28-04-2016	75,18,813
<i>UCO Bank - Vehicle Loan</i>	612000	22996	12,000	12-04-2016	10,966
<i>UCO Bank - Vehicle Loa</i>	1143000	58342	23,000	12-04-2016	35,342
<i>UCO Bank - Vehicle Loa</i>	716000	49198	17,000	25-04-2016	32,198
Total	212471000	11494873	38,97,524		75,97,349

- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year, therefore, the provisions of para3(ix) of the Order is not applicable to the Company.
- (x) Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.
- (xi) Based on the audit procedures performed and the information and explanations given to us, we report that the managerial remuneration has been paid or provided in accordance with requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company, therefore, the provisions of para3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him, therefore, the provisions of para3(xv) of the Order is not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

for N. Kumar Chhabra & Co.
Chartered Accountants
Firm's Registration Number: 000837N

CA. Ashish Chhabra
Partner
Membership Number: 507083

Place of Signature: New Delhi
Date: 10th May, 2016

Annexure - B to the Independent Auditor's Report**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We were engaged to audit the internal financial controls over financial reporting of Alchemist Limited ("the Company") as of 31st March, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit conducted in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India.

Because of matter described in Disclaimer of Opinion paragraph below, we were not able to obtain sufficient appropriate evidence to provide a basis for an audit opinion on internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls over Financial Reporting

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

Disclaimer of Opinion

According to information and explanation given to us, the company is under the process of establishing its internal financial controls over financial reporting on criteria based on or considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the Company had adequate internal financial control over financial reporting and whether such internal financial controls were operating effectively as at March 31st, 2016.

We have considered the disclaimer reported in determining the nature, timing and extent of audit tests applied in our audit of the standalone financial statements of the company, and the disclaimer does not affect our opinion on the standalone financial statements of the company.

for N. Kumar Chhabra & Co.
Chartered Accountants
Firm's Registration Number: 000837N

CA. Ashish Chhabra
Partner
Membership Number: 507083

Place of Signature: New Delhi
Date: 10th May, 2016

ALCHEMIST LIMITED

BALANCE SHEET

Particulars	Note	(Amount in ₹)	
		As At 31 st March 2016	As At 31 st March 2015
EQUITY AND LIABILITIES			
1 Shareholders' Funds:			
Share Capital	2	138,784,000	139,168,000
Reserves & Surplus	3	114,396,715	328,632,946
		253,180,715	467,800,946
2 Non Current Liabilities			
Long term borrowings	4	7,190,497,842	6,965,420,944
Deferred Tax Liabilities (Net)	5	74,083,223	53,166,114
Other Long Term Liabilities	6	47,298,980	39,309,732
Long Term Provisions	7	13,259,124	27,119,283
		7,325,139,169	7,085,016,073
3 Current Liabilities			
Short-term borrowings	8	36,009,389	33,197,767
Trade payables	9	1,366,843,561	1,284,071,129
Other current liabilities	10	264,193,557	251,614,347
Short-term provisions	11	1,048,123	2,369,836
		1,668,094,630	1,571,253,079
		9,246,414,514	9,124,070,098
Total Equity and Liabilities			
ASSETS			
1 Non Current Assets			
Fixed Assets	12		
(i) Tangible Assets		1,584,723,127	1,677,690,525
(ii) Intangible Assets		156,081,517	177,868,554
(iii) Capital work in Progress		18,109,245	18,109,245
		1,758,913,889	1,873,668,324
Non Current Investments	13	2,435,807,934	1,044,331,843
Long Term Loan & Advances	14	93,024,283	1,396,764,996
Other Non Current Assets	15	2,240,408	353,778
		4,289,986,514	4,315,118,941
2 Current Assets			
Inventories	16	66,693,999	89,881,374
Trade Receivables	17	4,793,511,609	4,552,975,912
Cash and Cash Equivalents	18	31,063,248	63,109,833
Short Term Loans and Advances	19	65,159,144	102,437,470
Other Current assets	20	-	546,568
		4,956,428,000	4,808,951,157
		9,246,414,514	9,124,070,098
Total Assets			
Significant Accounting Policies & Notes to the financial statement		(1 to 54)	

This is the Balance Sheet referred to in our report of even date.

CA. Ashish Chhabra Partner	Vimal Kumar Sharma Company Secretary	Bikram Bhattacharya CFO	Pavan Kumar Verma Whole Time Director DIN-00213365	Vinay Kumar Mittal Director DIN-00287042
MEMBERSHIP NO.: 507083				
N. KUMAR CHHABRA & CO.				
CHARTERED ACCOUNTANTS				
FIRM REGISTRATION NO.: 000837N				

Place : New Delhi
Date : 10/05/2016

ALCHEMIST LIMITED**STATEMENT OF PROFIT AND LOSS**

Particulars	Note	(Amount in ₹)	
		For the year ended 31 st March 2016	For the year ended 31 st March 2015
INCOME			
Revenue from Operations	21	191,159,407	2,521,786,856
Other Income	22	213,818,072	219,587,640
		404,977,479	2,741,374,496
EXPENSES			
Cost of Material Consumed	23A	78,400,824	87,663,008
Purchase of Stock in Trade	23B	27,575,036	2,263,770,683
Change in Inventories of Finished Goods, Work in Progress and Scrap	23C	17,923,182	17,387,802
Employees Benefit Expenses	24	195,275,547	246,482,985
Finance Cost	25	27,644,329	19,616,186
Depreciation & Amortization Expenses	26	86,225,614	68,234,967
Other Expenses	27	132,016,319	227,850,796
		565,060,851	2,931,006,427
Profit/(Loss) Before Exceptional Items & Taxes		(160,083,372)	(189,631,931)
Exceptional Items		27,848,561	-
Profit/(Loss) Before Tax		(187,931,933)	(189,631,931)
Tax Expenses:			
Current Tax		-	-
MAT Credit Entitlements		-	-
Deferred Tax Charge/ (Benefit)		20,917,109	6,931,601
Tax Relating to Previous Years		-	3,069,025
Profit After Taxes		(208,849,042)	(199,632,557)
Net Profit For The Year		(208,849,042)	(199,632,557)
Earning Per Shares (Equity shares, Par value ₹ 10/- each)			
Basic & Diluted			
- Basic EPS	28	(15.40)	(14.72)
- Diluted EPS	28	(15.40)	(14.72)
Significant Accounting Policies & Notes to the financial statement	(1 to 54)		

This is the Statement of Profit & Loss referred to in our report of even date.

CA. Ashish Chhabra Partner	Vimal Kumar Sharma Company Secretary	Bikram Bhattacharya CFO	Pavan Kumar Verma Whole Time Director DIN-00213365	Vinay Kumar Mittal Director DIN-00287042
MEMBERSHIP NO.: 507083 N. KUMAR CHHABRA & CO. CHARTERED ACCOUNTANTS FIRM REGISTRATION NO.: 000837N				

Place : New Delhi
Date : 10/05/2016

CASH FLOW STATEMENTS FOR THE YEAR ENDED
(Amount in Lacs)

Particulars	<u>31st March 2016</u>	<u>31st March 2015</u>
A) Cash Flow From Operating Activities		
Net Profit After Tax & Exceptional Items	(1879.32)	(1896.32)
Adjustments for:		
Depreciation & Amortisation	862.26	682.35
Interest Received	(10.32)	(673.24)
Dividend Received	-	(0.68)
Operating profit before working capital changes	<u>(1027.38)</u>	<u>(1887.89)</u>
Adjustments for changes in Working Capital:		
Inventories	231.87	202.73
Trade Receivable	(2405.36)	(7421.51)
Short Term Loan & Advances	372.78	(129.35)
Other Non Current Assets	(18.87)	20.19
Other Current Assets	5.47	1.02
Long Term Loan & Advances	13037.41	(738.06)
Trade Payable	827.72	(780.16)
Other Current Liabilities	125.79	32.63
Short Term Provisions	(13.22)	(155.77)
Long Term Provisions	(138.60)	23.66
Other Long Term Liabilities	79.89	43.51
Cash generated/(Used) from/in Operation	<u>11077.51</u>	<u>(10789.00)</u>
Provision For Tax	0.00	(30.69)
Net Cash generated/(Used) from/in Operating Activities	<u>11077.51</u>	<u>(10819.69)</u>
B) Cash Flow From Investing Activities		
Purchase of Fixed Assets and capital work in progress	(8.14)	(463.54)
Proceeds from Sale of Fixed Asset (Net of Depreciation)	293.43	-
(Purchase)/Sale of non current Investments	(13914.76)	(10.90)
(Purchase)/Sale of current Investments	-	16.99
Foreign Currency Translation reserve	(4.15)	10.90
Interest Received	10.32	673.24
Dividend Received	-	0.68
Net Cash generated/(Used) from/in Investing Activities	<u>(13623.30)</u>	<u>227.36</u>
C) Cash Flow From Financing Activities		
Redemption of Preference Shares	(3.84)	(9.30)
Preference Shares Redemption Premium	(49.72)	(92.91)
Long Term Borrowings	2250.77	(7041.34)
Short Term Borrowings	28.12	144.66
Dividends Paid (Including Dividend Tax)	-	158.64
Net Cash generated/(Used) from/in Financing Activities	<u>2225.33</u>	<u>(6840.24)</u>
D) Net Increase /(Decrease) in Cash & Cash Equivalents (D=A+B+C)	<u>(320.47)</u>	<u>(17432.57)</u>
E) Cash & Cash Equivalents at the beginning of the year	631.10	18063.66
F) Cash & Cash Equivalents at the end of the year	310.63	631.10

This is the cash flow statement referred to in our report of even date.

CA. Ashish Chhabra Partner MEMBERSHIP NO.: 507083 N. KUMAR CHHABRA & CO. CHARTERED ACCOUNTANTS FIRM REGISTRATION NO.: 000837N	Vimal Kumar Sharma Company Secretary	Bikram Bhattacharya CFO	Pavan Kumar Verma Whole Time Director DIN-00213365	Vinay Kumar Mittal Director DIN-00287042
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Place : New Delhi
Date : 10/05/2016

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31ST, 2016
Significant Accounting Policies (Note-1)**(i) Basis of Preparation**

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

The financial statements are prepared on accrual basis under the historical cost convention. The financial statements are presented in Indian rupees. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

(ii) Use of Estimates

The preparation of financial statements requires management to make 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. The Estimate and assumptions used in the accompanying financial statement are based upon management evaluation of relevant facts and circumstances as at the date of the financial statements, which in its opinion are prudent and reasonable. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current & future periods.

(iii) 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.

(iv) 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.

(v) Depreciation

Depreciation on tangible fixed assets is provided on Straight Line Method (SLM). Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Saplings have been written off at the rate of 1/7th of the cost as per management estimates of useful life and the residual value is estimated to be nil, as the same does not have a mention in the Schedule II of the Companies Act, 2013.

(vi) 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 recognised in previous periods.

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

(vii) Government Grants

Grants in the nature of promoters contribution and in which repayment is ordinarily not expected are treated as a part of shareholders funds and credited to Capital Reserve.

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

(viii) Inventories

The basis of valuation of inventories is as under:

- 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 FIFO method. Further, in respect of the manufactured inventories i.e. process stock and finished goods; cost includes raw material cost plus conversion cost and other relatable manufacturing overheads.
- Stores, spares and scrap are valued at lower of cost or under.
- 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

(ix) 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 income/expense over the life of the forward contract.

(x) Intangible Assets and its Amortisation

The R&D expenditure on revenue account and capital accounts had been capitalised under the head Fixed Assets and are being amortised over a period of 10 Years

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

(xi) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

- **Sales:**

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership are transferred to the buyer and the Company retains no effective control of the goods transferred to a degree usually associated with ownership; and No significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods.

- **Interest:**

Interest income is recognized on a time proportion basis taking into account the amount outstanding held and the interest rate applicable.

- **Dividend:**

Dividend income is recognized as income when the right to receive the payment is established.

- **Insurance and other claims:**

Revenue in respect of claims is recognized when no significant uncertainty exists with regard to the amount to be realized and the ultimate collection thereof.

(xii) Employee Benefits

- **Provident fund**

The Company makes contribution to statutory provident fund in accordance with Employees' Provident Fund and Miscellaneous Provisions Act, 1952. The plan is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which services are rendered by the employee.

- **Employees State Insurance**

The Company makes contribution to Employees State Insurance scheme in accordance with Employees' State Insurance Act, 1948. The scheme is a self-financing social security and health insurance scheme for workers and contribution paid or payable is recognized as an expense in the period in which services are rendered by the employee.

- **Gratuity**

Gratuity is a post-employment benefit and is in the nature of defined benefit plan. The liability recognized in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the balance sheet date together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from adjustments and changes in actuarial assumptions are charged or credited to the Profit and loss account in the year in which such gains or losses arise.

- **Compensated absences**

Eligible Compensated absences of employees are adjustable against leave which the employee may avail in the future.

(xiii) Taxation

The tax expense comprises of current taxes and deferred taxes. Current Tax is the amount of income tax determined to be payable in respect of taxable income for a period as per the provisions of Income Tax, 1961. Deferred tax is the effect of timing differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are reviewed at each balance sheet date and recognized/ derecognized only to the extent that there is reasonable/virtual certainty, depending on the nature of the timing differences, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

(xiv) 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 asset is one that necessarily takes substantial period of time to get ready for intended uses. All other borrowing costs are charged to revenue.

(xv) Earning per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue and share split.

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

(xvi) Common Expenses

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

(xvii) Investments

Investments that are readily realizable and intended to be held for not more than one year are classified as current investments; all other investments are classified as long term investments. Long term Investment is carried at cost less provision (if any) for decline in value which is other than temporary in nature. Current investments are carried at lower of cost and fair market value.

(xviii) Leases

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalised.

If there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Leases, where the lesser effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease receipt/payments are recognized as an income/expense in the Statement of Profit and Loss account.

(xix) Rounding Off

Amounts have been rounded off to the nearest Rupee.

(xx) 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.

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31ST, 2016

(Amount in ₹)

	As At 31 st March 2016	As At 31 st March 2015
2 SHARE CAPITAL		
a) AUTHORISED		
Equity Shares - 3,00,00,000 of ₹ 10/- each (Previous year -3,00,00,000 of ₹ 10/- each)	300,000,000	300,000,000
Preference Shares - 50,00,000 of ₹ 100/- each (Previous year -50,00,000 of ₹ 100/- each)	500,000,000	500,000,000
b) ISSUED,SUBSCRIBED AND PAID-UP		
Equity Shares - 1,35,59,800 of ₹ 10/- each (Previous year 1,35,59,800 of ₹ 10/- each)	135,598,000	135,598,000
Redeemable Preference Shares 31860 of ₹ 100/- Each (Previous year 35,700 of ₹ 100/-Each)	3,186,000	3,570,000
Total	138,784,000	139,168,000

Terms/right attached to shares:

Equity Shares: The company has only one class of equity shares having a par value of ₹ 10/- per shares. Each holder of equity Shares is entitled to one vote per share.

Redeemable Preference Shares: The Preference Shares are in the nature of redeemable preference shares having a par value of ₹ 100/- per share.

Reconciliation Showing No. of Shares Outstanding at the beginning and at the end of the accounting period:

Equity Shares	As at 31 st March 2016		As at 31 st March 2015	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	13559800	135,598,000	13559800	135,598,000
Shares Issued during the year	-	-		
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	13559800	135,598,000	13559800	135,598,000

Reconciliation Showing No. of Shares Outstanding at the beginning and at the end of the accounting period:

Preference Shares	As at 31 st March 2016		As at 31 st March 2015	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	35700	3,570,000	45000	4,500,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year(Redemption)	3840	384,000	9300	930,000
Shares outstanding at the end of the year	31860	3,186,000	35700	3,570,000

The Shareholders holding more than 5% equity shares of the company are as under:

Name of Shareholder	As at 31 st March 2016		As at 31 st March 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Kanwar Deep Singh	1257020	9.27	1257020	9.27
KDS Corporation Pvt Ltd	3059000	22.56	3059000	22.56
Davos International Fund	746000	5.50	746000	5.50

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31ST, 2016

	(Amount in ₹)	
3 RESERVES AND SURPLUS	As At 31st March 2016	As At 31st March 2015
<u>Capital Reserve</u>		
Capital Reserve	2,999,716	2,999,716
	2,999,716	2,999,716
<u>Capital Redemption Reserve</u>		
Balance Brought Forward	518,021,000	517,091,000
Add: Transfer from General Reserve	-	-
Add: Transfer from Statement of Profit & Loss	384,000	930,000
	518,405,000	518,021,000
<u>Preference Shares Redemption Reserve</u>		
Balance Brought Forward	2,059,947	2,596,572
Add: Transferred from Share Premium A/c	-	-
Add: Transfer from Statement of Profit & Loss	4,750,426	8,753,875
Less: Utilized for the Redemption of Preference Shares	4,972,000	9,290,500
	1,838,373	2,059,947
<u>Surplus in Statement of Profit & Loss</u>		
Balance Brought Forward	(198,715,117)	16,685,498
Add: Profit/(Loss) for the Year	(208,849,042)	(199,632,557)
Less: Transfer to General Reserves	-	-
Less: Transfer to Capital Redemption Reserve	384,000	930,000
Less: Transfer to Preference Share Redemption Reserve	4,750,426	8,753,875
	(412,698,585)	(192,630,934)
Less: Proposed Dividend	-	(13,559,800)
Less: Corporate Dividend Tax	-	(2,304,488)
Less: Adjustment Related to Fixed Assets	-	21,948,471
	(412,698,585)	(198,715,117)
<u>Foreign Currency Translation Reserve</u>		
Opening Balance	4,267,400	3,177,264
Current Year Recognition	(415,189)	1,090,136
	3,852,211	4,267,400
Total	114,396,715	328,632,946
4 LONG-TERM BORROWINGS		
<u>SECURED</u>		
<u>Term Loans From Bank</u>		
Punjab National Bank	96,235,394	123,750,224
Less: Current Maturities	(37,500,000)	(35,000,000)
	58,735,394	88,750,224
<u>Vehicle Loans from Banks</u>		
Vehicle loan	1,485,795	5,365,663
Less : Current Maturities	(793,370)	(3,412,789)
	692,425	1,952,874
	59,427,819	90,703,098
<u>UN-SECURED</u>		
Inter Corporate Deposits	7,131,070,023	6,874,717,846
	7,131,070,023	6,874,717,846
	7,131,070,023	6,874,717,846
Total	7,190,497,842	6,965,420,944

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31ST, 2016
Term Loans From Bank:

- **Punjab National Bank:** Secured Loan of ₹ 9,62,35,394/- (Rupees Nine Crore Sixty Two Lac Thirty Five Thousand Three Hundred Ninety Four) (Previous Year ₹ 12,37,50,224/- (Rupees Twelve Crore Thirty Seven Lac Fifty Thousand Two Hundred Twenty Four Only) secured through exclusive Charge on Fixed Assets Block, situated at F-5, Kishangarh Rajiv Gandhi I.T. Park, Chandigarh. Due within one year is ₹ 3.75 Crore (Rupees Three Crore Seventy Five Lac Only) (Previous Year ₹ 3.50 Crore (Rupees Three Crore Fifty Lac Only). The loan has been guaranteed by Mr. Kanwar Deep Singh in the capacity of the director till 31st August,2012 and thereafter being the promoter of the company. Term Loan carries interest @ base rate + 4% and is repayable in 84 monthly installment of ₹ 25,00,000/- (Rupees Twenty Five Lac Only) each, commencing from 30th April, 2013.

Vehicle Loans from Bank:

- Vehicle Loans of ₹ 14,85,795/- (Rupees Fourteen Lac Eighty Five Thousand Seven Hundred Ninety Five Only) (Previous Year ₹ 53,65,663/- (Rupees Fifty Three Lac Sixty Five Thousand Six Hundred Sixty Three Only) are Secured against hypothecation of vehicles. Due within one year is ₹ 7,93,370/- (Rupees Seven Lac Ninety Three Thousand Three Hundred Seventy Only) (Previous year ₹ 34,12,789/- (Rupees Thirty Four Lac Twelve Thousand Seven Hundred Eighty Nine Only). Vehicle Loans have been procured from various banks with rates of interest varying from 9% to 12% with repayment term of 3 to 5 Years.

Inter Corporate Loan:

- Inter Corporate loan has been received from KDS Corporation Pvt Limited (a promoter group Company) and Technology Park Limited (a party covered under section 189 of the Companies Act. 2013) amounting to ₹ 30.01 Crores and ₹ 683.10 Crores. The Terms of repayment with respect to loan from KDS Corporation Private Limited have not been defined and is repayable on the mutual agreement of both the parties involved, hence terms are not prejudicial to the interest of the company. Loan from Technology Park Limited is repayable on service of a minimum notice of 12 months by the lender for a repayment in excess of ₹ 50.00 Crores, however upon the concurrence of the Company, hence terms are not prejudicial to the interest of the Company. The Inter Corporate Loans obtained by the Company are non interest bearing.

Details of continuing default as on 31st March, 2016 in repayment of loans and interest:

Name of Bank - Type of Loan	Sanction Amount	Default amount as on 31/03/16	Default cleared Amount	Default cleared date	Default outstanding as on 10/05/16
Punjab National Bank - Project Term Loan	210000000	11364337	3,845,524	28/4/2016	7,518,813
UCO Bank - Vehicle Loan	612000	22996	12,000	12/4/2016	10,996
UCO Bank - Vehicle Loan	1143000	58342	23,000	12/4/2016	35,342
UCO Bank - Vehicle Loan	716000	49198	17,000	25/4/2016	32,198
Total	212471000	11494873	3,897,524		7,597,349

(Amount in ₹)

5 DEFERRED TAX LIABILITIES (NET)
Deferred tax liability

Fixed assets : Impact of Difference between carrying amount of Tax depreciation and depreciation charged in the books

80,510,728

63,364,053

Gross deferred tax liability
80,510,728
63,364,053
Deferred tax assets

Carrying amount of provisions for Gratuity, Bonus and Leave Encashment

6,427,505

10,197,939

Gross deferred tax assets
6,427,505
10,197,939
Deferred tax liabilities (Net)
74,083,223
53,166,114

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31ST, 2016

	As At	As At
	31st March 2016	31st March 2015
(Amount in ₹)		
6 OTHER LONG TERM LIABILITIES		
Security Received	47,298,980	39,309,732
Total	47,298,980	39,309,732
7 LONG TERM PROVISIONS		
<u>Provision for Employees Benefits</u>		
- Gratuity	13,259,124	15,567,392
- Earned Leave	-	11,551,891
Earned Leave		
Total	13,259,124	27,119,283
8 SHORT TERM BORROWINGS		
<u>SECURED</u>		
Bank of India (Cash Credit Limit)	36,009,389	33,197,767
Total	36,009,389	33,197,767

Loan Repayable on demand, from Banks
- Bank of India:

Working Capital facility of ₹ 3,60,09,389/- (Rupees Three Crore Sixty Lac Nine Thousand Three Hundred Eighty Nine Only) (Previous Year ₹ 3,31,97,767/- (Rupees Three Crore Thirty One Lac Ninety Seven Thousand Seven Hundred Sixty Seven Only) secured against hypothecation of stocks and book debt of the company's unit located at Chambaghat, Solan (H.P). It is further collaterally secured by Land and Building, other structures (erected or to be erected) and other immovable properties of the Unit situated at Chambaghat, Solan.

The loan has been guaranteed by Mr. Kanwar Deep Singh in the capacity of the director till 31st August, 2012 and thereafter being the promoter of the company.

Details of continuing default as on 31st March, 2016 in repayment of loans and interest:

Name of Bank - Type of Loan	Sanction Amount	Default amount as on 31/03/16	Default cleared Amount	Default cleared date	Default outstanding as on 10/05/16
BANK OF INDIA - CC LIMIT	35000000	444979	270,933	5/9/2016	174,046

	As At	As At
	31st March 2016	31st March 2015
(Amount in ₹)		
9 TRADE PAYABLE		
Trade Payables	1,366,843,561	1,284,071,129
Total	1,366,843,561	1,284,071,129

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31ST, 2016

(Amount in ₹)

	As At 31 st March 2016	As At 31 st March 2015
10 OTHER CURRENT LIABILITIES		
Current maturities of long-term borrowings*		
Term Loan	37,500,000	35,000,000
Vehicle Loan	793,370	3,412,789
Interest Accrued and Due on Borrowings	3,864,337	3,113,174
Liabilities for Capital Goods	10,665,225	14,588,971
Expenses and Statutory Dues Payable	37,130,178	51,193,993
Advance received **	126,847,819	127,031,264
Unclaimed Dividend ***	3,740,367	4,820,164
Securities Refundable	-	300,000
Other Liabilities	43,652,261	12,153,992
Total	264,193,557	251,614,347

* Refer Note No. 4

** Refer Note No. 49

*** A sum of ₹ 37,40,367/- (Rupees Thirty Seven Lac Forty Thousand Three Hundred Sixty Seven Only) (Previous year ₹ 48,20,164/- (Rupees Forty Eight Lac Twenty Thousand One Hundred Sixty Four Only) is lying as unclaimed dividend in separate accounts with HDFC Bank and YES Bank, Chandigarh.

11 SHORT TERM PROVISIONS
Provision for Employees

- Gratuity	1,048,123	1,240,653
- Earned Leave	-	1,129,183
Total	1,048,123	2,369,836

NOTE 12

(Amount in ₹)

PARTICULARS	GROSS BLOCK				DEPRECIATION & AMORTISATION				NET BLOCK	
	AS AT 1-Apr-15	SALE/ ADJUSTMENTS	ADDITIONS/ CAPITALISED	AS AT 31-Mar-16	AS AT 1-Apr-15	ON SALE/ ADJUSTMENTS	FOR THE YEAR	AS AT 31-Mar-16	AS AT 31-Mar-16	AS AT 31-Mar-15
Tangible Assets										
- Land	175,976,908	-	-	175,976,908	-	-	-	-	175976908	175976908
- Building	41,582,211	-	-	41,582,211	22,915,502	-	663,434	23,578,936	18003275	18666709
- Building other than Factory Building	1,078,327,103	-	-	1,078,327,103	4,199,934	-	17,108,568	21,308,502	1057018601	1074127169
- Building - Lease Hold Improvements	38,727,889	(38,727,889)	-	-	9,740,293	(10,879,328)	1,139,035	-	-	28987596
- Plant & Machinery	206,370,771	-	323,678	206,694,449	55,560,035	-	10,838,187	66,398,222	140296227	150810736
- Electric Installation	60,059,815.56	-	-	60,059,816	1,383,256	-	5,716,616	7,099,872	52959944	58676560
- Sapling	69,964,419	-	-	69,964,419	69,011,936	-	262,649	69,274,585	689834	952483
- Green House	55,561,339	-	-	55,561,339	52,456,864	-	326,410	52,783,274	2778065	3104475
- Furniture & Fixtures	108,450,161	-	-	108,450,161	11,892,258	-	9,683,022	21,575,280	86874875	96557897
- Vehicles	122,380,916	(2,659,173)	-	119,721,743	78,253,018	(1,165,096)	10,012,006	87,099,928	32621815	44127898
- Office Equipment's	23,715,608	-	306,173	24,021,781	11,515,141	-	3,435,293	14,950,434	9071347	12200467
- Servers and Networks	4,631,611	-	-	4,631,611	1,330,348	-	732,932	2,063,280	2568331	3301263
- Computer & Peripherals	49,510,213	-	65,375	49,575,588	39,309,850	-	4,401,835	43,711,685	5863903	10200363
Sub Total	2035258965	(41,387,062)	695226	1994567129	357568435	(12044424)	64,319,987	409843998	1584723126	1677690525
Previous Year	688367922	0	1346891043	2035258965	289174328	21948472	46,445,635	357568435	1677690524	
Intangible Assets										
- Computer Software	18,929,210	-	118,590	19,047,800	3,668,821	-	1,899,029	5,567,850	13479950	15260389
- Research & Developments	99,263,512	-	-	99,263,512	38558586	-	8,659,902	47,218,488	52045024	60704926
- Pan India Distribution Network	113,249,960	-	-	113,249,960	11346720	-	11,346,696	22,693,416	90556544	101903240
Sub Total	231442682	-	118590	231561272	53574127	-	21,905,627	75479754	156081517	177868554
Previous Year	229872099	-	1570583	231442682	31784795	-	21,789,332	53574127	177868554	
Grand Total	2266701647	(41,387,062)	813816	2226128401	411142562	(12044424)	86,225,614	485323752	1740804644	1855559079
Previous Year	918240021	0	1348461626	2266701647	320959123	21948472	68,234,967	411142562	1855559078	
Capital Work in Progress	18,109,245	-	-	18,109,245					18,109,245	18109245

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31ST, 2016

	As At	As At
	31st March 2016	31st March 2015
(Amount in ₹)		
13 NON CURRENT INVESTMENTS		
<u>Non Trade Investments (In Equity Instruments)</u>		
Unquoted - Subsidiaries		
- Alchemist Foods Ltd. (Current Year Equity Shares 100050000 (Previous Year 100050000.) of ₹ 10/- Each)	1,000,500,000	1,000,500,000
- Alchemist Hospitality Group Limited (Current Year Equity Shares 37440 (Previous year Nil) of ₹ 10/- Each)	374,400	374,400
- Alchemist Infrastructures Pvt Ltd (Current Year Equity Shares 10000 (Previous year 10000) of ₹ 10/- Each)	100,000	100,000
- Alchemist Enterprise(S) Pte. Ltd (Current Year Equity Shares 501000 (Previous year 501000) of SGD\$ 1 Each)	25,882,073	24,427,270
- Alchemist Foods Ltd * (Current Year Preference Shares 28350424 (Previous Year Nil) of ₹ 10/- Each)	1,390,021,288	-
Unquoted - Associates		
- Dooteriah & Kalej Valley Tea Estate Pvt Ltd. (Current Year Equity shares 36000 (Previous year 36000) of ₹ 100/- Each)	18,180,173	18,180,173
- Alchemist Medisphere Limited (Current Year Equity Shares 22500 (Previous year 22500 Shares) of ₹ 10/- Each)	225,000	225,000
Unquoted - Others		
- Shivalik Solid Waste Management Ltd. (Current Year Equity Shares 2500 (Previous year Nil.) of ₹ 10/- Each)	25,000	25,000
	<u>2,435,307,934</u>	<u>1,043,831,843</u>
<u>Non Trade Investments (In Mutual Funds)</u>		
Quoted		
- Religare Business Leader Fund (Current Year Units 50000 (Previous Year Units 50000) of ₹ 10/- Each)	500,000	500,000
	<u>500,000</u>	<u>500,000</u>
Total	<u>2,435,807,934</u>	<u>1,044,331,843</u>
Aggregate Market Value of Quoted Investment	996,500	1,068,500
* Alchemist Limited's loan to Alchemist Foods Limited amounting to ₹ 139,00,21,288 was converted into 2,83,50,424 preference shares of face value of ₹ 10/- each issued at a premium of ₹ 39.03.		
14 LONG TERM LOAN AND ADVANCES		
<u>Unsecured, Considered Good</u>		
Capital Advances	79,662,894	79,792,043
Loan to Subsidiaries *	229,900	1,298,435,092
Security Deposits	13,131,489	18,537,861
Total	<u>93,024,283</u>	<u>1,396,764,996</u>

* **Loan to Subsidiaries** : Loan to Alchemist Infrastructures Pvt. Ltd - ₹ 1.56 Lac (₹ 1.26 Lac) and to Alchemist Hospitality Group Ltd of ₹ 0.74 Lacs (Previous Year ₹ 0.48 Lacs).

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31ST, 2016

	As At	As At
	31st March 2016	31st March 2015
(Amount in ₹)		
15 OTHER NON CURRENT ASSETS		
<u>Deferred Revenue Expenditure</u>		
Balances with Banks in Deposit Accounts* with maturity after 31 st March, 2017	2,240,408	353,778
	2,240,408	353,778
Total	2,240,408	353,778
* Including deposit of ₹ 22.40 Lacs (Previous Year ₹ 1.40 Lacs) under lien for guarantee given by banks to various Government Authorities.		
16 INVENTORIES		
Inventories taken as valued and certified by the Management		
- Raw Materials *	8,737,067	14,001,260
- Finished Goods *	20,579,996	31,603,934
- Work In Progress/Semi finished goods. *	37,331,278	44,217,982
- Store, Spares and Scrap **	45,658	58,198
	66,693,999	89,881,374
Total	66,693,999	89,881,374
* Valued at lower of cost and net realizable value.		
** Valued at cost or under.		
17 TRADE RECEIVABLES		
Trade Receivable outstanding for a period exceeding six months from the date they were due for payment		
Unsecured - Considered good	4,765,564,280	2,146,810,416
Other Trade Receivable		
Unsecured - Considered good	27,947,329	2,406,165,496
	4,793,511,609	4,552,975,912
Total	4,793,511,609	4,552,975,912
18 CASH & CASH EQUIVALENTS		
Balance with Banks - Current Accounts	347,979	10,853,970
Balance with Banks - Fixed Deposit *	11,054,976	23,993,656
Cash in hand	19,660,293	28,262,207
	31,063,248	63,109,833
Total	31,063,248	63,109,833
* Including deposit of ₹ 13.59 Lacs (Previous Year ₹ 67.03 Lac) under lien for guarantee given by banks to various Government Authorities).		
19 SHORT TERM LOANS AND ADVANCES		
Unsecured, Considered good		
Advances Paid to Suppliers for Goods\Services	17,996,744	17,488,602
Amount Recoverable in Cash or in Kind or for value to be received	47,162,400	84,948,868
	65,159,144	102,437,470
Total	65,159,144	102,437,470
20 OTHER CURRENT ASSETS		
Unsecured, Considered good		
Interest Accrued	-	546,568
	-	546,568
Total	-	546,568

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31ST, 2016

	Year Ended	Year Ended
	31st March 2016	31st March 2015
		(Amount in ₹)
21 REVENUE FROM OPERATION		
Gross Sales	197,679,707	2,528,930,059
Less :- Excise Duty	6,520,300	7,143,203
Net Sale		
Total	<u>191,159,407</u>	<u>2,521,786,856</u>
22 OTHER INCOME		
Interest received	1,032,030	67,323,951
Dividend received	-	67,585
Profit on Sale of Investment	-	38,867,566
Net Gain/(Loss) on foreign currency transactions & translation	195,458,537	111,731,564
Misc. Other Income	2,145,633	1,596,974
Provision Written Back	15,181,872	-
Total	<u>213,818,072</u>	<u>219,587,640</u>
23 DETAILS OF INVENTORY		
23A Cost of Material Consumed		
Opening Stock	14,001,260	16,885,982
Add : Purchases	73,136,631	84,778,286
	<u>87,137,891</u>	<u>101,664,268</u>
Less : Closing Stock	8,737,067	14,001,260
	<u>78,400,824</u>	<u>87,663,008</u>
23B Purchase of Stock in Trade	<u>27,575,036</u>	<u>2,263,770,683</u>
	<u>27,575,036</u>	<u>2,263,770,683</u>
23C Change in Inventories of Finished Goods, Work in Progress and Scrap		
Opening Stock		
- Finished goods	31,603,934	31,935,800
- Work in Progress	44,217,982	61,330,915
- Scrap	58,198	1,201
	<u>75,880,114</u>	<u>93,267,916</u>
Closing Stock		
- Finished goods	20,579,996	31,603,934
- Work in Progress	37,331,278	44,217,982
- Scrap	45,658	58,198
	<u>57,956,932</u>	<u>75,880,114</u>
(Increase) / Decrease in Inventory of Finished Goods, Work in Progress and Scrap	17,923,182	17,387,802

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31ST, 2016

	Year Ended	Year Ended
	31st March 2016	31st March 2015
		(Amount in ₹)
24 EMPLOYEES BENEFIT EXPENSES		
Salaries & Wages including Bonus, Gratuity, Welfare Expenses	177,188,570	226,501,220
Employer's Contribution towards Provident & other Funds	10,918,186	13,919,958
Staff Welfare	7,168,791	6,061,807
Total	<u>195,275,547</u>	<u>246,482,985</u>
25 FINANCE COST		
Interest Paid	26,798,388	13,042,233
Other Borrowing Cost	845,941	6,573,953
Total	<u>27,644,329</u>	<u>19,616,186</u>
26 DEPRECIATION AND AMORTISATION EXPENSES		
Depreciation on Tangible Assets	64,319,987	46,445,635
Amortization on Intangible Assets	21,905,627	21,789,332
Total	<u>86,225,614</u>	<u>68,234,967</u>
27 OTHER EXPENSES		
Consumable, Stores & Other Direct Expenses	6,835,235	17,117,607
Power & Fuel Expenses	5,894,475	4,128,892
Rent	9,435,590	29,679,894
Postage, Telegram & Courier	861,623	1,422,887
Repair & Maintenance	7,550,876	9,031,218
Travelling Expenses	5,366,518	12,046,025
Fee & Taxes	1,938,947	835,435
Insurance Charges	1,846,268	5,337,177
Telephone, Internet & Communication Charges	5,042,738	6,548,498
Vehicle Running & Maintenance	7,304,966	14,420,657
Director Sitting Fees	80,000	118,416
Misc. and General Expenses	15,151,295	18,332,802
Prior Period Item	2,365,452	5,264,250
Selling & Marketing Expenses	32,213,406	46,861,229
Advertisement & Publicity	854,374	4,354,893
Printing and Stationery	1,762,761	1,955,977
<u>Auditor's Remuneration</u>		
- Statutory Audit Fee	1,495,791	1,467,835
- Tax Audit Fee	249,300	244,640
- For Others	569,815	573,482
<u>Cost Auditor's Remuneration</u>		
- Audit Fee	160,000	160,000
Legal & Professional Charges	16,911,154	30,299,173
Business Promotion / Entertainment Expenses	8,125,735	17,649,809
Total	<u>132,016,319</u>	<u>227,850,796</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31ST, 2016
28. Earning Per Shares (EPS)
(₹)

Particulars	Year 31.03.2016	Year 31.03.2015
Profit After Tax as per the Statement of Profit and Loss attributable to Equity Share Holders	(208,849,042)	(199,632,557)
Weighted Average No of Equity Shares (Basic)	1,35,59,800	1,35,59,800
Weighted Average No of Equity Shares (Diluted)	1,35,59,800	1,35,59,800
Nominal value of Equity Shares (₹)	10/-	10/-
Earning Per Share (₹)		
- Basic EPS	(15.40)	(14.72)
- Diluted EPS	(15.40)	(14.72)

29. Contingent Liabilities and Commitments
(₹ In Lacs)

Particulars	Year 31.03.2016	Year 31.03.2015
Contingent Liabilities		
Corporate Guarantees	2230.83	2761.99
Disputed demand under excise duty (Net of duty deposited under protest)	110.42	110.42
Claims Against the company not acknowledged as debts	149.73	6.10
Commitments		
Estimated amount of Contract remaining to be executed on capital account and not provide for (Net of Advances)	Nil	80.06

30. Detail of raw material and components consumed:
(₹ In Lacs)

Particulars	Year 31.03.2016	Year 31.03.2015
Raw Material Consumed	784.01	876.63
Consumables, Store & Spares Consumed	68.35	171.18
Total	852.36	1047.81

31. Imported and Indigenous consumed:
(₹ In Lacs)

Particulars	Year	Indigenous		Imported		Total
		Value Amount		Value Amount		Value Amount
Raw Material	2015-16	784.01	100%	Nil	Nil	784.01
	2014-15	876.63	100 %	Nil	Nil	876.63
Consumables, Store & Spares	2015-16	68.35	100%	Nil	Nil	68.35
	2014-15	171.18	100 %	Nil	Nil	171.18

32. 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 ₹ 4.60 Crores stands outstanding from Medisphare Marketing Limited. The company has initiated a legal action in the Kolkata High Court for recovery of the same.

33. The Company had entered into a scheme of arrangement under section 391-394 of the Companies Act, 1956 with Alchemist Foods Limited, a wholly owned subsidiary which had 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 had 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 was 23rd December, 2010 with effect from 1st April, 2008, being the effective date. The scheme of arrangement was duly implemented in the financial year 2010-11.

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31ST, 2016

- As per the scheme, food division of Alchemist limited had been demerged from the Company and transferred to and vested in Alchemist Foods Limited. All the properties, rights and power, assets, both movable and immovable, liabilities including contingent liabilities and reserves, all income and expenses of the Food Division have without further act or 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 had issued 1,00,00,000 Equity Shares of ₹ 10/- each at a premium of ₹ 90/- per shares to Alchemist Limited and an amount of ₹ 27.44 Crores was treated as unsecured loan from Alchemist Limited to Alchemist Foods Limited.
- As per the Scheme of arrangement, Authorized share capital of Alchemist Limited i.e. ₹ 121.25 Crores as on effective date i.e. 1st April, 2008 had 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 had been reduced to ₹ 80.00 Crores consisting of ₹ 3.00 Crore equity shares of ₹ 10/- each aggregating to ₹ 30.00 Crores and ₹ 50.00 Lac redeemable preference shares of ₹ 100/- each aggregating to ₹ 50.00 Crores.

34. Alchemist Limited has four subsidiaries namely Alchemist Foods Limited, Alchemist Infrastructures Private Limited, Alchemist Hospitality Group Limited and Alchemist Enterprises Pte Limited. The company had initiated steps to take over a company in Hong Kong as a subsidiary to further its international operations. However this process has not been completed pending approvals for remittances to be made towards capital.

35. 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, Statement of Profit and Loss and other documents of subsidiary companies are not being attached with the Financial Statement of the Company.

36. Related Party Disclosures:

In accordance with the Accounting Standard (AS-18) on related party disclosure where controls exists and where transaction have taken place and description of the relationship as identified and certified by management are as follows:

Key Managerial Personnel

- o Maj. Gen. (Retd.) Anil Oberoi
- o Mr. Pavan Kumar Verma

Subsidiary:

- o Alchemist Foods Limited
- o Alchemist Infrastructures Private Limited
- o Alchemist Hospitality Group Limited
- o Alchemist Enterprise Pte Limited, Singapore

Associates:

- o Alchemist Hospitals Limited
- o Alchemist Airways Private Limited
- o Alchemist Realty Limited
- o Black Cat Protection Services Private Limited
- o KDS Corporation Private Limited
- o A 1 News Network Private Limited
- o Alchemist Media Limited
- o Dooteriah & Kalej Valley Tea Estate Private Limited
- o Alchemist Medisphere Limited
- o Technology Parks Limited
- o Alchemist Lifesciences Limited
- o Alchemist Aviation Private Limited
- o Alchemist F&B Limited
- o Alchemist Touchnology Limited
- o Eco Breaking Technologies India Private Limited
- o Jass Developers Private Limited
- o Kandaghat Spa & Health Resorts Private Limited
- o Alchemist Hotel & Resorts Limited
- o Alchemist Universe of Education Limited
- o Optimum Constructions & Developers Private Limited
- o Alchemist Healthcare Limited
- o Century 21 Properties India Pvt. Ltd.

Joint Venture:

- o Alchemist Township India Limited

Detail of related parties transactions:
(₹ In Lacs)

Sr. No.	Transactions	Subsidiary		Key Managerial Persons & Their Relative		Associates	
		2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
1	Managerial Remuneration						
	Maj. Gen. (Retd.) Anil Oberoi			1.84	36.64		
	Mr. Pavan Kumar Verma			31.42	21.85		
2	Inter Corporate Loans-Paid/(Repaid)						
	Alchemist Foods Limited (Subsidiary)	(13900.21)	802.35				
	Alchemist Infrastructures Private Limited (WOS)	0.30	1.26				
	Alchemist Hospitality Group Limited (Subsidiary)	0.26	(24.67)				
3	Sale of Goods						
	Alchemist Hospitals Limited						4.24
	Alchemist Foods Limited		5.82				
4	Purchase of Goods						
	Dooteriah & Kalej Valley Tea Estate Private Limited						14.43
	Anant Media Private Limited						0.00
5	Investment Made						
	Alchemist Foods Limited (Subsidiary)	13900.21					
6	Expenses Incurred on their behalf						
	Jass Developers Private Limited					0.69	2.00
	Eco Breaking Technologies India Private Limited						0.19
	Alchemist Universe of Education Limited						0.05
	Alchemist Touchnology Limited						1.50
	Alchemist F&B Limited					0.98	1.48
	Alchemist Aviation Private Limited						0.82
	Alchemist Airways Private Limited						0.98
	Alchemist Hospitals Limited						29.55
	Alchemist Lifesciences Limited					1.70	20.74
	Dooteriah & Kalej Valley Tea Estate Private Limited						1.46
	Alchemist Realty Limited						(10.79)
	A1 News Network Private Limited					0.26	
	Alchemist Media Limited					0.08	
	Alchemist Healthcare Limited					0.00	
	Alchemist Hotel & Resorts Limited						0.24
7	Rent Received						
	Alchemist Airways Private Limited						0.60
	A1 News Network Private Limited						0.09
	Black Cats Protections Private Limited						0.60
	Alchemist Hotel & Resorts Limited						0.60
	Alchemist Media Limited						0.60
	Kandaghat Spa & Health Resorts Private Limited						0.60
	KDS Corporation Private Limited						0.60
	Century 21 Properties India Pvt. Ltd.					0.50	

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Sr. No.	Transactions	Subsidiary		Key Managerial Persons & Their Relative		Associates	
		2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
8	Dividend Paid						
	KDS Corporation Private Limited						(45.89)
	Optimum Constructions and Developers Private Limited						(0.89)
9	Inter Corporate Loan- Received/(Repaid)						
	KDS Corporation Private Limited					2563.52	(4534.00)
	Technology Parks Limited						(2150.00)
10	Services Received						
	Black Cats Protections Private Limited					13.15	23.00
	Alchemist Realty Limited						19.06
	Alchemist Media Limited					0.26	0.00
	Alchemist Hospitals Limited						0.37

Detail of related party balances outstanding at year end:

(₹ In Lacs)

Sr. No.	Balance Outstanding	Subsidiary		Associates/ Joint Venturer	
		31.03.16	31.03.15	31.03.16	31.03.15
1	Inter Corporate Loans- Given				
	Alchemist Foods Limited (Subsidiary)	-	12982.61		
	Alchemist Infrastructures Private Limited (WOS)	1.56	1.26		
	Alchemist Hospitality Group Limited (Subsidiary)	0.74	0.48		
2	Inter Corporate Loan- Received				
	KDS Corporation Private Limited			3000.70	437.18
	Technology Parks Limited			68310.00	68310.00
3	Investments				
	Alchemist Foods Limited (Subsidiary)	23905.21	10005.00		
	Alchemist Enterprises Pte Limited (WOS)	244.27	244.27		
	Alchemist Infrastructures Private Limited (WOS)	1.00	1.00		
	Alchemist Hospitality Group Limited (Subsidiary)	3.74	3.74		
	Alchemist Medisphere Limited			2.25	2.25
	Dooteriah & Kalej Valley Tea Estate Private Limited			181.80	181.80
4	Trade Receivables				
	Alchemist Hospitals Limited			-	2.00
	Alchemist Foods Limited	7.69	7.69		
	Alchemist Hotels & Resorts Limited			0.79	0.79
	Kandaghat Spa & Health Resorts Private Limited			0.50	0.50
	KDS Corporation Private Limited			-	0.55
	Alchemist Lifesciences Limited			120.38	97.94
5	Trade Payable				
	Alchemist Hospitals Ltd			1.18	0.92
	Dooteriah & Kalej Valley Tea Estate Private Limited			10.96	10.96
	Alchemist Realty Limited			-	17.33

Sr. No.	Balance Outstanding	Subsidiary		Associates/ Joint Venturer	
		31.03.16	31.03.15	31.03.16	31.03.15
6	Advance to Suppliers				
	Black Cats Protections Private Limited			0.57	12.51
7	Advance from Joint Venturer				
	Alchemist Township India Limited			1229.49	1229.49
8	Amount Recoverable				
	Alchemist Realty Limited			-	416.06
	Jass Developers Private Limited			2.68	2.00
	Eco Breaking Technologies India Private Limited			0.19	0.19
	Alchemist Universe of Education Limited			22.92	22.92
	Alchemist Touchnology Limited			1.50	1.50
	Alchemist F&B Limited			2.46	1.48
	Alchemist Aviation Private Limited			0.82	0.82
	Alchemist Airways Private Limited			0.98	0.98
	Alchemist Hospitals Limited			1.58	29.55
	Alchemist Lifesciences Limited				20.74
	Dooteriah & Kalej Valley Tea Estate Private Limited			1.46	1.46
	A 1 News Network Private Limited			0.38	0.12
	Alchemist Media Limited			0.08	
	Pinkcassisa Hotel & Resort Pvt. Ltd.			0.50	
	Royal Building & Infrastructures Pvt. Ltd.			0.10	
	Alchemist Healthcare Ltd.			0.00	

37. 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.
38. Finished Goods Stock of Steel Division for year 2016 has been carried over including excise duty.
39. Common Expenses relating to Head Office and other administrative office have been allocated to various divisions on the following basis.
- Financial Cost - Fixed & Current Assets Employed
 - Other Expenses - Sales/Reasonable Estimations
40. During the year 3,840 (Previous year 9,300) preference shares were redeemed and as per provisions of the Companies Act, 1956 a sum of ₹ 3,84,000/- (Previous Year ₹ 9,30,000/-) has been transferred to Capital Redemption Reserve out of Statement of Profit & Loss. Further a sum of ₹ 47,50,426.- (Previous Year ₹ 87,53,875/-) has been transferred from Statement of Profit & Loss A/c to Preference Shares redemption reserve on account of premium amount of preference shares redeemed.
41. **Disclosure of Micro and Small Enterprises (Trade Payables)**
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, 2016.
42. The balances of majority of the Trade Receivables, Trade Payables and Loan & Advances made and received, 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.
43. **Assets Taken/ Given on Operating Lease:**
Some of the Office premises have been taken/given on operating leases for a period of less than 10 years and are generally renewable by mutual consent on mutually agreeable terms. The agreements have an escalation clause. There are no sub leases and the leases are generally cancellable in nature.

44. Segment Reporting

- a) The Business Segments comprise the following:
- Agri Business
 - Pharma, Chemical & Minerals
- b) Business segments have been identified based on the nature and class of products and services, their customers and assessment of the differential risks and returns and financial reporting system within the Company.
- c) The company operates throughout in India, hence, no distinction on the basis of geographical segment have been made.
- d) Segment accounting policies

In addition to the significant accounting policies, applicable to the business as set out in note 1 'Notes to the Financial Statements, the accounting policies in relation to segment accounting are as under:

- (i) Segment assets and liabilities:

Segment assets include all operating assets used by a segment and consist principally cash, debtors, inventories and fixed assets, net of allowances and provisions, which are reported as direct offsets in the balance sheet. Segment liabilities include all operating liabilities and consist principally of creditors and accrued liabilities. While most of the assets/liabilities can be directly attributed to individual segments, the carrying amount of certain assets/liabilities pertaining to two or more segment is allocated to the segment on reasonable basis.

- (ii) Segment revenue and expenses :

Joint revenue and expenses of segments are allocated amongst them on a reasonable basis. All other segment revenue and expenses are directly attributable to the segment

- (iii) Inter Segment Sales:

Inter-segment sales are accounted for at cost and are eliminated in consolidation.

- e) Primary Segment information (Business Segments) for the year ended 31st March, 2016.

(₹ In Lacs)

Sr. No.	Particulars	Agri Business	Pharma, Chemical & Minerals	Unallocated	Total
	Segment Revenue :				
a)	Revenue from Sales	547.25	1364.34	-	1911.59
	Total Revenue	547.25	1364.34	-	1911.59
	Segment Results :				
b)	Operating Profit/(Loss)	(669.53)	(2793.04)		(3462.57)
	Add :- Unallocated Incomes			2138.18	2138.18
	Less: Finance Cost			276.44	276.44
	Less: Exceptional Item			278.49	278.49
	Profit Before Tax	(669.52)	(2793.04)	1583.25	(1879.32)
	Provision for Deferred Tax			209.17	209.17
	Previous year Taxes			-	-
	Profit After Tax	(669.52)	(2793.04)	1374.08	(2088.49)
	Other Information :				
	Segment Assets				
	Investments	-	0.25	24357.83	24358.08
	Other Segment Assets	427.54	50089.39	-	50516.39
		427.54	50089.64	24357.83	74875.01
	Segment Liabilities				
	Share Capital (Including Money Receive against Share Warrant)	-	-	1387.84	1387.84
	Other Segment Liabilities)	20129.58	70946.75	-	91076.33
		20129.58	70946.75	1387.84	92464.17
	Fixed Assets				
	(Incl. Capital Work in Progress)	15283.90	2305.23	-	17589.14
	Depreciation	78.02	784.23	-	862.26
	Non Cash Exp. Other than Depreciation	-	-	-	-

45. Employee Benefits:
Defined Contribution plans:

Contribution to defined contribution plans charged off for the year is as under:

(₹ In Lacs)

Particulars	Year 31.03.2016	Year 31.03.2015
Companys Contribution to Provident Fund	82.44	115.16
Companys Contribution to Employees State Insurance	18.53	24.33

Defined Benefit Plans:

- (a) Gratuity
(b) Compensated absences

Gratuity is an unfunded scheme, the present value of obligation is determined based on actuarial valuation, the disclosure of which is given as under:

Eligible Compensated absences of employees are adjustable against leave which the employee may avail in the future.

Particulars	Gratuity		Leave	
	2015-16	2014-15	2015-16	2014-15
Defined Benefit Plans				
Change in benefit obligations	₹	₹	₹	₹
Obligations at period beginning – Current	1240653	1123871	-	958404
Obligations at period beginning - Non-current	15567392	14219079	-	10533935
Service Cost	1462350	2674305	-	2046318
Interest on Defined benefit obligation	1231544	1115825	-	814003
Benefits settled	(2827479)	(2111634)	-	(2139538)
Actuarial (gain)/loss	(2367213)	(213401)	-	467952
Obligations at period end	14307247	16808045	-	12681074
Current Liability (within 12 months)	1048123	1240653	-	1129183
Non-Current Liability	13259124	15567392	-	11551891
Change in plan assets				
Plans assets at period beginning, at fair value	-	-	-	-
Expected return on plan assets	-	-	-	-
Actuarial gain/(loss)	-	-	-	-
Contributions	2827479	2111634	-	2139538
Benefits settled	(2827479)	(2111634)	-	(2139538)
Plans assets at period end, at fair value				
Funded Status				
Closing Fair value of plan assets				
Closing value of obligations	14307247	(16808045)	-	(12681074)
Liability recognized in the balance sheet	(14307247)	(16808045)	-	(12681074)
Details of Gratuity / Leave cost				
Service cost	1462350	2674305	-	2046318
Interest cost	1231544	1115825	-	814003
Expected return on plan assets	-	-	-	-
Actuarial (gain)/loss	(2367213)	(213401)	-	467952
Net gratuity / leave cost	326681	3576729	-	3328273
Experience Adjustment on Plan Liabilities	(2367213)	(213401)	-	467952
Experience Adjustment on Plan Assets				

Assumptions				
Interest rate	8%	7.81%	-	7.81%
Discount factor	8%	7.81%	-	7.81%
Estimated rate of return on plan assets	0.00%	0.00%	-	0.00%
Salary Increase	5.00%	10.00%	-	10.00%
Attrition rate	6.00%	6.00%	-	6.00%
Retirement age	60	60	-	58

46. The Commissioner, Central Excise, Chandigarh, has proposed the classification of Poultry Keeping Machinery under Chapter 73 of the Central Excise Tariff Act, 1985 and has demanded the duty of ₹ 173.55 Lacs plus interest and penalty by invoking the extended period of limitation for 5 years. However, the company has cleared the goods as Poultry Keeping Machinery classifying the goods at –Nil- rate of duty under Chapter 84 of the CET Act, 1985. The company has been clearing the goods at –Nil- duty for more than last 5 years and the goods have been classified under Chapter 84 after duly intimating the department from time to time. Under Central Excise Law, the demand can be made for a period of one year under normal circumstances. However, in case of wilful suppression of facts, the duty can be demanded by invoking the extended period of limitation for last 5 years. In the aforesaid show cause notice, the department has raised the demand by invoking extended period of 5 years whereas since the activity has been undertaken after duly intimating the department therefore the demand is not sustainable for 5 years and at worst the demand can sustain for one year only.

The company has already paid the duty of ₹ 63.13 Lacs against the above demand as ‘Duty Paid Under Protest. Also the additional amount paid subsequent to the demand and till 31st March 2013 is deposited under protest. Therefore the total duty of ₹ 92.29 Lac already paid is shown as (Amount recoverable in cash or in kind) in the Balance Sheet under the head Short Term Loan and Advances. The balance amount of ₹ 110.42 Lacs is pending payable against the demand and is shown as contingent Liability.

47. Financial reporting of interest in Joint Venture – Accounting Standard 27

Advance received include ₹ 12,29,49,002/- as advance received against joint development agreement entered into by the Company on 13th June, 2013 and addendum dated 12th July, 2013 with Alchemist Township India Limited for joint development of 7.2 acres of land of the Company situated at Village Dappar and Samlehri. The Project would be a residential development carried out under the name “Riviera Heights” with a built up area of at least 6,30,000 square feet. The Company is entitled to an overall advance of ₹ 50 Crores against the 35% share of the developed area along with proportionate rights in the land of the said project, which the developer is required to make available with the Company by 31st March, 2016. The advance would be in the nature of a current account and the developer can demand withdrawal of the advance, subject to approval of the Company.

48. Some portions of the fixed assets records were misplaced during the year 2014-15 which have resulted in some estimates in order to tally the same with the books and records. The overall effect on depreciation for the year 2015-16 is not likely to be material.
49. The company extends credit from time to time as per market practices. In respect of export receivables amounting to ₹ 47363.02 lacs, credit has been extended for export sales and regular follow up is being done to recover the amounts from all the parties involved. The management is confident of recovering all these dues and hence no provision is considered necessary against these receivables as of now.
50. The economic downturn has impacted the international trade operations of the company. Taking cue the company has initiated many cost cutting measures including downsizing and vacation of office premises. During the year the company has vacated some office premises. Since the company had made some leasehold improvements to the same, the company had to take a write off of these leasehold improvements and accordingly has incurred a loss of ₹ 278.49 lacs reflected under Exceptional Items.
51. Companys wholly owned foreign subsidiary “Alchemist Enterprise (S) PTE Ltd.” is in the process of winding up. In the process the WOS has stopped operations and closed its bank accounts. A trade receivable of US\$ 4,00,000/- standing in its books against which the payment of ₹ 265.33 lacs has been received by Alchemist Limited. Such amount received has been reflected as “Closure proceeds of WOS” under Other Current Liabilities until the process of winding up of the company is completed.
52. Cash in hand includes cash amounting to ₹ 180.54 lac which was seized by the Income Tax Authorities during the search and seizure operation u/s 132 of the Income Tax Act, 1961 during the month of June, 2014.

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53. An unclaimed dividend pertaining to dividend declared for the year 2007-08 amounting to ₹ 10,73,327/- was transferred to Investor Education and Protection Fund during the year 2015-16.
54. Previous years figures have been reworked, regrouped, rearranged and reclassified wherever deemed necessary, to make them comparable.

CA. Ashish Chhabra
Partner

Vimal Kumar Sharma
Company Secretary

Bikram Bhattacharya
CFO

Pavan Kumar Verma
Whole Time Director
DIN-00213365

Vinay Kumar Mittal
Director
DIN-00287042

MEMBERSHIP NO.: 507083

N. KUMAR CHHABRA & CO.

CHARTERED ACCOUNTANTS

FIRM REGISTRATION NO.: 000837N

Place : New Delhi

Date : 10/05/2016

INDEPENDENT AUDITOR'S REPORT

**TO
THE MEMBERS OF
ALCHEMIST LIMITED**

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of ALCHEMIST LIMITED ("the Holding Company"), its subsidiaries, its associates and joint venture (together referred to as "the Group"), which comprise the consolidated Balance Sheet as at 31st March, 2016, the consolidated Statement of Profit and Loss, the consolidated Cash Flow Statement, and a summary of the significant accounting policies and other explanatory information (here in referred to as "the consolidated financial statements") for the year then ended.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group, in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

Basis for Qualified Opinion

- a. ***It has been explained to us that the financial statements of one subsidiary namely Alchemist Enterprise (S) Pte. Limited is still under compilation. Accordingly, the same is not forming part of the consolidated financial statements.***
- b. ***The Holding Company has not complied with the provisions of proviso to sub section 2 of Section 55 of the Act as out of the total value of preference shares (including premium) amounting to ₹ 53.56 lacs redeemed during the year, ₹ 51.34 lacs has been redeemed otherwise than out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of such redemption.***
- c. ***The Holding Company has computed the Depreciation on the tangible fixed assets using straight line method based on the useful life of the assets as prescribed in Schedule II of the Companies Act, 2013 and the management estimates of useful life for tangible and intangible assets not covered by the Schedule II. However, for the assets purchased/commissioned prior to 1st April, 2010, the purchase date of assets has been considered as 1st April, 2010. The same is in violation of Accounting Standard 6-Depreciation Accounting as this treatment not only enhances the useful life of the assets that have already been consumed but has an effect over the depreciation computed. The loss to that extent is under/over stated and similarly the assets, the effect however could not be quantified.***

- d. *The Group has not made any provision on the export receivables amounting to ₹ 47363.02 lacs pertaining to Alchemist Limited and trade receivable amounting to ₹ 1108.98 lacs pertaining to Alchemist Foods Limited, outstanding for more than a year as at the yearend date. The loss to that extent is under stated and similarly the receivables, the effect however could not be quantified.*

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, **except for the effects of the matter described in the Basis for Qualified Opinion paragraph above**, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Group as at 31st March, 2016, and its consolidated loss and its consolidated cash flows for the year ended on that date.

Emphasis of Matters

- a. Attention is invited to note no. 14 to the consolidated financial statements wherein “the entire Capital advances amounting to ₹ 1040.15 lacs have been considered as good and realisable by the Group”.
- It is relevant to note that out of the total capital advances, advances amounting to ₹ 1013.20 lacs are outstanding for a period of more than three years. No provision on such capital advances is made.
- b. Attention is invited to note no. 37 to the consolidated financial statements “The balances of majority of the Trade Receivables, Trade Payables and Loan & Advances made and received, 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”.
- c. Attention is invited to note no. 42 to the consolidated financial statements “In respect of Alchemist Foods Limited, Chaitime business was started in 2011-12 and was still pending capitalisation. However, the same has not been successful in the given format. Efforts were made to start it under a modified format suitable to the Indian market, however, the same also could not be materialised. Hence, the preoperative expenses, assets under capital work in progress and intangible already capitalised amounting to ₹ 632.07 lacs were written off as exceptional item.”
- d. Attention is invited to note no. 45 to the consolidated financial statements “Alchemist Limited’s wholly owned foreign subsidiary “Alchemist Enterprise (S) PTE Ltd.” is in the process of winding up. In the process the WOS has stopped operations and closed its bank accounts. A trade receivable of US\$ 4.00 lacs standing in its books against which the payment of ₹ 265.33 lacs has been received by Alchemist Limited. Such amount received has been reflected as “Closure proceeds of WOS” under Other Current Liabilities until the process of winding up of the company is completed.”
- e. Attention is invited to note no. 46 to the consolidated financial statements “In respect of Alchemist Limited, cash in hand includes cash amounting to ₹ 180.54 lacs which was seized by the Income tax authorities during the search and seizure operation u/s 132 of the Income Tax Act, 1961 during the month of June, 2014.”
- f. Attention is invited to note no. 47 to the consolidated financial statements “In respect of Alchemist Limited, the economic downturn has impacted the international trade operations of the company. Taking cue the company has initiated many cost cutting measures including downsizing and vacation of office premises. During the year the company has vacated some office premises. Since the company had made some leasehold improvements to the same, the company had to take a write off of these leasehold improvements and accordingly has incurred a loss of ₹ 278.49 lacs reflected under Exceptional Items.”

Our opinion is not qualified in respect of the matters as stated in the Emphasis of Matters paragraph.

Other Matters

- a. Financial Statements of Alchemist Foods Limited and Alchemist Infrastructure Private Limited, subsidiaries of Alchemist Limited, which reflect total assets of ₹ 31621.49 Lacs as at 31st March, 2016, total revenue of ₹ 8593.03 Lacs for the year then ended, have been audited by us.
- b. Financial Statements of Alchemist Hospitality Group Limited, subsidiary of Alchemist Limited, which reflects total assets of ₹ 0.96 Lacs as at 31st March, 2016, total revenue of ₹ 0.00 Lacs for the year then ended, has not been audited by us. They have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and our report in terms of subsections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the report of the other auditor.

Our opinion is not qualified in respect of this matters as stated in the Other Matters paragraph.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:
- (a) We and the other auditor whose report we have relied upon, have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- (b) In our opinion, proper books of account as required by law have been kept by the Group so far as it appears from our examination of those books.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) The matters described in the Basis for Qualified Opinion paragraph and Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Group.
- (f) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and the report of the auditors who are appointed under section 139 of the Act, of its subsidiary companies, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- (g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.
- (h) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A".
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements – Refer note no.29 to the consolidated financial statements.
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.

for **N. Kumar Chhabra & Co.**
Chartered Accountants
Firm's Registration Number: 000837N

CA. Ashish Chhabra
Partner
Membership Number: 507083

Place of Signature: New Delhi
Date: 10th May, 2016

Annexure - A to the Independent Auditor's Report**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of Alchemist Limited ("the Holding Company") as of and for the year ended 31st March 2016, we were engaged to audit the internal financial controls over financial reporting of the Holding Company and its subsidiary companies, which are incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company's and its subsidiary companies, incorporated in India, internal financial controls over financial reporting based on our audit conducted in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India.

Because of matter described in Disclaimer of Opinion paragraph below, we were not able to obtain sufficient appropriate evidence to provide a basis for an audit opinion on internal financial controls system over financial reporting of the Holding Company and its subsidiary companies, incorporated in India.

Meaning of Internal Financial Controls over Financial Reporting

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

Disclaimer of Opinion

According to information and explanation given to us, the Holding Company and its material subsidiary company, incorporated in India, are under the process of establishing its internal financial controls over financial reporting on criteria based on or considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the Holding Company and its subsidiary companies, incorporated in India, had adequate internal financial control over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2016.

We have considered the disclaimer reported in determining the nature, timing and extent of audit tests applied in our audit of the consolidated financial statements of the Group, and the disclaimer does not affect our opinion on the consolidated financial statements of the Group.

for N. Kumar Chhabra & Co.

Chartered Accountants

Firm's Registration Number: 000837N

CA. Ashish Chhabra

Partner

Membership Number: 507083

Place of Signature: New Delhi

Date: 10th May, 2016

ALCHEMIST LIMITED**CONSOLIDATED BALANCE SHEET**

Particulars	Note	(Amount in ₹)	
		As At 31 st March 2016	As At 31 st March 2015
EQUITY AND LIABILITIES			
1 Shareholders' Funds:			
Share Capital	2	138784000	139168000
Reserves & Surplus	3	209152780	728753612
		347936780	867921612
2 Minority Interest		96562846	145080865
		96562846	145080865
3 Non Current Liabilities			
Long term borrowings	4	7192424424	6985745184
Deferred Tax Liabilities (Net)	5	318162756	301528492
Other Long Term Liabilities	6	47298980	39309732
Long Term Provisions	7	21240177	39679253
		7579126337	7366262660
4 Current Liabilities			
Short-term borrowings	8	116987873	125704287
Trade payables	9	1469845608	1397811777
Other current liabilities	10	379414353	390523220
Short-term provisions	11	1678550	3370467
		1967926384	1917409751
Total Equity and Liabilities		9991552347	10296674889
ASSETS			
1 Non Current Assets	12		
Fixed Assets			
(i) Tangible Assets		3632776466	3869547585
(ii) Intangible Assets		416638319	458884281
(iii) Capital work in Progress		188229345	234900880
(iii) Intangible under Development		-	31273402
		4237644129	4594606148
Non Current Investments	13	18930173	18930173
Long Term Loan & Advances	14	189104356	200337424
Other Non Current Assets	15	2240408	353778
		4447919066	4814227523
2 Current Assets			
Current Investments	-	-	-
Inventories	16	408270931	442953906
Trade Receivables	17	4984914687	4742445440
Cash and Cash Equivalents	18	54074992	133087101
Short Term Loans and Advances	19	95394107	161025238
Other Current assets	20	978563	2935681
		5543633281	5482447366
Total Assets		9991552347	10296674889

Significant Accounting Policies & Notes to the financial statement (1 to 48)

This is the Balance Sheet referred to in our report of even date.

CA. Ashish Chhabra Partner	Vimal Kumar Sharma Company Secretary	Bikram Bhattacharya CFO	Pavan Kumar Verma Whole Time Director DIN-00213365	Vinay Kumar Mittal Director DIN-00287042
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MEMBERSHIP NO.: 507083
N. KUMAR CHHABRA & CO.
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO.: 000837N

Place : New Delhi
Date : 10/05/2016

ALCHEMIST LIMITED**CONSOLIDATED STATEMENT OF STATEMENT OF PROFIT & LOSS**

Particulars	Note	(Amount in ₹)	
		For the year ended 31 st March 2016	For the year ended 31 st March 2015
<u>NCOME</u>			
Revenue from Operations	21	1050462213	3496954920
Other Income	22	220805605	224396698
		<u>1271267818</u>	<u>3721351618</u>
<u>EXPENDITURE</u>			
Cost of Material Consumed	23A	580236317	614534811
Purchase of Stock in Trade	23B	52044941	2278722134
Change in Inventories of Finished Goods, Work in Progress Store, Spares & Scrap	23C	15509968	(148432)
Employees Benefit Expenses	24	378277733	403395699
Finance Cost	25	50188166	47102685
Depreciation & Amortisation Expenses	26	262349720	229777474
Other Expenses	27	357205847	457544297
		<u>1695812692</u>	<u>4030928668</u>
Profit/(Loss) Before Exceptional Items & Taxes		(424544874)	(309577050)
Exceptional Items		91056059	81670966
Profit/(Loss) Before Tax		(515600933)	(391248016)
<u>Tax Expenses :</u>			
Current Tax		-	-
Minimum Alternative Tax (MAT) Credit Entitlements		-	-
Deferred Tax Charge/ (Benefit)		16634264	(8229803)
Tax Relating to Previous Years		-	1922810
Profit After Taxes		<u>(532235197)</u>	<u>(384941023)</u>
Net Profit For The Year (Before Adjustment of Minority Interest)		(532235197)	(384941023)
Profit Transferred to Minority		<u>(48518020)</u>	<u>(27415605)</u>
Net Profit For The Year(After Adjustment of Minority Interest)		<u>(483717177)</u>	<u>(357525418)</u>
Earning Per Shares			
(Equity shares, Par value ₹ 10/- each)			
Basic & Diluted			
- Basic EPS	28	(35.67)	(26.37)
- Diluted EPS	28	(35.67)	(26.37)
Significant Accounting Policies & Notes to the financial statement	(1 to 48)		

This is the Statement of Profit & Loss referred to in our report of even date.

CA. Ashish Chhabra Partner MEMBERSHIP NO.: 507083 N. KUMAR CHHABRA & CO. CHARTERED ACCOUNTANTS FIRM REGISTRATION NO.: 000837N	Vimal Kumar Sharma Company Secretary	Bikram Bhattacharya CFO	Pavan Kumar Verma Whole Time Director DIN-00213365	Vinay Kumar Mittal Director DIN-00287042
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Place : New Delhi
Date : 10/05/2016

CONSOLIDATED CASH FLOW STATEMENTS FOR THE YEAR ENDED
(Amount in Lacs)

Particulars	<u>31st March 2016</u>	<u>31st March 2015</u>
A) Cash Flow From Operating Activities		
Net Profit Before Tax & Exceptional Items	(4245.45)	(3095.77)
Adjustments for:		
Adjustment for Opening Reserve as on 31/3/15 of Alchemist Enterprises PTE Limited as the Balance Sheet of subsidiary company has not been consolidated	(304.96)	-
Adjustments of F.Y. 2013-14 on a/c of difference between audited and board adopted financial statements of Alchemist Enterprises PTE Limited	-	(1144.84)
Fixed Asset W/o	-	48.60
Depreciation & Amortisation	2623.50	2297.77
Misc Expenses Written Off	-	0.04
Interest Received	(24.03)	(717.64)
Dividend Received	-	(0.68)
Operating profit before working capital changes	<u>(1950.94)</u>	<u>(2612.50)</u>
Adjustments for changes in Working Capital:		
Inventories	346.83	67.22
Trade Receivable	(2424.69)	(6419.30)
Short Term Loan & Advances	656.31	(178.82)
Other Current Assets	19.57	(8.60)
Other Non Current Assets	(18.87)	20.19
Long Term Loan & Advances	112.33	5.29
Trade Payable	720.34	(595.50)
Other Current Liabilities	(111.09)	20.38
Short Term Provisions	(16.92)	(155.22)
Long Term Provisions	(184.39)	42.36
Other Long Term Liabilities	79.89	43.51
Cash generated/(Used) from/in Operation	<u>(2771.63)</u>	<u>(9770.99)</u>
Provision For Tax	-	(19.23)
Net Cash generated/(Used) from/in Operating Activities	<u>(2771.63)</u>	<u>(9790.22)</u>
B) Cash Flow From Investing Activities		
Purchase of Fixed Assets and capital work in progress	(539.85)	(1361.29)
Proceeds from Sale of Fixed Asset (Net of Depreciation)	1,485.97	578.78
(Purchase)/Sale of Current Investments	-	16.99
Foreign Currency Translation Reserve	(4.15)	9.62
Interest Received	24.03	717.64
Dividend Received	-	0.68
Exceptional Item	(910.56)	(816.71)
Net Cash generated/(Used) from/in Investing Activities	<u>55.44</u>	<u>(854.29)</u>
C) Cash Flow From Financing Activities		
Re-payment of Preference Shares	(3.84)	(9.30)
Preference Shares Redemption Premium	(49.72)	(92.91)
Long Term Borrowings	2066.79	(7503.17)
Short Term Borrowings	(87.16)	555.99
Dividends Paid and Including Dividend Tax	-	158.64
Net Cash generated/(Used) from/in Financing Activities	<u>1926.07</u>	<u>(6890.73)</u>
D) Net Increase / (Decrease) in Cash & Cash Equivalents (D=A+B+C)	<u>(790.12)</u>	<u>(17535.25)</u>
E) Cash & Cash Equivalents at the beginning of the year	1330.87	18866.12
F) Cash & Cash Equivalents at the end of the year	540.75	1330.87

This is the cash flow statement referred to in our report of even date.

CA. Ashish Chhabra Partner MEMBERSHIP NO.: 507083 N. KUMAR CHHABRA & CO. CHARTERED ACCOUNTANTS FIRM REGISTRATION NO.: 000837N Place : New Delhi Date : 10/05/2016	Vimal Kumar Sharma Company Secretary	Bikram Bhattacharya CFO	Pavan Kumar Verma Whole Time Director DIN-00213365	Vinay Kumar Mittal Director DIN-00287042
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NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31ST, 2016**Significant Accounting Policies (Note- 1)****1) Principles of Consolidation**

The Consolidated Financial Statements have been prepared in accordance with the Accounting Standard (AS) 21, "Consolidated Financial Statements", issued by The Institute of Chartered Accountants of India. The financial statement of Alchemist Limited the parent company of Alchemist Foods Limited, Alchemist Infrastructures Pvt Ltd and Alchemist Hospitality Group Ltd. has been combined on 31st March, 2016. The Consolidated Financial Statements are prepared by applying on a line by 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.

Minority Interest

- Minority interest's share of net profit/loss of consolidated subsidiaries for the year is indemnified and adjusted against the income/loss of the group in order to arrive at the net income attributable to shareholders of Company.
- Minority Interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of Company's shareholders.

Associate Companies

Investment in associate Companies which are acquired and held exclusively with a view to its subsequent disposal in the near future are not accounted for in consolidated financial statements under the equity method. Such Investments are accounted for in accordance with Accounting Standard 13, Accounting for Investments as laid down in Accounting Standard 23, Accounting for Investment in Associates in Consolidated Financial Statements.

2) Basis of Presentation

- The consolidated financial statements relate to Alchemist Ltd ("the Company") and its subsidiaries
- 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 standalone financial statements of Alchemist Limited and its subsidiaries.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31ST, 2016

	As At 31 March 2016	(Amount in ₹) As At 31 March 2015
2 SHARE CAPITAL		
a) AUTHORISED		
Equity Shares - 3,00,00,000 of ₹ 10/- each (Previous year -3,00,00,000 of ₹ 10/- each)	300000000	300000000
Preference Shares - 50,00,000 of ₹ 100/- each (Previous year -50,00,000 of ₹ 100/- each)	<u>500000000</u>	<u>500000000</u>
b) ISSUED, SUBSCRIBED AND PAID-UP		
Equity Shares - 1,35,59,800 of ₹ 10/- each (Previous year 1,35,59,800 of ₹ 10/- each)	135598000	135598000
Redeemable Preference Shares 31860 of ₹ 100/- Each (Previous year 35,700 of ₹ 100/- Each)	3186000	3570000
Total	<u><u>138784000</u></u>	<u><u>139168000</u></u>

Terms/right attached to shares:

- **Equity Shares:** The company has only one class of equity shares having a par value of ₹ 10/- per shares. Each holders of equity Shares is entitled to one vote per share.
- **Redeemable Preference Shares:** The Preference Shares are in the nature of redeemable preference shares having a par value of ₹ 100/- per share.

Reconciliation Showing No. of Shares Outstanding at the beginning and at the end of the accounting period

Equity Shares	As at 31 st March 2016		As at 31 st March 2015	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	13559800	135598000	13559800	135598000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	13559800	135598000	13559800	135598000

Reconciliation Showing No. of Shares outstanding at the beginning and at the end of the accounting period:

Preference Shares	As at 31 st March 2016		As at 31 st March 2015	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	45000	4500000	1325380	132538000
Shares Issued during the year	-	-	-	-
Shares bought back during the year (Redemption)	3840	384000	1280380	128038000
Shares outstanding at the end of the year	41160	4116000	45000	4500000

The Shareholders holdings more than 5% equity shares of the company are as under

Name of Shareholder	As at 31 st March 2016		As at 31 st March 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Kanwar Deep Singh	1257020	9.27	1257020	9.27
KDS Corporation Pvt Ltd	3059000	22.56	3059000	22.56
Davos International Fund	746000	5.50	746000	5.50

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31ST, 2016

	As At 31 st March 2016	(Amount in ₹) As At 31 st March 2015
3 RESERVE & SURPLUS		
<u>Capital Reserve</u>		
Capital Reserve	2999716	2999716
	2999716	2999716
<u>Capital Redemption Reserve</u>		
Balance Brought Forward	518021000	517091000
Add: Transfer from General Reserve	-	-
Add: Transfer from Statement of Profit & Loss	384000	930000
	518405000	518021000
<u>Preference Shares Redemption Reserve</u>		
Balance Brought Forward	2059947	2596572
Add: Transferred from Share Premium Account	-	-
Add: Transfer from Statement of Profit & Loss	4750426	8753875
Less: Utilized for the Redemption of Preference Shares	4972000	9290500
	1838373	2059947
<u>Share Premium</u>		
Opening Balance	582259550	582259550
Less: Transfer to Preference Shares Redemption Reserve -	-	-
	582259550	582259550
<u>General Reserve</u>		
Balance Brought Forward	8328994	8328994
Less: Transfer to Capital Redemption Reserve	-	-
	8328994	8328994
<u>Surplus in Statement of Profit & Loss</u>		
Balance Brought Forward	(389055229)	140765449
Profit/(Loss) of Subsidiary company	-	0
Add: Transfer from Statement of Profit & Loss	(483717177)	(357525418)
Less: Loss of F.Y. 2013-14 of Alchemist Enterprises Pte. Limited	-	148493288
Less: Transfer to Capital Redemption Reserve	384000	930000
Less: Transfer to Preference Share Redemption Reserve	4750426	8753875
Less: Reserves as on 31/3/15 of Alchemist Enterprises Pte. Limited *	30624232	-
	(908531064)	(374937132)
Less: Proposed Dividend	-	(13559800)
Less: Corporate Dividend Tax	-	(2304488)
Less: Adjustment Related to Fixed Assets	-	29982385
	(908531064)	(389055229)
<u>Foreign Currency Translation Reserve</u>	3852211	4139634
Total	209152780	728753612

* Reserves as on 31/3/15 of Alchemist Enterprises Pte Limited not included in the opening reserve of the consolidated balance sheet as the balance sheet of the subsidiary has not been consolidated.

(Amount in ₹)

	As At 31 st March 2016	As At 31 st March 2015
4 LONG TERM BORROWINGS		
<u>SECURED</u>		
Term Loans from Bank		
Punjab National Bank	125765777	194550224
Less : Current Maturities	(67030383)	(87500000)
	58735394	107050224
Vehicle Loans from Banks		
Vehicle Loans	5665533	8746476
Less : Current Maturities	(3046526)	(4769362)
	2619007	3977114
	61354401	111027338
<u>UN-SECURED</u>		
Inter Corporate Deposits	7131070023	6874717846
	7131070023	6874717846
Total	7192424424	6985745184

Term Loans From Banks

- **Punjab National Bank:** Secured Loan of ₹ 9,62,35,394/- (Rupees Nine Crore Sixty Two Lac Thirty Five Thousand Three Hundred Ninety Four) (Previous Year ₹ 12,37,50,224/- (Rupees Twelve Crore Thirty Seven Lac Fifty Thousand Two Hundred Twenty Four Only) secured through exclusive Charge on Fixed Assets Block, situated at F-5, Kishangarh Rajiv Gandhi I.T. Park, Chandigarh. Due within one year is ₹ 3.75 Crore (Rupees Three Crore Seventy Five Lac Only) (Previous Year ₹ 3.50 Crore (Rupees Three Crore Fifty Lac Only). The loan has been guaranteed by Mr. Kanwar Deep Singh in the capacity of the director till 31st August, 2012 and thereafter being the promoter of the company. Term Loan carries interest @ base rate + 4% and is repayable in 84 monthly installment of ₹ 25,00,000/- (Rupees Twenty Five Lac Only) each, commencing from 30th April, 2013.
- **Punjab National Bank:-** Secured Loan of ₹ 2,95,30,383/- (Rupees Two Crore Ninty Five Lac Thirty thousand Three Hundred and Eighty Three Only) (Previous Year ₹ 7,08,00,000/- (Rupees Seven Crore Eight Lac 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. The term loan is further secured by guarantee of Mr Karandeep Singh who was a Director in the holding company Alchemist Ltd. Due with in one year is ₹ 2.95 Crore (Rupees Five Crore twenty five Lac Only) (Previous Year ₹ 5.25 Crore) Rupees Five Crore twenty five Lac Only).

Vehicle Loans from Banks

- Vehicle Loans of ₹ 56,65,533/- (Rupees Fifty Six Lac Sixty Five Thousand Five Hundred Thirty Three Only) (Previous Year ₹ 87,46,476/- (Rupees Eighty Seven Lac Forty Six Thousand Four Hundred Seventy Six Only) are Secured against hypothecation of vehicles. Due within one year is ₹ 30,46,526/- (Rupees Thirty Lac Forty Six Thousand Five Hundred Twenty Six Only) (Previous year ₹ 47,69,362/- (Rupees Forty Seven Lac Sixty Nine Thousand Three Hundred Sixty Two Only). Vehicle Loans have been procured from various banks with rates of interest varying from 9% to 12% with repayment term of 3 to 5 Years.

Inter Corporate Loan:

- Inter Corporate loan has been received from KDS Corporation Pvt Limited (a promoter group Company) and Technology Park Limited (a party covered under section 189 of the Companies Act. 2013) amounting to ₹ 30.01 Crores and ₹ 683.10 Crores. The Terms of repayment with respect to loan from KDS Corporation Private Limited have not been defined and is repayable on the mutual agreement of both the parties involved, hence terms are not prejudicial to the interest of the company. Loan from Technology Park Limited is repayable on service of a minimum notice of 12 months by the lender for a repayment in excess of ₹ 50.00 Crores, however upon the concurrence of the Company, hence terms are not prejudicial to the interest of the Company. The Inter Corporate Loans obtained by the Company are non interest bearing.

Details of continuing default as on 31st March, 2016 in repayment of loans and interest:

Name of Bank - Type of Loan	Sanction Amount	Default amount as on 31/03/16	Default cleared Amount	Default cleared date	Default outstanding as on 10/05/16
Punjab National Bank - Project Term Loans	480000000	24106385	8120082	28/4/2016	15986303
UCO Bank - Vehicle Loan	612000	22996	12000	12/4/2016	10996
UCO Bank - Vehicle Loan	1143000	58342	23000	12/4/2016	35342
UCO Bank - Vehicle Loan	716000	49198	17000	25/4/2016	32198
Total	482471000	24236921	8172082		16064839

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31ST, 2016

	As At 31 st March 2016	(Amount in ₹) As At 31 st March 2015
5 DEFERRED TAX LIABILITIES (NET)		
<u>Deferred tax liability</u>		
Fixed assets : Impact of Difference between carrying amount of Tax Depreciation and depreciation charged in the books	328655741	316677303
Gross deferred tax liability	328655741	316677303
<u>Deferred tax assets</u>		
Carrying amount of provisions for Gratuity, Bonus and Leave Encashment	10492985	15148811
Gross deferred tax assets	10492985	15148811
Deferred tax liabilities (Net)	318162756	301528492
6 OTHER LONG TERM LIABILITIES		
Securities Received	47298980	39309732
Total	47298980	39309732
7 LONG TERM PROVISIONS		
<u>Provision for Employees Benefits</u>		
- Gratuity	21240177	22923665
- Earned Leave	-	16755588
Total	21240177	39679253
8 SHORT TERM BORROWINGS		
<u>Secured Loan repayable on demand from bank *</u>		
(i) Bank of India	36009389	33197767
(ii) Punjab National Banks	80978484	92399527
<u>Unsecured Loan repayable on demand from bank</u>		
Bank Overdraft- HDFC Bank	-	106993
Total	116987873	125704287
* Bank of India:		
Working Capital facility of ₹ 3,60,09,389/- (Rupees Three Crore Sixty Lac Nine Thousand Three Hundred Eighty Nine Only) (Previous Year ₹ 3,31,97,767/- (Rupees Three Crore Thirty One Lac Ninety Seven Thousand Seven Hundred Sixty Seven Only) secured against hypothecation of stocks and book debt of the company's unit located at Chambaghat, Solan (H.P). It is further collaterally secured by Land and Building, other structures (erected or to be erected) and other immovable properties of the Unit situated at Chambaghat, Solan.		
Punjab National Bank:		
Working Capital facility of ₹ 8,09,78,484/- (Rupees Eight Crore Nine Lac Seventy Eight Thousand Four hundred Eighty Four Only) (Previous Year ₹ 9,23,99,527/- (Rupees Nine Crore Twenty Three Lac Ninty Nine Thousand Five Hundred Twenty Seven 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 Meel at Pathankot and ROC DELHI and Diner Retail Outlets. It is further collaterally secured by way of 2nd charge on company's fixed assets charged to the bank. The loan has been guaranteed by Mr. Karan Deep Singh in the capacity of the director of the holding company, Alchemist Limited.		
9 TRADE PAYABLES		
Trade Payable	1469845608	1397811777
Total	1469845608	1397811777

ALCHEMIST LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31ST, 2016

(Amount in ₹)

	As At 31 st March 2016	As At 31 st March 2015
10 OTHER CURRENT LIABILITIES		
Current Maturities of Long term provisions*		
Term Loan	67030383	87500000
Vehicle Loan	3046526	4769362
Interest Accrued and Due on Borrowings	5356385	5942114
Liabilities For Capital Goods	17056271	21577784
Expenses and Statutory Dues Payable	75818537	90030920
Advance received **	158616094	158296037
Unclaimed Dividend ***	3740367	4820164
Other Liabilities	48749790	17586839
Total	379414353	390523220

* Refer Note No. 4

** Refer Note No. 44

*** A sum of ₹ 37,40,367/- (Rupees Thirty Seven Lac Forty Thousand Three Hundred Sixty Seven Only) (Previous year ₹ 48,20,164/- (Rupees Forty Eight Lac Twenty Thousand One Hundred Sixty Four Only) is lying as unclaimed dividend in separate accounts with HDFC Bank and YES Bank, Chandigarh.

11 SHORT TERM PROVISIONS

Provisions from Employees

- Gratuity	1678550	1822089
- Earned Leave	-	1548378
Total	1678550	3370467

NOTE 12

(Amount in ₹)

PARTICULARS	GROSS BLOCK				DEPRECIATION & AMORTISATION				NET BLOCK	
	AS AT 1-Apr-15	SALE/ ADJUSTMENTS	ADDITIONS/ CAPITALISED	AS AT 31-Mar-16	AS AT 1-Apr-15	ON SALE/ ADJUSTMENTS	FOR THE YEAR	AS AT 31-Mar-16	AS AT 31-Mar-16	AS AT 31-Mar-15
Tangible Assets										
- Land	381548583	-	-	381548583	-	-	-	-	381548583	381548583
- Building	1560182868	(9178210)	34053	1551038711	314825926	(651922)	48,119,564	362293569	1188745141	1245356942
- Building other than Factory Building	1078327103	-	-	1078327103	4199934	-	17,108,568	21308502	1057018601	1074127169
- Building - Lease Hold Improvements	38727889	(38727889)	-	-	9740293	(10879328)	1,139,035	-	-	28987596
- Plant & Machinery	1157368795	(11820601)	7910014	1153458208	328348533	(2096195)	72,220,179	398472518	754985689	829020261
- Electric Installation	60059816	-	528228	60588044	1383256	-	12,969,381	14352637	46235406	58676560
- Sapling	69964419	-	-	69964419	69011936	-	262,649	69274585	689834	952483
- Green House	55561339	-	-	55561339	52456864	-	326,410	52783274	2778065	3104475
- Furniture & Fixtures	133748181	(177239)	19202	133590145	16616277	(80963)	12,255,573	28790888	104799254	117131899
- Vehicles	173024107	(5898517)	2786870	169912460	96996379	(3785463)	15,951,544	109162460	60750000	76027729
- Office Equipment's	36156159	(54489)	328673	36430343	19248662	2416	4,858,904	24109981	12320361	16907498
- Servers and Networks	4631611	-	-	4631611	1330348	-	732,932	2063280	2568330	3301263
- Computer & Peripherals	101345326	(2407493)	181749	99119583	66940194	(1671316)	13,513,502	78782379	20337203	34405133
Sub Total	4850646197	(68264439)	11788789	4794170547	981098601	(19162771)	199,458,241	1161394072	3632776466	3869547585
Previous Year	3112174378	82321903	1820793722	4850646197	796791659	10398291	173,908,651	981098601	3869547585	-
Intangible Assets										
- QSR Franchisee Model	-	-	31273402	31273402	-	-	8,563	8563	31264840	-
- Computer Software	44931067	-	118590	45049657	14942587	-	4,503,126	19445713	25603946	29988480
- Research & Developments	443962802	-	-	443962802	143128988	-	43,286,714	186415701	257547103	300833814
- Technical Know How	20127846	-	-	20127846	6445599	-	2,016,359	8461957	11665890	13682247
- Master Agreement	17267432	(17267432)	-	-	4790931	(6520950)	1,730,021	2	(2)	12476501
- Pan India Distribution Network	113249960	-	-	113249960	11346720	-	11,346,696	22693416	90556544	101903240
Sub Total	639539107	(17267432)	31391992	653663667	180654824	(6520950)	62,891,479	237025354	416638319	458884281
Previous Year	569870342	-	69668765	639539107	124786001	-	55,868,823	180654824	458884281	-
Grand Total	5490185304	(85531871)	43180781	5447834214	1161753426	(25683720)	262,349,720	1398419425	4049414784	4328431866
Previous Year	3682044720	82321903	1890462487	5490185304	921577660	10398291	229,777,474	1161753426	4328431866	-
Capital Work in Progress	234900880	(57475472)	10803937	188229345	-	-	-	-	188229345	234900880
Intangible under development	31273402	(31273402)	-	-	-	-	-	-	-	31273402

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31ST, 2016

	As At 31 st March 2016	(Amount in ₹) As At 31 st March 2015
13 NON CURRENT INVESTMENTS		
<u>Investments in Equity Instruments</u>		
Unquoted - Associates		
- Dooteriah & Kalej Valley Tea Estate Pvt Ltd. (Current Year Equity shares 36000 (Previous year 36000) of ₹ 100/- Each)	18180173	18180173
- Alchemist Medisphare Limited (Current Year Equity Shares 22500 (Previous year 22500 Shares) of ₹ 10/- Each)	225000	225000
Unquoted - Others		
- Shivalik Solid Waste Management Ltd. (Current Year Equity Shares 2500 (Previous year Nil) of ₹ 10/- Each)	25000	25000
	18430173	18430173
<u>Non Trade Investments (In Mutual Funds)</u>		
Quoted		
- Religare Business Leader Fund (Current Year Units 50000 (Previous Year Units 50000) of ₹ 10/- Each)	500000	500000
	500000	500000
Total	18930173	18930173
Aggregate Market Value of Quoted Investments	996500	1068500
14 LONG TERM LOAN AND ADVANCES		
Unsecured, Considered good		
Capital Advances	104015054	107393977
Mat Credit Entitlements	50769297	50769297
Security Deposits	34320005	42174150
Total	189104356	200337424
15 OTHER NON CURRENT ASSETS		
<u>Other Current Investments</u>		
Deferred Revenue, Preliminary & Pre operative Expenditure		
Balance Brought Forward	-	4171
Add: Subsidiary Company	-	-
Less: Written off	-	4171
Balance Carried Forward	-	-
Balances With Banks in Deposit Accounts with Maturity after 31 st March, 2016 *	2240408	353778
	2240408	353778
Total	2240408	353778

* Including deposit of ₹ 22.40 Lacs (Previous Year ₹ 1.40 Lacs) under lien for guarantee given by banks to various Government Authorities.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31ST, 2016

	As At	As At
	31st March 2016	31st March 2015
		(Amount in ₹)
16 INVENTORIES		
Inventories taken as valued and certified by the Management		
- Raw Materials *	34648683	57923047
- Finished Goods *	203447122	219822415
- Work In Progress/Semi finished goods.*	169152398	164509639
- Store, Spares and Scrap **	1022728	698805
Total	408270931	442953906
* Valued at lower of cost and net realizable value.		
** Valued at cost or under.		
17 TRADE RECEIVABLE		
Trade Receivable outstanding for a period exceeding six months from the date they were due for payment:		
Unsecured - Considered good	4899572903	2267145824
Unsecured - Considered good	85341785	2475299616
Total	4984914687	4742445440
18 CASH AND CASH EQUIVALENTS		
Balance with Banks - Current Accounts	9157660	19380225
Balance with Banks - Fixed Deposit A/c *	23822870	80160606
Cash in hand (including imprest balances)	21094463	33546269
Total	54074992	133087100
* Including deposit of ₹ Nil (Previous year ₹ 437.56 lacs) under lien for margin against letter of credits issued by the company and ₹ 96.39 lacs (Previous year ₹ 191.14 lacs) under lien for bank guarantee given by banks and security offered to various Government Authorities)		
19 SHORT TERM LOANS AND ADVANCES		
Unsecured, Considered good		
Advances Paid to Suppliers for Goods\Services	28977965	26245808
Advances Recoverable in Cash or in Kind or for value to be received	66416142	134779430
Total	95394107	161025238
20 OTHER CURRENT ASSETS		
Unsecured, Considered good		
Interest Accrued	647414	2775690
Insurance Claim Receivable	331149	159991
Total	978563	2935681
		(Amount in ₹)
	Year Ended	Year Ended
	31 March 2016	31 March 2015
21 REVENUE FROM OPERATIONS		
Gross Sales	1030467666	3487027814
Less :- Excise Duty	12427984	11922749
Net Sale	1018039682	3475105065
Other Operating Revenue	32422531	21849856
Total	1050462213	3496954920

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31ST, 2016

	Year Ended 31st March 2016	Year Ended 31st March 2015
		(Amount in ₹)
22 OTHER INCOME		
Dividend received	-	67585
Interest received	2402761	71763534
Net Gain/(Loss) on foreign currency transactions & translation	195458537	111731564
Profit on Sale of Investment	-	38867566
Misc Other Income	22944307	1966449
Total	220805605	224396698
23 DETAILS OF INVENTORY		
23A Cost of Material Consumed		
Opening Stock	54158153	61151476
Add : Purchases	560726847	607541488
	614885000	668692964
Less : Closing Stock	34648683	54158153
Total	580236317	614534811
23B Purchase of Stock in Trade	52044941	2278722134
Total	52044941	2278722134
23C Change in Inventories of Finished Goods, Work in Progress Store, Spares & Scrap		
Opening Stock		
- Finished goods	223587309	186353851
- Work in Progress	164509639	201651663
- Scrap	58198	1201
	388155146	388006715
Closing Stock		
- Finished goods	203447122	223587309
- Work in Progress	169152398	164509639
- Scrap	45658	58198
	372645178	388155146
(Increase) / Decrease in Inventory of Finished Goods, Work in Progress and Stores & Scrap	15509968	(148432)
24 EMPLOYEES BENEFIT EXPNESES		
Salaries & Wages including Bonus, Gratuity, Welfare Expenses	341479107	365208887
Employer's Contribution towards Provident & other Funds	23133202	26607004
Staff Welfare	13665424	11579808
Total	378277733	403395699
25 FINANACE COST		
Interest Paid	46496447	37300496
Other Borrowing Cost	3691719	9802188
Total	50188166	47102685

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31ST, 2016
(Amount in ₹)

	<u>Year Ended</u> <u>31st March 2016</u>	<u>Year Ended</u> <u>31st March 2015</u>
26 DEPRECIATION AND AMORTISATION EXPENSES		
Depreciation on Tangible Assets	199458241	173908651
Amortization on Intangible Assets	62891479	55868823
Total	<u>262349720</u>	<u>229777474</u>
27 OTHER EXPENSES		
Consumable, Stores, Spares & Other Manufacturing Expenses	10145926	23756530
Power & Fuel Expenses	78283424	62215764
Rent	56252492	74406539
Postage, Telegram & Courier	1086773	1676744
Repair & Maintenance	20285995	17980047
Travelling Expenses	12219832	18990769
Fee & Taxes	4170228	3362713
Insurance Charges	4809509	8424666
Telephone, Internet & Communication Charges	8810037	10787258
Vehicle Running & Maintenance	17015990	29811419
Director Sitting Fees	80000	118416
Misc. and General Expenses	38065392	30834620
Misc. Expenses Written off	-	4170
Prior Period Items	2840430	10276967
Selling & Marketing Expenses	59163138	70704004
Advertisement & Publicity	2301274	28159076
Printing and Stationery	3008896	3196747
<u>Auditor's Remuneration</u>		
- Statutory Audit Fee	2404921	2091433
- Tax Audit Fee	423340	346573
- For Others	569815	573482
<u>Cost Auditor's Remuneration</u>		
- Audit Fee	160000	160000
Legal & Professional Charges	20338797	32153583
Business Promotion / Entertainment Expenses	14769638	27512778
Total	<u>357205847</u>	<u>457544297</u>

28. Earning Per Shares (EPS) (₹)

Particulars	Year 31.03.2016	Year 31.03.2015
Profit(Loss) After Tax as per the Statement of Profit and Loss attributable to Equity Share Holders	(48,37,17,177)	(35,75,25,418)
Weighted Average No of Equity Shares (Basic)	1,35,59,800	1,35,59,800
Weighted Average No of Equity Shares (Diluted)	1,35,59,800	1,35,59,800
Nominal value of Equity Shares (₹)	10/-	10/-
Earnings Per Share (₹)		
- Basic EPS	(35.67)	(26.37)
- Diluted EPS	(35.67)	(26.37)

29. Contingent Liabilities and Commitments
(₹ In Lacs)

Particulars	Year 31.03.2016	Year 31.03.2015
Contingent Liabilities		
Corporate Guarantees	2230.83	2761.99
Disputed demand under excise duty (Net of duty deposited under protest)	110.42	110.42
Claims against the company not acknowledge as debts	860.08	26.12
Commitments		
Estimated amount of Contract remaining to be executed on capital account and not provide for (Net of Advances)	Nil	80.06

30. Alchemist Limited has four subsidiaries namely Alchemist Foods Limited, Alchemist Infrastructures Private Limited, Alchemist Hospitality Group Limited and Alchemist Enterprises Pte Limited, Singapore. However, the results of Alchemist Enterprises Pte. Limited have not been consolidated as the results are still under compilation.

31. Investment in Associate Companies Dooteriah & Kalej Valley Tea Estates Private Limited and Alchemist Medisphere Limited which were acquired and held exclusively with a view to its subsequent disposal in the near future are not accounted for in consolidated financial statements under the equity method. Such Investments are accounted for in accordance with Accounting Standard 13, Accounting for Investments as laid down in Accounting Standard 23, Accounting for Investment in Associates in Consolidated Financial Statements.

32. The Company had entered into a scheme of arrangement under section 391-394 of the Companies Act, 1956 with Alchemist Foods Limited, a wholly owned subsidiary which had 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 had 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 was 23rd December, 2010 with effect from 1st April 2008, being the effective date. The scheme of arrangement was duly implemented in the financial year 2010-11.

- As per scheme, food division of Alchemist limited had been demerged from the Company and transferred to and vested in Alchemist Foods Limited. All the properties, rights and power, assets, both movable and immovable, liabilities including contingent liabilities and reserves, all income and expenses of the Food Division have without further act or 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 had issued 1,00,00,000 Equity Shares of ₹ 10/- each at a premium of ₹ 90/- per shares to Alchemist Limited and an amount of ₹ 27.44 Crores was treated as unsecured loan from Alchemist Limited to Alchemist Foods Limited.
- As per Scheme of arrangement, Authorized share capital of Alchemist Limited i.e. ₹ 121.25 Crores as on effective date i.e. 1st April, 2008 had 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 had been reduced to ₹ 80.00 Crores consisting of 3.00 Crore equity shares of ₹ 10/- each aggregating to ₹ 30.00 Crores and 50.00 Lac redeemable preference shares of ₹ 100/- each aggregating to ₹ 50.00 Crores and authorised share capital of Alchemist Foods Limited had been increased from ₹ 10,00,00,000/- to ₹ 51,25,00,000/- consisting of 5,12,50,000 equity shares of ₹ 10/- each.

33. Related Party Disclosures
Key Managerial Personnel

- o Maj. Gen. (Retd.) Anil Oberoi
- o Mr. Pavan Kumar Verma

Subsidiary(Not Consolidated)

- o Alchemist Enterprises PTE Limited

Associates:

- o Alchemist Hospitals Limited
- o Alchemist Airways Private Limited
- o Alchemist Realty Limited
- o Black Cat Protection Services Private Limited
- o KDS Corporation Private Limited

ALCHEMIST LIMITED

- o A 1 News Network Private Limited
- o Alchemist Media Limited
- o Dooteriah & Kalej Valley Tea Estate Private Limited
- o Alchemist Medisphere Limited
- o Technology Parks Limited
- o Alchemist Lifesciences Limited
- o Alchemist Aviation Private Limited
- o Alchemist F&B Limited
- o Alchemist Touchnology Limited
- o Eco Breaking Technologies India Private Limited
- o Jass Developers Private Limited
- o Kandaghat Spa & Health Resorts Private Limited
- o Alchemist Hotel & Resorts Limited
- o Alchemist Universe of Education Limited
- o Optimum Constructions & Developers Private Limited
- o Century 21 Properties India Pvt. Ltd.

Joint Venture:

- o Alchemist Township India Limited

Detail of Related Parties Transactions:

(₹ In Lacs)

Sr. No.	Transactions	Key Managerial Persons & Their Relative		Associates	
		2015-16	2014-15	2015-16	2014-15
1	Managerial Remuneration				
	Maj. Gen. (Retd.) Anil Oberoi	1.84	36.64		
	Mr. Pavan Kumar Verma	31.42	21.85		
2	Inter Corporate Loan- Received/(Repaid)				
	KDS Corporation Private Limited			2563.52	(4534.00)
	Technology Parks Limited				(2150.00)
3	Sale of Goods				
	Alchemist Hospitals Limited			0.52	4.24
	Alchemist F&B Limited			4.92	14.91
4	Purchase of Goods				
	Dooteriah & Kalej Valley Tea Estate Private Limited				14.43
5	Services Received				
	Black Cats Protections Private Limited			13.15	23.00
	Alchemist Realty Limited				19.06
	Alchemist Media Limited			0.26	0.00
	Alchemist Hospitals Limited				0.37
6	Rent Received				
	Alchemist Airways Private Limited				0.60
	A1 News Network Private Limited				0.09
	Black Cats Protections Private Limited				0.60
	Alchemist Hotel & Resorts Limited				0.60
	Alchemist Media Limited				0.60
	Kandaghat Spa & Health Resorts Private Limited				0.60
	KDS Corporation Private Limited				0.60
	Century 21 Properties India Pvt. Ltd.			0.50	
7	Dividend Paid				
	KDS Corporation Private Limited				(45.89)
	Optimum Constructions and Developers Private Limited				(0.89)

ALCHEMIST LIMITED

Sr. No.	Transactions	Key Managerial Persons & Their Relative		Associates	
		2015-16	2014-15	2015-16	2014-15
8	Expenses Incurred on their behalf				
	Jass Developers Private Limited			0.69	2.00
	Eco Breaking Technologies India Private Limited				0.19
	Alchemist Universe of Education Limited				0.05
	Alchemist Touchnology Limited				1.50
	Alchemist F&B Limited			0.98	3.09
	Alchemist Aviation Private Limited				0.82
	Alchemist Airways Private Limited				0.98
	Alchemist Hospitals Limited				29.55
	Alchemist Lifesciences Limited			1.70	20.74
	Dooteriah & Kalej Valley Tea Estate Private Limited				1.46
	Alchemist Realty Limited				(10.79)
	Alchemist Hotel & Resorts Limited				0.24
	A1 News Network Private Limited			0.26	
	Alchemist Media Limited			0.08	

Detail of related party balances outstanding at year end:

(₹ In Lacs)

Sr. No.	Balance Outstanding	Subsidiary		Associates	
		31.03.16	31.03.15	31.03.16	31.03.15
1	Inter Corporate Loan- Received				
	KDS Corporation Private Limited			3000.70	437.18
	Technology Parks Limited			68310.00	68310.00
2	Investments				
	Alchemist Medisphere Limited			2.25	2.25
	Dooteriah & Kalej Valley Tea Estate Private Limited			181.80	181.80
	Alchemist Enterprises Pte Limited(WOS)	244.27	244.27		
3	Trade Receivables				
	Alchemist Hospitals Limited			1.66	2.00
	Alchemist F&B Limited			24.99	20.49
	Alchemist Hotels & Resorts Limited			0.79	0.79
	Kandaghat Spa & Health Resorts Private Limited			0.50	0.50
	KDS Corporation Private Limited				0.55
	Alchemist Lifesciences Limited			120.38	97.94
4	Trade Payable				
	Alchemist Hospitals Ltd			1.18	0.92
	Dooteriah & Kalej Valley Tea Estate Private Limited			10.96	10.96
	Alchemist Realty Limited				17.33
5	Advance to Suppliers				
	Black Cats Protections Private Limited			0.57	12.51

Sr. No.	Balance Outstanding	Subsidiary		Associates	
		31.03.16	31.03.15	31.03.16	31.03.15
6	Amount Recoverable				
	Alchemist Realty Limited				416.06
	Jass Developers Private Limited			2.68	2.00
	Eco Breaking Technologies India Private Limited			0.19	0.19
	Alchemist Universe of Education Limited			22.92	22.92
	Alchemist Touchnology Limited			1.50	1.50
	Alchemist F&B Limited			2.46	1.48
	Alchemist Aviation Private Limited			0.82	0.82
	Alchemist Airways Private Limited			0.98	0.98
	Alchemist Hospitals Limited			1.58	29.55
	Alchemist Lifesciences Limited				20.74
	Dooteriah & Kalej Valley Tea Estate Private Limited			1.46	1.46
	A 1 News Network Private Limited			0.38	0.12
	Alchemist Media Limited			0.08	
	Pinkcassisa Hotel & Resort Pvt. Ltd.			0.50	
	Royal Building & Infrastructures Pvt. Ltd.			0.10	
7	Advance from Joint Venturer				
	Alchemist Township India Limited			1229.49	1229.49

34. Segment Reporting

- a) The Business Segments comprise the following:
 - Agri Business
 - Pharma, Chemical & Minerals
- b) Business segments have been identified based on the nature and class of products and services, their customers and assessment of the differential risks and returns and financial reporting system within the Company.
- c) The company operates through in India, hence, no distinction on the basis of geographical segment have been made.
- d) Segment accounting policies

In addition to the significant accounting policies, applicable to the business as set out in note 1 'Notes to the Financial Statements', the accounting policies in relation to segment accounting are as under:

(i) Segment assets and liabilities:

Segment assets include all operating assets used by a segment and consist principally cash, debtors, inventories and fixed assets, net of allowances and provisions, which are reported as direct offsets in the balance sheet. Segment liabilities include all operating liabilities and consist principally of creditors and accrued liabilities. While most of the assets/liabilities can be directly attributed to individual segments, the carrying amount of certain assets/liabilities pertaining to two or more segment is allocated to the segment on reasonable basis.

(ii) Segment revenue and expenses :

Joint revenue and expenses of segments are allocated amongst them on a reasonable basis. All other segment revenue and expenses are directly attributable to the segment

(iii) Inter Segment Sales:

Inter-segment sales are accounted for at cost and are eliminated in consolidation.

(e) Primary Segment information (Business Segments) for the year ended March 2016.

(₹ In Lacs)

Sr. No.	Particulars	Agri Business	Pharma, Chemical & Minerals	Unallocated	Total
a)	Segment Revenue :				
	Revenue from Sales	8816.06	1364.34	-	10180.40
	Total Revenue	8816.06	1364.34	-	10180.40
b)	Segment Results :				
	Operating Profit(Loss)	(3482.81)	(2793.04)		(6275.85)
	Add :- Unallocated Incomes			2532.28	2532.28
	Less: Finance Cost			501.88	501.88
	Less: Exceptional Item			910.56	910.56
	Profit(Loss) Before Tax	(3482.81)	(2793.04)	1119.83	(5156.01)
	Provision for Deferred Tax			166.34	166.34
	Previous year Taxes			-	-
	Profit(Loss) After Tax	(3482.81)	(2793.04)	953.49	(5322.36)
c)	Other Information :				
	Segment Assets				
	Investments	-	0.25	189.05	189.30
	Other Segment Assets	7256.69	50093.09	-	57349.78
		7256.69	50093.34	189.05	57539.08
	Segment Liabilities				
	Share Capital	-	-	1387.87	1387.84
	Other Segment Liabilities	27583.26	70944.42	-	98527.68
		27583.26	70944.43	1387.87	99915.52
	Fixed Assets				
	(Incl. Capital Work in Progress)	40071.21	2305.23	-	42376.44
	Depreciation	1839.26	784.23	-	2623.50
	Non Cash Exp. Other than Deprecation	-	-	-	-

35. 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.

36. Employees benefits:

Defined Contribution plans:

Contribution to defined contribution plans charged off for the year is as under:

(₹ In Lacs)

Particulars	Year 31.03.2016	Year 31.03.2015
Company's Contribution to Provident Fund	171.32	216.46
Company's Contribution to Employee State Insurance	41.44	49.54

Defined Benefit Plans:

(a) Gratuity

These are unfunded schemes, the present value of obligation is determined based on actuarial valuation, the disclosure of which is given as under:

(Amount in ₹)

Particulars	Gratuity		Leave	
	2015-16	2014-15	2015-16	2014-15
Defined Benefit Plans				
Change in benefit obligations				
Obligations at period beginning - Current	1822089	1614660	-	1413101
Obligations at period beginning - Non-current	22923665	19937693	-	15505079

(Amount in ₹)

Particulars	Gratuity		Leave	
	2015-16	2014-15	2015-16	2014-15
Service Cost	2802625	4104932	-	3573963
Interest on Defined benefit obligation	1828754	1554046	-	1176530
Benefits settled	(3772646)	(3308397)	-	(3707564)
Actuarial (gain)/loss	(2685760)	842820	-	342857
Obligations at period end	22918727	24745754	-	18303966
Current Liability (within 12 months)	1678550	1822089	-	1548378
Non Current Liability	21240177	22923665	-	16755588
Change in plan assets	-	-	-	-
Plans assets at period beginning, at fair value	-	-	☒	☒
Expected return on plan assets	-	-	-	-
Actuarial gain/(loss)	-	-	-	-
Contributions	3772646	3308397	-	3707564
Benefits settled	(3772646)	(3308397)	-	(3707564)
Plans assets at period end, at fair value				
Funded Status				
Closing Fair value of plan assets				
Closing value of obligations	22918727	(24745754)	-	(18303966)
Liability recognized in the balance sheet	(22918727)	(24745754)	-	(18303966)
Details of Gratuity / Leave cost				
Service cost	2802625	4104932	-	3573963
Interest cost	1828754	1554046	-	1176530
Expected return on plan assets	-	-	-	-
Actuarial (gain)/loss	(2685760)	842820	-	342857
Net gratuity / leave cost	1945619	6501798	-	5093350
Experience Adjustment on Plan Liabilities	(2685760)	842820	-	342857
Experience Adjustment on Plan Assets				
Assumptions				
Interest rate	8%	7.81%	-	7.81%
Discount factor	8%	7.81%	-	7.81%
Estimated rate of return on plan assets	0%	0%	-	0%
Salary Increase	5%	10%	-	10%
Attrition rate	6%	6%	-	6%
Retirement age	60	60	-	59

37. The balances of majority of the Trade Receivables, Trade Payables and Loan & Advances made and received, 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.

38. Assets Taken/Given on operating lease:

Some of the Stores and Office premises have been taken/given 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.

39. 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 per 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 2016.

40. The Commissioner, Central Excise, Chandigarh, has proposed the classification of Poultry Keeping Machinery under Chapter 73 of the Central Excise Tariff Act, 1985 and has demanded the duty of ₹ 173.55 Lacs plus interest and penalty by invoking the extended period of limitation for 5 years. However, the company has cleared the goods as

Poultry Keeping Machinery classifying the goods at –Nil- rate of duty under Chapter 84 of the CET Act, 1985. The company has been clearing the goods at –Nil- duty for more than last 5 years and the goods have been classified under Chapter 84 after duly intimating the department from time to time. Under Central Excise Law, the demand can be demanded for a period of one year under normal circumstances. However, in case of wilful suppression of facts, the duty can be demanded by invoking the extended period of limitation for last 5 years. In the aforesaid show cause notice, the department has raised the demand by invoking extended period of 5 years whereas since the activity has been undertaken after duly intimating the department therefore the demand is not sustainable for 5 years and at worst the demand can sustain for one year only.

The company has already paid the duty of ₹ 63.13 Lacs against the above demand as ‘Duty Paid Under Protest’. Also the additional amount paid subsequent to the demand and till 31st March, 2013 is deposited under protest. Therefore the total duty of ₹ 92.29 Lac already paid is shown as ‘Amount recoverable in cash or in kind’ in the Balance Sheet under the head Short Term Loan and Advances. The balance amount of ₹ 110.42 Lacs is pending payable against the demand is shown as contingent Liability.

41. Financial reporting of interest in Joint Venture – Accounting Standard 27

Advance received include ₹ 12,29,49,002/- as advance received against joint development agreement entered into by the Company on 13th June, 2013 and addendum dated 12th July, 2013 with Alchemist Township India Limited for joint development of 7.2 acres of land of the Company situated at Village Dappar and Samlehri. The Project would be a residential development carried out under the name “Riviera Heights” with a built up area of at least 6,30,000 square feet. The Company is entitled to an overall advance of ₹ 50 Crores against the 35% share of the developed area along with proportionate rights in the land of the said project, which the developer is required to make available with the Company by 31st March, 2016. The advance would be in the nature of a current account and the developer can demand withdrawal of the advance, subject to approval of the Company.

42. In respect to Alchemist Foods Limited, Chatime business was started in 2011-12 and was still pending capitalisation. However, the same has not been successful in the given format. Efforts were made to start it under a modified format suitable to Indian market, however, the same also could not be materialised. Hence, the preoperative expenses, assets under capital work in progress and intangible already capitalised amounting to ₹ 632.07 lacs were written off as exceptional item

43. In respect of Alchemist Foods Limited, investment amounting to ₹ 312.73 lacs has been made on development of Quick Service Restaurant franchise model. The company has successfully completed the development phase and has recognised it as intangible assets during the current year.

44. In respect of Alchemist Limited, an unclaimed dividend pertaining to dividend declared for the year 2007-08 amounting to ₹ 10,73,327/- was transferred to investor education and protection fund during the year 2015-16.

45. Alchemist Limited’s wholly owned subsidiary “Alchemist Enterprises (S) PTE Ltd.” is in the process of winding up. In the process the WOS has stopped operations and closed its bank accounts. A trade receivable of US\$ 4, 00,000/- standing in its books against which the payment of ₹ 265.33 lacs has been received by Alchemist Limited. Such amount received has been reflected as “closure proceeds of WOS” under other current liabilities until the process of winding up of the company is completed.

46. In respect of Alchemist Limited, cash in hand includes cash amounting to ₹ 180.54 lacs which was seized by the Income Tax authorities during the search & seizure operation u/s 132 of the Income Tax Act, 1961 during the month of June, 2014.

47. In respect of Alchemist Limited, the economic downturn has impacted the international trade operations of the company. Taking cue the company has initiated many cost cutting measures including downsizing and vacation of office premises. During the year company has vacated some office premises. Since the company had made some leasehold improvements to the same, the company had to take a write off of these leasehold improvements and accordingly has incurred a loss of ₹ 278.49 lacs reflected under exceptional items.

48. Previous year’s figure have been reworked, regrouped, rearranged and reclassified wherever deemed necessary to make them comparable.

CA. Ashish Chhabra
Partner

Vimal Kumar Sharma
Company Secretary

Bikram Bhattacharya
CFO

Pavan Kumar Verma
Whole Time Director
DIN-00213365

Vinay Kumar Mittal
Director
DIN-00287042

MEMBERSHIP NO.: 507083
N. KUMAR CHHABRA & CO.
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO.: 000837N

Place : New Delhi
Date : 10/05/2016

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