

ALCHEMIST

Ref:- AL/CS/STX/2017/21

September 20, 2017

The Manager (Department of Corporate Services)
Bombay Stock Exchange Limited (BSE)
P. J. Towers, 25th Floor, Dalal Street, Fort
Mumbai-400001

Scrip Code: **526707**

The Manager (Listing Department)
National Stock Exchange of India Limited (NSE)
Exchange Plaza, Bandra Kurla Complex
Bandra (East), Mumbai-400051

Scrip Code: **ALCHEM**

SUB: Submission of 28th Annual Report for the Financial Year 2016-17

Dear Sir,

Please find the enclosed 28th Annual Report for the Financial Year 2016-17 of Alchemist Limited.

You are requested to take the above mentioned information on your records.

For Alchemist Limited


Vinay Singh
(Company Secretary)



ALCHEMIST LTD.

CIN : L72200DL1988PLC192643

Regd. & Head Office : Alchemist House, Building No. 23, Nehru Place, New Delhi - 110019 Tel. : +91 - 40600800, Fax : +91-40600888
Chd. Office : Plot No. F5, Rajiv Gandhi IT Park, Chandigarh - 160 101 Tel. : +91-172-4266666, Fax: +91-172-4266602
E-mail : investors@alchemist.co.in Website : www.alchemist.co.in

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) 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 C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400083	
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	Plot No. F-5, Rajiv Gandhi I T Park, Chandigarh-160101 Phone: 0172-4266666	
Works Pharma Unit	Electronic Complex, Chambaghat, Solan, Himachal Pradesh Phone: +91-0179-2230500-2230800	
Steel Unit	C-29, Village Chanalon, Near Kurali, District: Mohali, Punjab Phone: +91-0160-2641170.	
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 28th 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, 2017. The financial highlights for the year under review are given below:

FINANCIAL HIGHLIGHTS

Financial Results are presented in the table below:

(₹ in lacs)

Particulars	Consolidated		Standalone	
	2016-17	2015-16	2016-17	2015-16
Revenue from Operations including other Income	2668.68	12712.67	2,668.68	4,049.77
Less Expenses:				
Cost of Material Consumed	444.77	5802.36	444.77	784.00
Purchase of Stock in Trade	1403.56	520.44	1403.56	275.75
Change in Inventories	45.65	155.09	45.65	179.23
Employees Benefit Expenses	1449.61	3782.77	1449.61	1952.75
Finance Cost	230.29	501.88	230.28	276.44
Depreciation & Amortization Expenses	795.86	2623.49	795.86	862.25
Other Expenses	1932.25	3572.05	1931.61	1320.16
Total Expenses	6301.99	16958.02	6301.34	5650.58
Profit/(Loss) Before Exceptional Items & Taxes	(3633.34)	(4245.44)	(3632.69)	(1600.83)
Exceptional Items	7194.95	910.56	7194.95	278.48
Profit Before Tax	(10828.29)	(5156.00)	(10827.64)	(1879.31)
Tax Expenses	(107.68)	166.34	107.68	209.17
Profit/(Loss) after Tax	(10720.61)	(5322.35)	(10719.96)	(2088.49)
Profit/(Loss) transferred to Minority	(0.13)	(485.18)	(0.00)	(0.00)
Net Profit for the year	(10720.47)	(4837.17)	(10719.96)	(2088.49)

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 ₹ 2668.68 lacs as compared to ₹ 4049.77 lacs during the previous year. The Operating profit/(loss) i.e profit/ (loss) before Interest, Depreciation & Tax during the year was ₹ (3632.69) lacs as compared to ₹ (1600.83) lacs during the previous year. The net profit/ (loss) after tax was Rs. (10719.96) lacs during the year as compared to ₹ (2088.49) 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 2016-17, as per the Companies (Declaration and Payment of Dividend) Rules, 2014.

SHARE CAPITAL

The paid up Equity Share Capital was Rs.1355.98 Lacs and paid up Preference Share capital was 31.718 Lacs as on March 31, 2017.

DEPOSITORY SYSTEM

As the members are aware, the Company's equity shares are compulsorily tradable in electronic form. As on March 31, 2017, 12783261 (94.27%) 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

ALCHEMIST LIMITED

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 2008-2009 amounting to Rs. 8,18,848/- 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, 2016, 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, 2017, the company has three subsidiary companies namely Alchemist Healthcare Limited, Alchemist Infrastructures Private Limited and Alchemist Hospitality Group Limited.

The Financial Statements of Alchemist Limited's wholly owned foreign subsidiary "Alchemist Enterprise (S) PTE Ltd." & Two Associates, Alchemist Foods Limited & Alchemist Medisphere is not consolidated because the same is under 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 (as Annexure-VI). 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 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

Particulars of loans/ guarantee given and investments made are given in the financial statement.

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 Board Resolution
1	16.05.2016	Alchemist Healthcare Limited	255000	For the expansion of the business	09.11.2015

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 SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015.

All related party transactions are presented to the Audit Committee and the Board. Approval is 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. Pavan Kumar Verma (DIN: 00213365) 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. Vinay Singh as Company Secretary & Compliance Officer of the Company with effect from 18th July, 2016, in place of Mr. Vimal Kumar Sharma, who have resigned with effect from 13th June, 2016.

The Board has appointed Ms. Ambika Chowdhary (DIN: 07887565) as an Independent Director of the Company with effective from 26th July, 2017, subject to the approval of the shareholders. Ms. Ambika Chowdhary, 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 Ms. Ambika Chowdhary for the office of Independent Director. The Board recommends her re-appointment as an Independent Director of the Company.

The Board has appointed Mr. Bikram Bhattacharya (DIN: 03595530), as an Additional Director, will hold office till the ensuing AGM and is eligible for appointment.

In the same meeting, The Board appointed Mr. Bikram Bhattacharya (DIN: 03595530) as Whole Time Director of the Company with effect from August 10th, 2017, subject to the approval of the shareholders for the period of five years.

The Board has appointed Mr. Debasish Basu as a Chief Financial Officer (CFO) of the Company with effect from August 10, 2017

Mr. Bikram Bhattacharya has ceased to be a Chief Financial Officer (CFO) of the Company with effect from August 10, 2017.

Particulars of Directors resigned/ceases from the Board -

- Mr. Tanveer Gill with effect from 6th June, 2017.

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, 5(Five) Audit Committee Meetings, 4(Four) Stakeholders Relationship Committee

and 1 (One) Nomination Remuneration 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 2016-2017, no complaints were received by the Company related to sexual harassment.

STATUTORY AUDITORS

Pursuant to the provisions of Section 139 of the Companies Act, 2013, the tenure of current Auditors M/s. N. Kumar Chhabra & Co. Chartered Accountants, shall come to an end at the conclusion of forthcoming AGM. Accordingly, M/s. Annu & Associates, Chartered Accountants (Firm Registration No.019624N) have been recommended by the Audit Committee and by the Board to be appointed as Statutory Auditors of the Company for a term of five consecutive years, to hold office from the conclusion of the ensuing 28th Annual General Meeting until the conclusion 33rd Annual General Meeting of the Company to be held in the year 2022 subject to Annual ratification by members at every Annual General Meeting, on such remuneration as may be recommended by the Audit Committee of the Board and decided by the Board of Directors of the Company. They being eligible have consented and offered themselves for appointment as statutory Auditors for conducting audit of accounts for five consecutive Financial year starting from 2017-18.

The Company has received a certificate from M/s. Annu & Associates, Chartered Accountants, and Statutory Auditors to the effect that their 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 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 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 life of assets in view of changes in the laws and has made best judgment assessment for all the circumstances and ensure to comply the provisions of Schedule II of the Companies Act, 2013.
- **Regarding outstanding export receivable-** The Company has extended credit from time to time as per the market practice for export receivables and regular follow up is being done to recover the same and the management is confident to recover the same in the FY 2017-18. Hence, no estimate /provision made by management. However, the Company is in process of filing the necessary suit for Recovery of the due.
- **Regarding consolidation of the financial statement of the Foreign Wholly Owned Subsidiary & Associate Companies-** Alchemist Enterprises (S) Pte. Limited is a Subsidiary Company and the company is under process of closure, So the Financial Statements of the Company has not been furnished. Alchemist Medisphere Limited, Alchemist Foods Limited are still under compilation.

SECRETARIAL AUDITORS

The Board has appointed Puneet Sharma, Practicing Company Secretaries to conduct Secretarial Audit for the financial year 2016-17. The Secretarial Audit Report for the financial year ended 31st March, 2017 is annexed herewith marked as **Annexure- III** to this Report.

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 2016-17.

The Board of Directors at its meeting held on 24th May, 2017, 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, 2018. A proposal for ratification of remuneration of the Cost Auditors for Financial Year 2017-18 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-VII**.

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-VIII**.

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.

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, 2017
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, 2017.

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, 2017
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** : ₹ (361.601) Lacs
 4. **Prescribed CSR Expenditure (2% of the amount as in item 3 above)** : ₹ Lacs
 5. **Details of CSR spend for the financial year :**
 a) Total amount spent for the financial year : ₹ Nil
 b) Amount unspent if any : ₹ Lacs
 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 ₹ (3632.70) Lacs in the current financial year, the management of the Company decided not to spend on CSR activities and will do so in the later years as per the CSR policy of the Company.

FOR ALCHEMIST LIMITED

Date: 10th August, 2017
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, 2017

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

To,
The Members,
Alchemist Limited
CIN L72200DL1988PLC192643
23, Nehru Place
New Delhi-110019, India

I have conducted the Secretarial Audit in respect of the compliance of applicable statutory provisions and the adherence to good corporate practices by '**ALCHEMIST LIMITED**' (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my 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.

Opinion

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has during the audit period for the financial year ended on March 31, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2017 according to the provisions of: -

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under 'the Securities and Exchange Board of India Act, 1992' (SEBI Act):-
 - (a) 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 (Listing Obligations And Disclosure Requirements) Regulations, 2015;
 - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **Not Applicable**
 - (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **Not Applicable**
 - (f) The Securities and Exchange Board of India (Issue and Listing of Debt securities) Regulations, 2008- **Not Applicable**
 - (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (h) The Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009- **Not Applicable**
 - (i) The Securities and Exchange Board of India (Buy back of securities) Regulations, 1998- **Not Applicable**
- (vi) The Company has identified following laws specifically applicable on the Company: -
 - 1. Drugs and Cosmetics Act, 1940.

We have also examined compliance with the applicable provisions of the following: -

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

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

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

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

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

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

I further report that during the audit period the Company has no specific events/ actions, having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, standards & guidelines, etc.

**FOR PUNEET SHARMA
PRACTICING COMPANY SECRETARIES**

SD/-

**CS PUNEET SHARMA
M.NO. 37426
C. P. NO. 14912**

**PLACE : NEW DELHI
DATE : 10.08.2017**

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

To
The Members,
ALCHEMIST LIMITED
CIN L72200DL1988PLC192643
23, Nehru Place, New Delhi – 110019, India

My report of even date is to be read along with this letter.

1. Maintenance 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 my 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. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc. Further, my verification to the compliance of the laws applicable specifically to the Company is limited to test check on random basis without going into the detailed technical scrutiny.
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 procedures on test basis.

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 PUNEET SHARMA
PRACTICING COMPANY SECRETARIES

SD/-
CS PUNEET SHARMA
M.NO. 37426
C. P. NO. 14912

PLACE : NEW DELHI
DATE : 10.08.2017

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"> <thead> <tr> <th>Name of Directors</th> <th>Ratio to Median Remuneration</th> </tr> </thead> <tbody> <tr> <td>Mr. Pavan Kumar Verma</td> <td>16.61</td> </tr> <tr> <td>Mrs. Maria Fernandes</td> <td>0.22</td> </tr> <tr> <td>Mr. Vinay Kumar Mittal</td> <td>Nil</td> </tr> <tr> <td>Mr. Tanveer Gill*</td> <td>0.22</td> </tr> </tbody> </table> <p>Hence, remuneration has been considered till that date during the financial year 2016-17. * Mr. Tanveer Gill has ceased to be a Director with effect from June 06, 2017.</p>	Name of Directors	Ratio to Median Remuneration	Mr. Pavan Kumar Verma	16.61	Mrs. Maria Fernandes	0.22	Mr. Vinay Kumar Mittal	Nil	Mr. Tanveer Gill*	0.22						
Name of Directors	Ratio to Median Remuneration																	
Mr. Pavan Kumar Verma	16.61																	
Mrs. Maria Fernandes	0.22																	
Mr. Vinay Kumar Mittal	Nil																	
Mr. Tanveer Gill*	0.22																	
(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"> <thead> <tr> <th>Name of Directors / KMP</th> <th>Percentage increase in Remuneration</th> </tr> </thead> <tbody> <tr> <td>Mr. Pavan Kumar Verma</td> <td>(4.31)</td> </tr> <tr> <td>Mrs. Maria Fernandes</td> <td>100</td> </tr> <tr> <td>Mr. Vinay Kumar Mittal</td> <td>Nil</td> </tr> <tr> <td>Mr. Tanveer Gill*</td> <td>100</td> </tr> <tr> <td>Mr. Bikram Bhattacharya</td> <td>(11.10)</td> </tr> <tr> <td>Mr. Vimal Kumar Sharma **</td> <td>(60.19)</td> </tr> <tr> <td>Mr. Vinay Singh***</td> <td>100</td> </tr> </tbody> </table> <p>Hence, remuneration has been considered till that date during the financial year 2016-17. *Mr. Tanveer Gill has ceased to be a Director with effect from June 06, 2017. **Mr. Vimal Kumar Sharma had resigned w.e.f. 13th June, 2017. ***Mr. Vinay Singh appointed w.e.f. 18th July, 2016</p>	Name of Directors / KMP	Percentage increase in Remuneration	Mr. Pavan Kumar Verma	(4.31)	Mrs. Maria Fernandes	100	Mr. Vinay Kumar Mittal	Nil	Mr. Tanveer Gill*	100	Mr. Bikram Bhattacharya	(11.10)	Mr. Vimal Kumar Sharma **	(60.19)	Mr. Vinay Singh***	100
Name of Directors / KMP	Percentage increase in Remuneration																	
Mr. Pavan Kumar Verma	(4.31)																	
Mrs. Maria Fernandes	100																	
Mr. Vinay Kumar Mittal	Nil																	
Mr. Tanveer Gill*	100																	
Mr. Bikram Bhattacharya	(11.10)																	
Mr. Vimal Kumar Sharma **	(60.19)																	
Mr. Vinay Singh***	100																	
(iii)	the percentage increase in the median remuneration of employees in the financial year	5.05																
(iv)	the number of permanent employees on the rolls of company	373																
(v)	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;	Nil																
(vi)	Affirmation that the remuneration is as per the remuneration policy of the company.	Yes, the remuneration is as per remuneration policy of the company.																
(vii)	List of employees who are in receipt of remuneration aggregating not less than Rs. 1 Crores 2 Lacs per annum and employed throughout the financial year or 8 Lacs 50 Thousand only per month (if any)	There were no such employees.																

For and on behalf of the Board of Directors

ALCHEMIST LIMITED

Sd/-

Pavan Kumar Verma
(Whole Time Director)

DIN-00213365

Date : 10th August, 2017

Place : New Delhi

Annexure V**FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN****As on financial year ended on 31.03.2017****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 Infrastructures Private Limited 23, Nehru Place, New Delhi-110019	U74999DL2011PTC221158	Subsidiary	100.00	Section 2(87) (ii)
2.	Alchemist Hospitality Group Limited Village Dapparambla, Chandigarh Road, Dist- Patiala-Punjab	U55101PB2005PLC028503	Subsidiary	74.88	Section 2(87) (ii)
3.	Alchemist Healthcare Limited, 23, Nehru Place, New Delhi- 110019 *	U74999DL2016PLC290389	Subsidiary	51	Section 2(87) (ii)
4.	Alchemist Enterprise(S) Pte. Ltd, Singapore	NA	Subsidiary	100	Section 2(87) (ii)
5.	Alchemist Foods Limited Plot No. F5, Rajiv Gandhi IT Park, Chandigarh-160101	U15400CH2008PLC031186	Associate	25	Section 2(6)

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	11.824	1381532	221780	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	Nil	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	0.0369	5000	Nil	5000	0.0369	Nil
b) Banks / FI	200000	Nil	200000	1.4749	200000	Nil	200000	1.4749	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	2.2794	309076	Nil	309076	2.2794	Nil
g) FIs	2424165	Nil	2424165	17.876	2331165	Nil	2331165	17.197	(0.679)
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	21.668	2845241	Nil	2845241	20.982	(0.686)
2. Non-Institutions									
a) Bodies Corp.	2368184	8800	2376984	17.529	2121353	8800	2130153	15.709	(1.82)
b) Individuals									
i) Individual shareholders holding nominal share capital up to ₹ 2 lakh	1975246	324459	2299705	16.959	2100010	320759	2420769	17.852	0.893
ii) Individual shareholders holding nominal share capital in excess of ₹ 2 lakh	804551	Nil	804551	5.933	855660	Nil	855660	6.31	0.377
c) Others -									
(i) Clearing Members	57638	Nil	57638	0.425	218180	Nil	218180	1.609	1.184
(ii) HUF	50890	Nil	50890	0.375	56711	Nil	56711	0.418	0.043

ALCHEMIST LIMITED

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	78538	207200	285738	2.10	82033	205200	287233	2.11	0.01
OCBs	2200	Nil	2200	0.016	2200	Nil	2200	0.016	Nil
Foreign Nationals	2000	Nil	2000	0.02	2000	Nil	2000	0.02	Nil
Trusts	200	Nil	200	0.0015	Nil	Nil	Nil	Nil	Nil
Foreign Bodies – D R	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (B)(2):-	5339447	540459	5879906	43.36	5438147	534759	5972906	44.04	1.06
Total Public Shareholding (B)= (B)(1)+ (B)(2)	8277688	540459	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)	12777561	782239	13559800	100	12783261	776539	13559800	100	Nil

(ii) 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	SukhvinderKaur	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	Ishar Kaur	200	0.00	Nil	200	0.00	Nil	Nil
	Total	4741653	34.97	Nil	4741653	34.97	Nil	Nil

(iii) 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		

ALCHEMIST LIMITED

(iv) 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		
	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)			670000	4.94
(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

ALCHEMIST LIMITED

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) NetedgeTechnosoft 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):			Nil	Nil
	At the End of the year (or on the date of separation, if separated during the year)			365530	2.7
(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)			339000	2.5
(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):			(255287)	(1.88)
	At the End of the year (or on the date of separation, if separated during the year)			Nil	Nil
(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

ALCHEMIST LIMITED

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Shareholding of each Directors and each Key Managerial Personnel Name of the Director/KMP	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
1.	Mr. Pavan Kumar Verma	Nil	Nil	Nil	Nil
2.	Ms. Maria Fernandes	Nil	Nil	Nil	Nil
3.	Mr. Vinay Kumar Mittal	Nil	Nil	Nil	Nil
4.	Mr. Tanveer Gill	Nil	Nil	Nil	Nil
5.	Mr. Bikram Bhattacharya	Nil	Nil	Nil	Nil
6.	Mr. Vimal Kumar Sharma**	Nil	Nil	Nil	Nil
7.	Mr. Vinay Singh**	Nil	Nil	Nil	Nil

Notes:

** Mr. Vimal Kumar Sharma (Compliance Officer & Company Secretary) resigned w.e.f. 13th June, 2016.

** Mr. Vinay Singh (Compliance Officer & Company Secretary) appointed w.e.f. 18th July, 2016.

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-2016-17)				
i) Principal Amount	594.27	71310.70	Nil	71907.97
ii) Interest due but not paid	48.74	Nil	Nil	48.74
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	643.01	71310.70	Nil	71956.71
Change in Indebtedness during the financial year				
* Addition	Nil	1562.23	Nil	1525.79
* Reduction	(33.44)	Nil	Nil	Nil
Net Change	(33.44)	1562.23	Nil	1595.67
Indebtedness at the end of the financial year (FY-2016-17)				
i) Principal Amount	601.29	72872.93	Nil	73474.22
ii) Interest due but not paid	8.28	Nil	Nil	8.28
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	609.57	72872.93	Nil	73482.50

ALCHEMIST LIMITED

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ In Lacs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		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	32.20		32.20
	(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)	32.20		32.20
	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. Vinay Kumar Mittal	Ms. Maria Fernandes	Mr. Tanveer Gill	
1		Independent Directors			
	Fee for attending board committee meetings	Nil	0.45	0.45	0.9
	Commission	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil
	Total (1)	Nil	0.45	0.45	0.9
2		Other Non-Executive Directors			
	Fee for attending board committee meetings	Nil	Nil	Nil	Nil
	Commission	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil	Nil
	Total (B)=(1+2)	Nil	0.45	0.45	0.9
	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. Tanveer Gill has resigned w.e.f. 06.06.2017.

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

(₹ in Lacs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		Mr. Bikram Bhattacharya (CFO)*	Mr. Vimal Kumar Sharma(CS)*	Mr. Vinay Singh (CS) *	Total
1	Gross salary				
	a) Salary inclusive of perquisites as per provisions contained in section 17 of the Income-tax Act, 1961	26.13	2.03	2	30.16
	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	26.13	2.03	2	30.16

Notes:

 *Mr. Vimal Kumar Sharma had resigned w.e.f. 13th June, 2017.

 *Mr. Vinay Singh appointed w.e.f. 18th July, 2016

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					

 For and on behalf of the Board of Directors
ALCHEMIST LIMITED

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

 Date : 10th August, 2017

Place : New Delhi

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 Healthcare Limited	Alchemist Infrastructures Private Limited	Alchemist Hospitality Group Limited
1	Financial Year Ending	31 st March 2017	31 st March 2017	31 st March 2017
2	Currency & Exchange rate on the last day offinancial year	INR	INR	INR
3	Share Capital	5	1	5
4	Reserves & Surplus	(0.19)	1.87	(5.12)
5	Total Assets	4.98	4.46	0.96
6	Total Liabilities	4.98	4.46	0.96
7	Investments	Nil	Nil	Nil
8	Turnover	Nil	Nil	Nil
9	Profit before Taxation	(0.19)	(0.28)	(0.17)
10	Provision for Taxation	Nil	Nil	Nil
11	Profit after Taxation	(0.19)	(0.28)	(0.17)
12	Proposed Dividend	Nil	Nil	Nil
13	% of Shareholding	51%	100%	75%

Date: 24-05-2017
Place: New Delhi

Sd/-
Bikram Bhattacharya
(Chief Financial Officer)

Sd/-
Pavan Kumar Verma
(Whole Time Director)

Sd/-
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 Rs. 50,000 crore (US \$10 Billion) with revenues of at least Rs. 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****Indian Pharmaceutical Industry: An overview****Current Market Trends And Scope**

The Indian pharma industry is on a good growth path and is likely to be in the top 10 global markets in value term by 2020, according to the PwC – CII report titled "India PharmaInc: Gearing up for the next level of growth".

High burden of disease, good economic growth leading to higher disposable incomes, improvements in healthcare infrastructure and improved healthcare financing are driving growth in the domestic market, the report highlighted. The Indian pharma industry has been growing at a compounded annual growth rate (CAGR) of more than 15% over the last five years and has significant growth opportunities. However, for the industry to sustain this robust growth rate till 2020, companies will have to rethink their business strategy. They will have to adopt new business models and think of innovative ideas to service their evolving customers faster and better.

Pharma companies will continue to grow both organically and inorganically through alliances and partnerships. They will continue to focus on improving operational efficiency and productivity. Developments in the health insurance, medical technology and mobile telephony can further help the growth of the pharma industry by removing financial and physical barriers to healthcare access in India.

The Road Ahead: Indian Pharma: It's a Rise in Both Domestic and International Markets

India is seeing great opportunities in a variety of areas, and strong growth is seen not only in exports to developed markets, but also strong development domestically. Our Pharma companies are on par with US and European standards. Domestically also, more and more Indian people now have health insurance, and consumer spending is increasing as areas start urbanizing rapidly, so the experience is high levels of demand across the country, helping drive domestic sales".

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:Impacting the Bottom of the Pyramid Alchemist has innovated First in the World Concept, creating the concept of, "Singing Patients". At Alchemist we want poor patients suffering from ailments like Iron Deficiency, Calcium Deficiency and Weak immunity shouldn't go in sadness that they cannot afford treatment rather should know that treatment costs on account of medicines is borne by an organization called as Alchemist, pledging 50% support to all poor patients on first purchase. So patient phase should change from sadness to singing. Hence the concept of Singing Patients. So that's the marketing strategy to serve the bottom of the pyramid...the masses. Which is most devoid of basic healthcare needs and this is where masses and business exists.

Alchemist Marketing Strategy hence 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. We are continuously striving for healthcare needs at the bottom of pyramid

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:At Alchemist our product portfolio is the best in the industry. We have carved a niche of innovative products which virtually stand out in the competition and occupy mind space of medical fraternity. 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). The current product portfolio of 200 SKUs in Ethical and Generics is the back bone of our business which reaches to the deepest corners of the country,

Pharma division broad outlook:The pharma division believes we exist for society and hence we continue to serve our society through programmes like Quit India to ensure Healthy India. The programmes involve the joint efforts of medical fraternity, Alchemist and Patients to ensure India is free of Anemia, Calcium Deficiency and Weak Immunity. Alchemist supports 50% free therapy to all poor patients on First Purchase .The division has been able to create a strong space in the minds of doctors through niche brands. The Alchemist Pharma wing is known for its brands and possible outcomes in the most dreaded diseases like Dengue, Chikungunya, Cancer, AIDS, Hepatitis, Acid Peptic Disorders, Gastric Ulcers etc

Quit Anemia, Quit Calcium Deficiency and Quit Weak Immunity: Alchemist Pharma Initiative

India moves ahead for the under-privileged class and has taken many steps. Alchemist too believes that a journey of a thousand miles begins with a single step and initiated its most popular programme Quit India movement which once signalled an end of 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" is a possible treatment for 108 Diseases including the

most dreaded viral diseases including Dengue, Chikungunya, Hepatitis, AIDS. Today when the world struggles to combat these diseases, Alchemist is the one which has defined a global strategy to fight them with the brand IGTG FORTE which is acknowledged as world's most potent Anti-Viral. Alchemist is proud to make in India IGTG FORTE, the world's most potent Anti-Viral.

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 which hence may reduce the chances of platelet infusion which is the only option in case platelets fall to abnormally low levels. IGTG FORTE is being used to treat Idiopathic Infertility, not only the treatment with the brand is economical but the success rates are being compared to presently used IVF therapy. The difference in cost is 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 market capitalization of over of 30 Crores in the next 3 years i.e. by 2020.

Gasease: If any organization has to become a house-hold name, it must have something in portfolio to treat Gas because that's where every third individual in a family is suffering. Alchemist is proud to have such a product called as Gasease. 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. With Gasease which contains an enzyme alpha galactosidase to break the complex linkages in our food and breaks it into simpler units so that it gets digested without fermentation happening thus eliminating the cause of Gas.

VALCAL-M: Valcal-M is another unique product which is marketed by Alchemist and is the best calcium available. Milk is been always considered as very important source of Calcium. So at Alchemist we have extracted the Best Calcium available i.e. from Milk. This is the calcium that is vegetarian source unlike other supplements. Also 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. It is also a part of QUIT INDIA revolution started by Alchemist.

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.

What Alchemist Endeavors to Achieve by 2020:

With giant leaps, Alchemist is stepping head to be a leading pharma player in domestic market both in generic and ethical business through strategic associations and increasing the product length and breadth and ensuring it reaches to the remotest corners of the country. We endeavor to reach a market capitalization of over 100 Crores by 2020.

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.

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

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

Initially it was established to service the Group's own expanding needs, now its Services & solutions are 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

Alchemist Infosystems 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

PRODUCT PORTFOLIO

ARGUS –ERP SYSTEM FOR POULTRY INDUSTRY

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. Chain of multi cuisine restaurants and fine dine in restaurants are the target market. Development work is completed and Product Ready for market launch.

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. Poultry industry is the target market for this. Development work is completed however Final product Testing is pending and 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 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. Chain of take away and fine dine in restaurants are the target market. Development work is completed for Android. The same is under development for iPhone and Windows OS. Android App is ready for market launch.

AHRIS: HUMAN RESOURCE INFORMATION SYSTEM

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 the entire statutory requirement like managing the TDS, PF, ESI, Pension accounts etc. Target market for this system is Individual Companies & Conglomerates in India connecting multigeographies. Development work is in the final stage and expected to be completed within 3-4 Months.

ALFA: MOBILE INTRANET

"Alfa" basically an 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. Global Markets, Contemporary organizations are the target market and this would be alternate to Email communication. This is under development with approximately 60-70% of the work is already completed and expected to be completed 4-5 Months.

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 enables 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 endeavor 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 2016-2017, 6 (Six) Board Meetings were held viz (i) 18th April, 2016 (ii) 10th May, 2016 (iii) 10th August, 2016 (iv) 11th November, 2016 (v) 10th February, 2017 and (vi) 30th March, 2017.

The Composition of the Board of Directors as on March 31, 2017 with their attendance at the Board Meetings held during the year 2016-17 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
Mr. Pavan Kumar Verma	Whole Time Director	Executive	Non Independent	6	Yes	10
Ms. Maria Fernandes	Director	Non-Executive	Independent	5	Yes	14
Mr. Vinay Kumar Mittal	Director	Non-Executive	Non Independent	6	Yes	17
Mr. Tanveer Gill*	Director	Non-Executive	Independent	6	Yes	3
Ms. AmbikaChowdhary**	Director	Non-Executive	Independent	0	No	5
Mr. Bikram Bhattachrya***	Whole Time Director	Executive	Non Independent	0	No	19

Notes:

*Mr. Tanveer Gill resigned from the Company w.e.f. 06.06.2017.

**Ms. Ambika Chowdhary has been appointed in the Company as an Independent Director w.e.f. 26.07.2017.

***Mr. Bikram Bhattachrya has been appointed as Whole Time Director w.e.f. 10.08.2017.

(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. Pavan Kumar Verma, aged 73 years and is Double MBA from XLRI Jamshedpur. He is having more than 41 years of exemplary Entrepreneurial and Managerial experience in Alchemist Management team particularly in the field of HR Management. He was a winner of Winsom Trophy by Indian Institute of Material Management for being best Chief Executive, Best HR Manager of the year by Top Rankers & Bim Tech Institute of Management, Founder Chairman of NIPM Chandigarh, Past Chairman, Chandigarh management Association. Mr. Verma holds Directorship in The Metal Corporation Of India Limited, Alchemist Foods Limited, Pashok Plantation Estates Private Limited, Alchemist Tea Estates Private Limited, Dooteriah Tea Estates Private Limited, Agri King Tractors & Equipments Private Limited, Bharat Reinforcement Company Private Limited, Alchemist Hospitals Limited.

Mr. Pavan Kumar Verma is Chairman in zero Committees and Member in 4 Committees (including this entity).

(ii) Ms. Ambika Chowdhary, 41 year and is a graduate of B.Com(H) from Shimla University. She has also done Masters in Toursim from the Shimla University and B.ed from Kurukshetra University and having 12-13 years of rich experiences in the field of management and corporate affairs. In the opinion of the Board, Ms. Chowdhary fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for her appointment as an Independent Director of the Company and is independent of the management. She also holds Directorship in Alchemist Realty Limited, Alchemist Media Limited, Alchemist Life Science Limited, Alchemist Hospitals Limited.

Ms. Ambika Chowdhary is Chairman in zero Committees and Member in 5 Committees (including this entity).

(iii) Mr. Bikram Bhattacharya, 64 years old, is a Calcutta University graduate in Commerce of 1972 and an FCA under Institute of Chartered Accountants of India (qualified CA in November, 1977), Mr. Bhattacharya has upgraded & maintained internal control procedure & financial diligence & compliance commensurate with the growth of the large group he has been working with. He has been associated with Alchemist Limited since 2006 December, joining as GVP-Internal Audit and thereafter uplifted as President Internal Audit and subsequently positioned as Group Director Finance & Accounts in 2015. He has a vast experience of over 35 years in Internal Audit mostly and in Finance & Accounts in a few large conglomerates like Dunlop, Shaw Wallace, Bajaj Hindustan, etc.

Mr. Bikram Bhattacharya is Chairman in zero Committees and Member in zero Committees (including this entity).

(c) Separate Meeting of Independent Directors

(i) 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 31, 2017, 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) Chairperson (iii) Member
Mr. Vinay Kumar Mittal	Alchemist Limited	(i) Nomination and Remuneration Committee (ii) CSR Committee (iii) Stakeholders Relationship Committee	(i) Member (ii) Member (iii) Chairperson
Ms. Maria Fernandes	Alchemist Limited	(i) Audit Committee (ii) Nomination and Remuneration Committee (iii) CSR Committee	(i) Chairperson (ii) Chairperson (iii) Member
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			
Mr. Pavan Kumar Verma	32.20	Nil	32.20
Non-Executive Directors			
Ms. Maria Fernandes	Nil	0.45	0.45
Mr. Vinay Kumar Mittal	Nil	Nil	Nil
Mr. Tanveer Gill	Nil	0.45	0.45
Total	32.20	0.9	33.1

(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 31, 2017.

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 5 (Five) times during the year on 18th April, 2016, 10th May, 2016, 10th August, 2016, 11th November, 2016 and 10th February, 2017 was attended by members as under:

Name of members and Position	No. of meetings held	No. of meetings attended
Mr. Pavan Kumar Verma(Member)	5	5
Ms. Maria Fernandes(Chairperson)	5	4
Mr. Tanveer Gill(Member)	5	5

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 utilization 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 One (1) time and was attended by members as under:

Name of members and Position	No. of meetings held	No. of meetings attended
Ms. Maria Fernandes(Chairperson)	1	0
Mr. Vinay Kumar Mittal (Member)	1	1
Mr. Tanveer Gill(Member)	1	1

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), Ms. Maria Fernandes (Member) and Mr. Vinay Kumar Mittal (Members).

7. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee consists of two Directors viz. Mr. Vinay Kumar Mittal (Chairperson) & 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 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 4 (Four) times during the year viz. 10th May, 2016, 10th August, 2016, 11th November, 2016 and 10th February, 2017 and was attended by members as under:

Name of Members	No. of meetings held	No. of meetings attended
Mr. Vinay Kumar Mittal (Chairman)	4	4
Mr. Pavan Kumar Verma (Member)	4	4

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 2016-17

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	01	01	Nil
Non Receipt of Annual Report	Nil	05	05	Nil
Non Receipt of Share Certificate	Nil	Nil	Nil	Nil
SEBI	Nil	13	13	Nil
Total	Nil	19	19	Nil

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

8. SUBSIDIARY COMPANY

As on 31st March, 2017, the Company is having 'Alchemist Infrastructures Private Limited' and 'Alchemist Hospitality Group Limited' and 'Alchemist Healthcare Limited' 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.

Mr. Pavan Kumar Verma, Whole Time 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' and 'Alchemist Healthcare 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
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
2015-16	Paharpur Business Centre, Nehru Place Greens, New Delhi	Annual General Meeting	14-09-2016	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 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, 2017 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 24th May, 2017.

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 Regulation 33 of SEBI (LODR) Regulations, 2015.
(iii)	Publications in Newspapers	English- The Financial Express, Vernacular- Hari Bhoomi (Hindi)
(iv)	Website where displayed?	Website of BSE & NSE as well as website of the Company

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(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:	14 th September, 2017 at 10:00 A.M. at Paharpur Business Centre, Nehru Place Greens, New Delhi-110065
ii)	Financial Calendar (1 st April, 2017 to 31 st March, 2018) (Tentative): Quarterly Results: Quarter ended 30 th June, 2017 Quarter ended 30 th September, 2017 Quarter ended 31 st December, 2017 Quarter/Year ended 31 st March, 2018	On or before 14 th August, 2017 On or before 14 th November, 2017 On or before 14 th February, 2018 On or before 30 th May, 2018
iii)	Date of Book Closure	Monday 11 th September, 2017 to Thursday 14 th September, 2017
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. C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai-400083 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 dematerialized 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
xii)	Dematerialization of Shares and Liquidity	Shares held in Demat Form as on 31.03.2017:- With NSDL : 10599661 (78.16%) With CDSL : 2183600 (16.10%) Physical : 776539 (5.74%) 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.

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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 C-29, Village Chanalon, Near Kurali, District: Mohali, Punjab Floriculture Unit - Dappar, Ambala Chandigarh Highway, District Mohali, Punjab - Village Kanogata, Rajgarh, District Sirmour, (Himachal Pradesh)
xv)	Company Secretary & Compliance Officer	Mr. 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, 2017 are as follows:-

Month	BSE			NSE		
	High (₹)	Low (₹)	Monthly Vol. (Qty.)	High (₹)	Low (₹)	Monthly Vol. (Qty.)
April, 2016	32.35	19.70	417254	32.35	19.70	812792
May, 2016	25.75	20.70	73136	25.85	20.65	156266
June, 2016	24.25	20.15	36718	24.60	20.40	154267
July, 2016	30.95	23.45	205883	30.40	23.40	756667
August, 2016	26.50	22.75	59426	26.50	22.30	196037
September, 2016	31.30	22.75	104764	31.50	23.20	655237
October, 2016	30.45	26.00	146441	30.25	24.70	386081
November, 2016	26.45	19.15	30320	26.75	20.60	148876
December, 2016	27.80	21.60	31072	27.70	21.55	255959
January, 2017	25.00	21.50	25668	25.00	21.35	210447
February, 2017	23.00	21.00	36472	24.00	21.00	233933
March, 2017	30.70	20.35	1167292	30.50	20.25	4250854

TABLE-II**Distribution of Shareholding as on 31st March, 2017:**

No. of Equity Shares	Number of shareholders	% of shareholders	No. of Shares held	% of shareholding
1-500	7270	87.0972	997950	7.3596
501-1000	502	6.0141	421111	3.1056
1001-2000	278	3.3305	450010	3.3187
2001-3000	105	1.2579	264086	1.9476
3001-4000	51	0.6110	187046	1.3794
4001-5000	41	0.4912	193640	1.4280
5001-10000	40	0.4792	294232	2.1699
10001 &*****	60	0.7188	10751725	79.2912
Grand Total	8347	100	13559800	100

TABLE-III**Category of Shareholders as on 31st March, 2017:**

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
Bodies Corporate	174	2.1	2130153	15.71
Indian Public	7763	93.01	3276429	24.16
NRI / OCBs / FIIs	204	2.44	2622598	19.34
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	101	1.21	56711	0.42
Others-Clearing Member	90	1.07	218180	1.61
TOTAL	8347	100.00	13559800	100.00

CHART-I

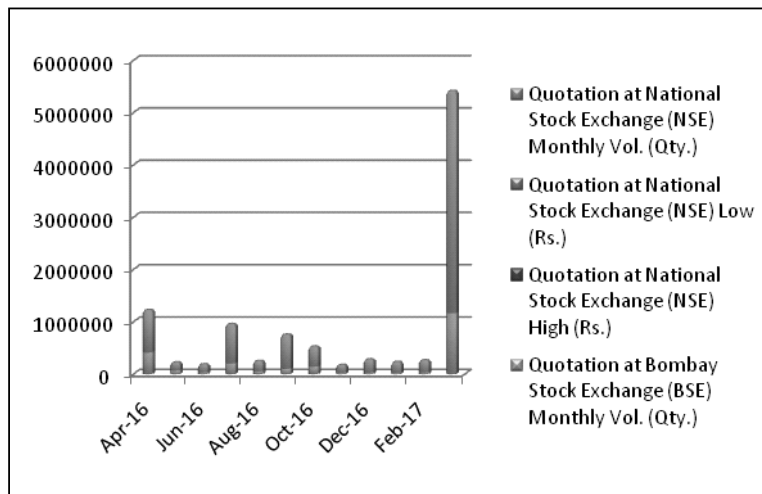


CHART-II

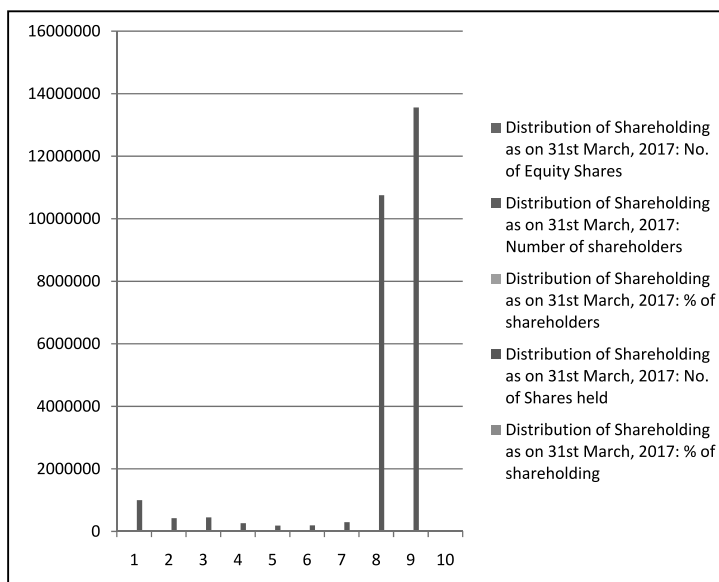


CHART-III

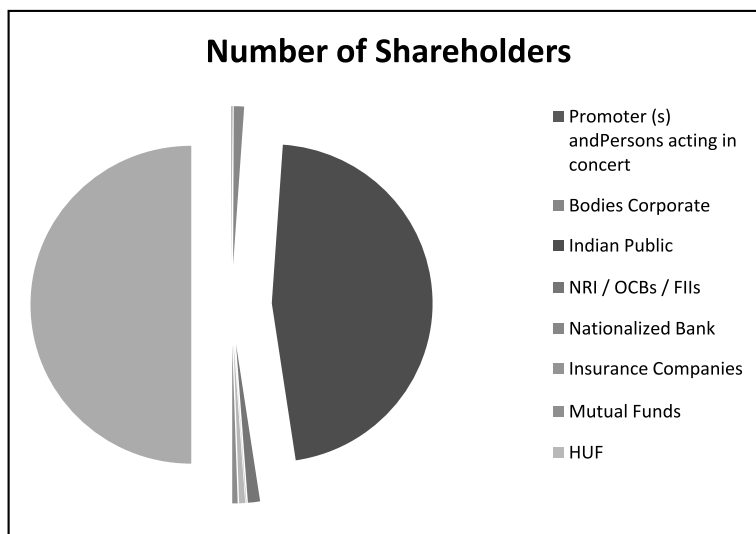
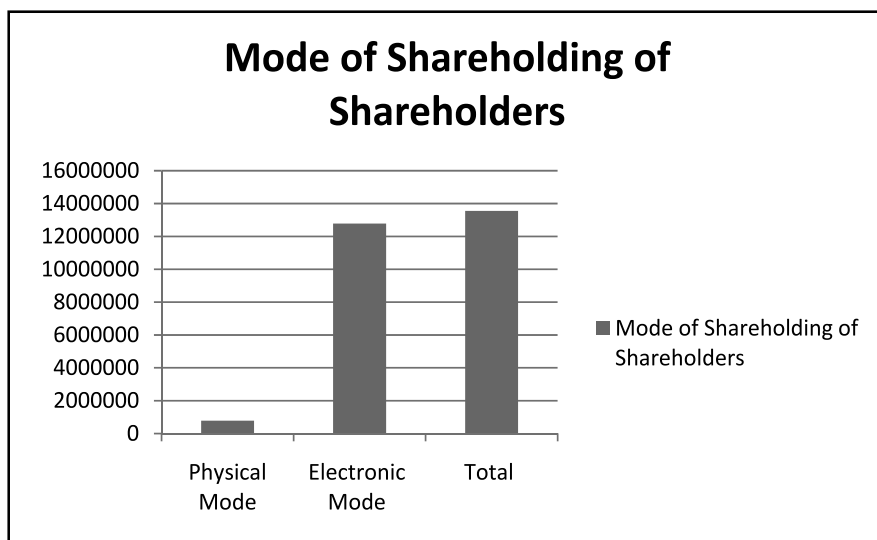


CHART-IV**14. NON MANDATORY REQUIREMENTS**

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 31st March, 2017, as per relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015, ("Listing Regulations") as referred to in Regulation 15(2) of the Listing Regulations, for the period 1st April, 2016 to 31st March, 2017.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of 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 Regulations, as applicable.

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

Date: 10th August, 2017
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, 2017, 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 there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and 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

- a. 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.***
- b. ***The Company has not made any provision on the export receivables amounting to Rs. 46296.06 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, 2017, 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 Rs. 803.79 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 Rs. 459.80 lacs”.
It is relevant to note that out of the total capital advances, advances amounting to Rs. 786.86 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. 34 to the standalone financial statements which states that “Exceptional items include loss on sale of shares to the tune of Rs. 6850.44 lacs, of a Subsidiary and an Associate Company. It also includes a loss of Rs. 344.51 lacs which pertains to loss on account of plant and machinery sold/discarded by the Company in respect of its Pharma division. Both these decisions have been taken consciously with a view to contain losses and monetise assets”.
- c. Attention is invited to note no. 42 to the standalone financial statements which states that “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”.
- d. Attention is invited to note no. 50 to the standalone financial statements which states that “Cash in hand includes cash amounting to Rs. 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 (1) (c) of the Act, we report that the Company has sold the shares of its subsidiary, Alchemist Foods Limited and its associate, Dooteriah and Kalaj Valley Tea Estates Private Limited at a price which was less than the price at which they were purchased by the Company.
3. 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, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 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.
- iv. The Company, as detailed in note no. 53 to the standalone financial statements, has made requisite disclosures in these standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on the audit procedures performed and taking into consideration the information and explanations given to us, in our opinion, these are in accordance with the books of account maintained 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: 24th May, 2017

Annexure- A to the Independent Auditors' 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 Rs. 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. 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 Rs. 701.86 lacs to 17 parties 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 defined, we are unable to comment on the overdue amount.**
- iv) **The Company has given loans/amount recoverable to/from four parties whose yearend outstanding balance is Rs.16.61 lacs, in contravention of provisions of Section 185 of the Companies Act, 2013.**
Further, the Company has given interest free loans/amount recoverable to/from 19 parties whose yearend outstanding balance is Rs. 760.64 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 there has been delays in deposit of 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, during the financial year.** According to the information and explanations given to us, **statutory dues amounting to Rs. 17.50 lacs were outstanding as on 31st March, 2017, 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, 2017 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, 2017 in repayment of principle and interest is as follows:**

Name of Bank - Type of Loan	Sanction Amount	Default amount as on 31/03/17	Default cleared Amount	Default cleared date	Default outstanding as on 24/05/17
Bank of India- Working Capital Limited	35000000	820236	820236	06-04-2017	0

- 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 para 3(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 para 3(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 para 3(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: 24th May, 2017

Annexure - B to the Independent Auditors' 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, 2017 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. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, 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. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

for **N. Kumar Chhabra & Co.**

Chartered Accountants

Firm's Registration Number: 000837N

CA. Ashish Chhabra

Partner

Membership Number: 507083

Place of Signature: New Delhi

Date: 24th May, 2017

ALCHEMIST LIMITED

BALANCE SHEET

Particulars	Note	(Amount in ₹)	
		As At 31 st March 2017	As At 31 st March 2016
<u>EQUITY AND LIABILITIES</u>			
1 Shareholders' Funds:			
Share Capital	2	13,87,69,800	13,87,84,000
Reserves & Surplus	3	-95,83,10,743	11,43,96,715
		-81,95,40,943	25,31,80,715
2 Non Current Liabilities			
Long term borrowings	4	7,34,74,23,272	7,19,04,97,842
Deferred Tax Liabilities (Net)	5	6,33,15,166	7,40,83,223
Other Long Term Liabilities	6	4,08,27,689	4,72,98,980
Long Term Provisions	7	1,09,55,426	1,32,59,124
		7,46,25,21,553	7,32,51,39,169
3 Current Liabilities			
Short-term borrowings	8	3,71,10,608	3,50,00,000
Trade payables	9	1,37,02,30,705	1,36,68,43,561
Other current liabilities	10	30,28,88,611	26,52,02,946
Short-term provisions	11	6,19,563	10,48,123
		1,71,08,49,487	1,66,80,94,630
		8,35,38,30,097	9,24,64,14,514
Total Equity and Liabilities			
		8,35,38,30,097	9,24,64,14,514
<u>ASSETS</u>			
1 Non Current Assets			
Fixed Assets	12		
(i) Tangible Assets		1,48,18,77,737	1,58,47,23,127
(ii) Intangible Assets		13,43,90,576	15,60,81,517
(iii) Capital work in Progress		0	1,81,09,245
		1,61,62,68,313	1,75,89,13,889
Non Current Investments	13	1,71,23,57,009	2,43,58,07,934
Long Term Loan & Advances	14	9,30,71,545	9,30,24,283
Other Non Current Assets	15	29,10,718	22,40,408
		3,42,46,07,586	4,28,99,86,514
2 Current Assets			
Inventories	16	5,93,61,143	6,66,93,999
Trade Receivables	17	4,70,00,31,400	4,79,35,11,609
Cash and Cash Equivalents	18	3,96,21,001	3,10,63,248
Short Term Loans and Advances	19	13,00,34,447	6,51,59,144
Other Current assets	20	1,74,520	0
		4,92,92,22,511	4,95,64,28,000
		8,35,38,30,097	9,24,64,14,514
Total Assets			
		8,35,38,30,097	9,24,64,14,514

Significant Accounting Policies & Notes to the financial statement

(1 to 53)

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

Sd/- CA. Ashish Chhabra Partner	Sd/- Vinay Singh Company Secretary	Sd/- Bikram Bhattacharya CFO	Sd/- Pavan Kumar Verma Whole Time Director DIN-00213365	Sd/- 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 : 24/05/2017

ALCHEMIST LIMITED**STATEMENT OF PROFIT AND LOSS**

Particulars	Note	(Amount in ₹)	
		For the year ended 31 st March 2017	For the year ended 31 st March 2016
INCOME			
Revenue from Operations	21	23,71,70,607	19,11,59,407
Other Income	22	2,96,97,405	21,38,18,072
		26,68,68,012	40,49,77,479
EXPENSES			
Cost of Material Consumed	23A	4,44,77,873	7,84,00,824
Purchase of Stock in Trade	23B	14,03,56,313	2,75,75,036
Change in Inventories of Finished Goods, Work in Progress and Scrap	23C	45,65,155	1,79,23,182
Employees Benefit Expenses	24	14,49,61,682	19,52,75,547
Finance Cost	25	2,30,28,582	2,76,44,329
Depreciation & Amortization Expenses	26	7,95,86,383	8,62,25,614
Other Expenses	27	19,31,61,523	13,20,16,319
		63,01,37,511	56,50,60,851
Profit/(Loss) Before Exceptional Items & Taxes		(36,32,69,499)	(16,00,83,372)
Exceptional Items		71,94,95,164	2,78,48,561
Profit/(Loss) before Tax		(1,08,27,64,663)	(18,79,31,933)
Tax Expenses:			
Current Tax		-	-
Deferred Tax Charge/ (Benefit)		(1,07,68,057)	2,09,17,109
Profit/ (Loss) after Tax		(1,07,19,96,606)	(20,88,49,042)
Net Profit/ (Loss) for the year		(1,07,19,96,606)	(20,88,49,042)
Earning Per Shares (Equity shares, Par value ₹ 10/- each)			
Basic & Diluted			
- Basic EPS	28	(79.06)	(15.40)
- Diluted EPS	28	(79.06)	(15.40)
Significant Accounting Policies & Notes to the financial statement	(1 to 53)		

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

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

Place : New Delhi
Date : 24/05/2017

ALCHEMIST LIMITED

CASH FLOW STATEMENTS FOR THE YEAR ENDED

Particulars	(Amount in ₹)	
	31 st March 2017	31 st March 2016
A) Cash Flow From Operating Activities		
Net Profit After Tax & Exceptional Items	(1082764663)	(187931933)
Adjustments for:		
Depreciation & Amortisation	79586383	86225614
Loss/ (Profit) on Sale of Shares	685043958	0
Loss/(Profit) on Sale of Assets	12986734	27848561
Interest Received	(1048511)	(1032030)
Operating profit before working capital changes	(306196099)	(74889788)
Adjustments for changes in Working Capital:		
Inventories	7332856	23187375
Trade Receivable	93480209	(240535697)
Short Term Loan & Advances	(64875303)	37278326
Other Non Current Assets	(670310)	(1886630)
Other Current Assets	(174520)	546568
Long Term Loan & Advances	(47262)	1303740713
Trade Payable	3387144	82772432
Other Current Liabilities	37685665	12579210
Short Term Provisions	(428560)	(1321713)
Long Term Provisions	(2303698)	(13860159)
Other Long Term Liabilities	(6471291)	7989248
Cash generated/(Used) from/in Operation	(239281170)	1135599885
Provision For Tax	0	0
Net Cash generated/(Used) from/in Operating Activities	(239281170)	1135599885
B) Cash Flow From Investing Activities		
Purchase of Fixed Assets and capital work in progress	(387897)	(813816)
Proceeds from Sale of Fixed Asset	50460353	1494077
(Purchase)/Sale of non current Investments	38406967	(1391476091)
Increase in value of Investment on account of Foreign Currency Translation reserve	(583052)	(415189)
Interest Received	1048511	1032030
Net Cash generated/(Used) from/in Investing Activities	88944882	(1390178989)
C) Cash Flow From Financing Activities		
Redemption of Preference Shares	(14200)	(384000)
Preference Shares Redemption Premium	(127800)	(4972000)
Long Term Borrowings	156925430	225076898
Short Term Borrowings	2110608	2811622
Net Cash generated/(Used) from/in Financing Activities	158894038	222532520
D) Net Increase /(Decrease) in Cash & Cash Equivalents (D=A+B+C)	8557751	(32046584)
E) Cash & Cash Equivalents at the beginning of the year	31063248	63109833
F) Cash & Cash Equivalents at the end of the year	39621001	31063248

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

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

Place : New Delhi
Date : 24/05/2017

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31ST, 2017
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.

(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) 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.

(xx) Rounding Off

Amounts have been rounded off to the nearest Rupee.

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31ST, 2017

(Amount in ₹)

	<u>As At 31st March 2017</u>	<u>As At 31st March 2016</u>
2 SHARE CAPITAL		
a) AUTHORISED		
Equity Shares - 3,00,00,000 of ₹ 10/- each (Previous year -3,00,00,000 of ₹ 10/- each)	30,00,00,000	30,00,00,000
Preference Shares - 50,00,000 of ₹ 100/- each (Previous year -50,00,000 of ₹ 100/- each)	50,00,00,000	50,00,00,000
b) ISSUED, SUBSCRIBED AND PAID-UP		
Equity Shares - 1,35,59,800 of ₹ 10/- each (Previous year 1,35,59,800 of ₹ 10/- each)	13,55,98,000	13,55,98,000
Redeemable Preference Shares 31718 of ₹ 100/- Each (Previous year 31,860 of ₹ 100/- Each)	31,71,800	31,86,000
Total	13,87,69,800	13,87,84,000

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 2017		As at 31 st March 2016	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	13559800	13,55,98,000	13559800	13,55,98,000
Shares Issued during the year	-	-		
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	13559800	13,55,98,000	13559800	13,55,98,000

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

Preference Shares	As at 31 st March 2017		As at 31 st March 2016	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	31860	31,86,000	35700	35,70,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year (Redemption)	142	14,200	3840	3,84,000
Shares outstanding at the end of the year	31718	31,71,800	31860	31,86,000

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

Name of Shareholder	As at 31 st March 2017		As at 31 st March 2016	
	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, 2017

	(Amount in ₹)	
3 RESERVES AND SURPLUS	As At 31st March 2017	As At 31st March 2016
<u>Capital Reserve</u>		
Capital Reserve	29,99,716	29,99,716
	29,99,716	29,99,716
<u>Capital Redemption Reserve</u>		
Balance Brought Forward	51,84,05,000	51,80,21,000
Add: Transfer from Statement of Profit & Loss	14,200	3,84,000
	51,84,19,200	51,84,05,000
<u>Preference Shares Redemption Reserve</u>		
Balance Brought Forward	18,38,373	20,59,947
Add: Transfer from Statement of Profit & Loss	1,19,606	47,50,426
Less: Utilized for the Redemption of Preference Shares	1,27,800	49,72,000
	18,30,179	18,38,373
<u>Surplus in Statement of Profit & Loss</u>		
Balance Brought Forward	(41,26,98,585)	-19,87,15,117
Add: Profit(Loss) for the Year	(1,07,19,96,606)	(20,88,49,042)
Less: Transfer to Capital Redemption Reserve	14,200	3,84,000
Less: Transfer to Preference Share Redemption Reserve	1,19,606	47,50,426
	(1,48,48,28,997)	(41,26,98,585)
<u>Foreign Currency Translation Reserve</u>		
Opening Balance	38,52,211	42,67,400
Current Year Recognition	(5,83,052)	-4,15,189
	32,69,159	38,52,211
Total	-95,83,10,743	11,43,96,715
4. LONG-TERM BORROWINGS		
<u>SECURED</u>		
Term Loans From Bank		
Punjab National Bank	7,28,44,190	9,62,35,394
Less : Current Maturities	(1,28,44,190)	(3,75,00,000)
	6,00,00,000	5,87,35,394
Vehicle Loans from Banks		
Vehicle loan	9,21,725	14,85,795
Less : Current Maturities	(7,91,800)	(7,93,370)
	1,29,925	6,92,425
	6,01,29,925	5,94,27,819
<u>UN-SECURED</u>		
Inter Corporate Deposits	7,28,72,93,347	7,13,10,70,023
	7,28,72,93,347	7,13,10,70,023
	7,28,72,93,347	7,13,10,70,023
Total	7,34,74,23,272	7,19,04,97,842

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31ST, 2017
Term Loans From Bank:

- **Punjab National Bank:** Secured Loan of ₹ 7,28,44,190/- (Rupees Seven Crore Twenty Eight lac Forty Four Thousand One Hundred Ninety Only) (Previous Year ₹ 9,62,35,394/- (Rupees Nine Crore Sixty Two Lac Thirty Five Thousand Three Hundred Ninety 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 ₹ 1.28 Crore (Rupees One Crore Twenty Eight Lac) (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 ₹ 9,21,725/- (Rupees Nine Lac Twenty One Thousand Seven Hundred Twenty Five Only) (Previous Year ₹ 14,85,795/- (Rupees Fourteen Lac Eighty Five Thousand Seven Hundred Ninety Five Only) are Secured against hypothecation of vehicles. Due within one year is ₹ 7,91,800/- (Rupees Seven Lac Ninety One Thousand Eight Hundred Eight Only) (Previous year ₹ 7,93,370/- (Rupees Seven Lac Ninety Three Thousand Three Hundred Seventy Only). Interest due but not paid has been reflected separately under Note 10, other current liabilities. 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 Alchemist Healthcare Limited (Subsidiary of Alchemist Limited), 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 ₹ 0.05 Crores, ₹ 43.38 Crores and ₹ 685.29 Crores. The terms of repayment with respect to loan from Alchemist Healthcare Limited and 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.

	As At	(Amount in ₹)
	31st March 2017	As At
	31st March 2017	31st March 2016
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	6,97,52,594	8,05,10,728
Gross deferred tax liability	6,97,52,594	8,05,10,728
<u>Deferred tax assets</u>		
Carrying amount of provisions for Gratuity, Bonus and Leave Encashment	64,37,428	64,27,505
Gross deferred tax assets	64,37,428	64,27,505
Deferred tax liabilities (Net)	6,33,15,166	7,40,83,223
6. OTHER LONG TERM LIABILITIES		
Security Received	4,08,27,689	4,72,98,980
Total	4,08,27,689	4,72,98,980
7. LONG TERM PROVISIONS		
<u>Provision for Employees Benefits</u>		
- Gratuity	1,09,55,426	1,32,59,124
Total	1,09,55,426	1,32,59,124

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31ST, 2017

	As At	As At
	31st March 2017	31st March 2016
(Amount in ₹)		
8. SHORT TERM BORROWINGS		
<u>SECURED</u>		
Bank of India (Cash Credit Limit)	3,50,00,000	3,50,00,000
<u>UNSECURED</u>		
Punjab National Bank (Overdraft in Current Account)	21,10,608	0
Total	<u>3,71,10,608</u>	<u>3,50,00,000</u>

Loan Repayable on demand from Banks
- Bank of India:

Working Capital facility of ₹ 3,50,00,000/- (Rupees Three Crore Fifty Lacs Only) (Previous Year ₹ 3,50,00,000/- (Rupees Three Crore Fifty Lacs 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. Interest due but not paid has been reflected separately under Note 10, other current liabilities.

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, 2017 in repayment of loans and interest:

Name of Bank - Type of Loan	Sanction Amount	Default amount as on 31/03/17	Default cleared Amount	Default cleared date	Default outstanding as on 24/05/17
BANK OF INDIA - CC LIMIT	35000000	8,20,236	8,20,236	4/6/2017	0

	As At	As At
	31st March 2017	31st March 2016
(Amount in ₹)		
9. TRADE PAYABLE		
Trade Payables	1,37,02,30,705	1,36,68,43,561
Total	<u>1,37,02,30,705</u>	<u>1,36,68,43,561</u>

10. OTHER CURRENT LIABILITIES
Current maturities of long-term borrowings *

Term Loan	1,28,44,190	37,500,000
Vehicle Loan	7,91,800	793,370
Interest Accrued and Due on Borrowings	8,28,349	4,873,726
Liabilities for Capital Goods	1,00,86,771	10,665,225
Expenses and Statutory Dues Payable	10,25,62,120	37,130,178
Advance received **	13,05,07,799	1,26,847,819
Unclaimed Dividend ***	29,07,519	3,740,367
Other Liabilities	4,23,60,063	43,652,261
Total	<u>30,28,88,611</u>	<u>2,65,202,946</u>

* Refer Note No. 4

** Refer Note No. 47

*** A sum of ₹ 29,07,519/- (Rupees Twenty nine lac seven thousand five hundred nineteen only) (Previous year ₹ 37,40,367/- (Rupees Thirty Seven Lac Forty Thousand Three Hundred Sixty Seven Only) is lying as unclaimed dividend in separate accounts with HDFC Bank and YES Bank, Chandigarh.

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31ST, 2017

(Amount in ₹)

	As At 31st March 2017	As At 31st March 2016
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11. SHORT TERM PROVISIONS
Provision for Employees

- Gratuity	6,19,563	10,48,123
Total	6,19,563	10,48,123

NOTE 12

(Amount in ₹)

PARTICULARS	GROSS BLOCK				DEPRECIATION & AMORTISATION				NET BLOCK	
	AS AT 1-Apr-16	SALE/ ADJUSTMENTS	ADDITIONS/ CAPITALISED	AS AT 31-Mar-17	AS AT 1-Apr-16	ON SALE/ ADJUSTMENTS	FOR THE YEAR	AS AT 31-Mar-17	AS AT 31-Mar-17	AS AT 31-Mar-16
Tangible Assets										
- Land	175,976,908	-20,473,109		155,503,799	0	0	0	0	155,503,799	175,976,908
- Building	41,582,211	0	0	41,582,211	23,578,936	0	661,623	24,240,559	17,341,652	18,003,275
- Building other than Factory Building	1,078,327,103	0	0	1,078,327,103	21,308,502	0	17,061,826	38,370,328	1,039,956,761	1,057,018,601
- Building - Lease Hold Improvements	0	0	0	0	0	0	0	0	0	0
- Plant & Machinery	206,694,449	-43,641,078	48,960	163,102,331	66,398,222	-18,776,319	8,525,452	56,147,347	106,954,983	140,296,227
- Electric Installation	60,059,816	0	0	60,059,816	7,099,872	0	5,700,997	12,800,869	47,258,947	52,959,944
- Sapling	69,964,419	0	0	69,964,419	69,274,585	0	261,925	69,536,498	427,921	689,834
- Green House	55,561,339	0	0	55,561,337	52,783,274	0	0	52,783,274	2,778,063	2,778,065
- Furniture & Fixtures	108,450,161	0	0	108,450,161	21,575,280	0	9,656,569	31,231,849	77,218,312	86,874,875
- Vehicles	119,721,743		20,000	119,741,743	87,099,928	0	9,728,832	96,828,760	22,912,983	32,621,815
- Office Equipment's	24,021,781	0	14,000	24,035,781	14,950,434	0	3,203,795	18,154,229	5,881,552	9,071,347
- Servers and Networks	4,631,611	0	0	4,631,611	2,063,280	0	730,929	2,794,205	1,837,406	2,568,331
- Computer & Peripherals	49,575,588	0	125,687	49,701,275	43,711,685	0	2,184,244	45,895,918	3,805,357	5,863,903
Sub Total	1,994,567,129	-64,114,187	208,647	1,930,661,587	409,843,998	-18,776,319	57,716,192	448,783,836	1,481,877,737	1,584,723,126
Previous Year	2,035,258,965	-41,387,062	695,226	1,994,567,129	357,568,435	-12,044,424	64,319,987	409,843,998	1,584,723,126	
Intangible Assets										
- Computer Software	19,047,800		179,250	19,227,050	5,567,850	0	1,918,257	7,486,107	11,740,943	13,479,950
- Research & Developments	99,263,512	0	0	99,263,512	47,218,488	0	8,636,241	55,854,729	43,408,783	52,045,024
- Pan India Distribution Network	113,249,960	0	0	113,249,960	22,693,416	0	11,315,693	34,009,109	79,240,851	90,556,544
Sub Total	231,561,272	0	179,250	231,740,522	75,479,754	0	21,870,191	97,349,945	134,390,576	156,081,517
Previous Year	231,442,682	0	118,590	231,561,272	53,574,127	0	21,905,627	75,479,754	156,081,517	
Grand Total	2,226,128,401	-64,114,187	387,897	2,162,402,109	485,323,752	-18,776,319	79,586,383	546,133,781	1,616,268,314	1,740,804,644
Previous Year	2,266,701,647	-41,387,062	813,816	2,226,128,401	411,142,562	-12,044,424	86,225,614	485,323,752	1,740,804,644	
Capital Work in Progress	18,109,245	18,109,245	0	0					0	18,109,245

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31ST, 2017

	As At 31 st March 2017	As At 31 st March 2016
(Amount in ₹)		
13 NON CURRENT INVESTMENTS		
<u>Non Trade Investments (In Equity Instruments)</u>		
Unquoted - Subsidiaries		
- Alchemist Hospitality Group Limited (Current Year Equity Shares 37440) (Previous year 37440) of ₹ 10/- Each	3,74,400	3,74,400
- Alchemist Infrastructures Pvt Ltd (Current Year Equity Shares 10000) (Previous year 10000) of ₹ 10/- Each	1,00,000	1,00,000
- Alchemist Enterprise(S) Pte. Ltd (Current Year Equity Shares 501000) (Previous year 501000) of SGD\$ 1 Each	2,52,99,021	2,58,82,073
- Alchemist Healthcare Ltd (Current Year Preference Shares 25500) (Previous Year Nil) of ₹ 10/- Each	2,55,000	-
Unquoted - Associates		
- Alchemist Foods Ltd (Current Year Equity Shares 2955573) (Previous Year 10050000) of ₹ 10/- Each	29,55,57,300	1,00,05,00,000
- Alchemist Foods Ltd * (Current Year Preference Shares 28350424) (Previous Year 28350424) of ₹ 10/- Each	1,39,00,21,288	1,39,00,21,288
- Dooteriah & Kalej Valley Tea Estate Pvt Ltd. (Current Year Equity shares Nil) (Previous year 36000) of ₹ 100/- Each	0	1,81,80,173
- Alchemist Medisphere Limited (Current Year Equity Shares 22500) (Previous year 22500 Shares) of ₹ 10/- Each	2,25,000	2,25,000
Unquoted - Others		
- Shivalik Solid Waste Management Ltd. (Current Year Equity Shares 2500) (Previous year .Nil.) of ₹ 10/- Each	25,000	25,000
	<u>1,71,18,57,009</u>	<u>2,43,53,07,934</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	5,00,000	5,00,000
	<u>5,00,000</u>	<u>5,00,000</u>
Total	<u><u>1,71,23,57,009</u></u>	<u><u>2,43,58,07,934</u></u>
Aggregate Market Value of Quoted Investment	11,77,500	9,96,500
* 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 during the financial year 2015-16.		
14 LONG TERM LOAN AND ADVANCES		
<u>Unsecured, Considered Good</u>		
Capital Advances	8,03,78,837	7,96,62,894
Loan to Subsidiaries *	1,92,650	2,29,900
Security Deposits	1,25,00,058	1,31,31,489
Total	<u><u>9,30,71,545</u></u>	<u><u>9,30,24,283</u></u>
* Loan to Subsidiaries : Loan to Alchemist Infrastructures Pvt. Ltd - ₹ 1.02 Lac (₹ 1.56 Lac) and to Alchemist Hospitality Group Ltd of ₹ 0.91 Lacs (Previous Year ₹ 0.74 Lacs).		

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31ST, 2017

	As At 31st March 2017	As At 31st March 2016
		(Amount in ₹)
15 OTHER NON CURRENT ASSETS		
Balances with Banks in Deposit Accounts * with maturity after 31st March of the corresponding financial year.	29,10,718	2240,408
	29,10,718	2240,408
Total	29,10,718	2240,408
* Including deposit of ₹ 26.45 Lacs (Previous Year ₹ 22.40 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 *	59,69,365	87,37,067
- Finished Goods *	5,33,57,306	2,05,79,996
- Work In Progress/Semi finished goods. *	0	3,73,31,278
- Store, Spares and Scrap **	34,472	45,658
Total	5,93,61,143	6,66,93,999
* 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	4,67,32,32,873	4,76,55,64,280
Other Trade Receivable		
Unsecured - Considered good	2,67,98,527	2,79,47,329
Total	4,70,00,31,400	4,79,35,11,609
18. CASH & CASH EQUIVALENTS		
Balance with Banks - Current Accounts	1,45,06,233	3,47,979
Balance with Banks - Fixed Deposit *	66,66,837	1,10,54,976
Cash in hand	1,84,47,931	1,96,60,293
Total	3,96,21,001	3,10,63,248
* Including deposit of ₹ 48.58 Lacs (Previous Year ₹ 13.59 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	2,28,65,876	1,79,96,744
Amount Recoverable in Cash or in Kind or for value to be received	10,71,68,571	4,71,62,400
Total	13,00,34,447	6,51,59,144
20. OTHER CURRENT ASSETS		
Unsecured, Considered good		
Interest Accrued	1,74,520	0
Total	1,74,520	0

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31ST, 2017

	Year Ended 31st March 2017	Year Ended 31st March 2016
		(Amount in ₹)
21. REVENUE FROM OPERATION		
Gross Sales	24,16,50,377	19,76,79,707
Less :- Excise Duty	44,79,770	65,20,300
Net Sale		
Total	23,71,70,607	19,11,59,407
22. OTHER INCOME		
Interest received	10,48,511	10,32,030
Profit on Sale of Assest	2,14,64,472	0
Net Gain on foreign currency transactions & translation	0	19,54,58,537
Misc. Other Income	65,33,682	21,45,633
Provision Written Back	6,50,740	1,51,81,872
Total	2,96,97,405	21,38,18,072
23. DETAILS OF INVENTORY		
23A Cost of Material Consumed		
Opening Stock	87,37,067	1,40,01,260
Add : Purchases	4,17,10,171	7,31,36,631
	5,04,47,238	8,71,37,891
Less : Closing Stock	59,69,365	87,37,067
	4,44,77,873	7,84,00,824
23B Purchase of Stock in Trade	14,03,56,313	2,75,75,036
	14,03,56,313	2,75,75,036
23C Change in Inventories of Finished Goods, Work in Progress and Scrap		
Opening Stock		
- Finished goods	2,05,79,997	3,16,03,934
- Work in Progress	3,73,31,278	4,42,17,982
- Scrap	45,658	58,198
	5,79,56,933	7,58,80,114
Closing Stock		
- Finished goods	5,33,57,306	2,05,79,996
- Work in Progress	0	3,73,31,278
- Scrap	34,472	45,658
	5,33,91,778	5,79,56,932
(Increase) / Decrease in Inventory of Finished Goods, Work in Progress and Scrap	45,65,155	1,79,23,182

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31ST, 2017

	Year Ended 31st March 2017	Year Ended 31st March 2016
(Amount in ₹)		
24. EMPLOYEES BENEFIT EXPENSES		
Salaries & Wages including Bonus, Gratuity, Welfare Expenses	135237,072	177,188,570
Employer's Contribution towards Provident & other Funds	8683,612	10,918,186
Staff Welfare	1040,998	7,168,791
Total	144961,682	195,275,547
25. FINANCE COST		
Interest Paid	22564,926	26,798,388
Other Borrowing Cost	463,656	845,941
Total	23028,582	27,644,329
26. DEPRECIATION AND AMORTISATION EXPENSES		
Depreciation on Tangible Assets	5,77,16,192	6,43,19,987
Amortization on Intangible Assets	2,18,70,191	2,19,05,627
Total	7,95,86,383	8,62,25,614
27. OTHER EXPENSES		
Consumable, Stores & Other Direct Expenses	1,19,14,557	68,35,235
Power & Fuel Expenses	72,07,008	58,94,475
Rent	57,37,307	94,35,590
Postage, Telegram & Courier	5,29,079	8,61,623
Repair & Maintenance	13,21,593	75,50,876
Travelling Expenses	43,53,774	53,66,518
Fee & Taxes	7,85,913	19,38,947
Insurance Charges	13,28,655	18,46,268
Telephone, Internet & Communication Charges	34,74,129	50,42,738
Vehicle Running & Maintenance	51,76,606	73,04,966
Director Sitting Fees	1,10,000	80,000
Misc. and General Expenses	74,42,374	1,51,51,295
Prior Period Item	75,13,246	23,65,452
Selling & Marketing Expenses	3,05,32,408	3,22,13,406
Advertisement & Publicity	5,37,849	8,54,374
Printing and Stationery	18,41,251	17,62,761
<u>Auditor's Remuneration</u>		
- Statutory Audit Fee	15,02,323	14,95,791
- Tax Audit Fee	2,50,388	2,49,300
- For Others	5,62,755	5,69,815
<u>Cost Auditor's Remuneration</u>		
- Audit Fee	1,44,000	1,60,000
Legal & Professional Charges	85,89,612	1,69,11,154
Business Promotion / Entertainment Expenses	1,39,71,255	81,25,735
Net Loss on foreign currency transactions & translation	7,83,35,441	0
Total	19,31,61,523	13,20,16,319

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31ST, 2017
28. Earning Per Shares (EPS)
(₹)

Particulars	Year 31.03.2017	Year 31.03.2016
Profit After Tax as per the Statement of Profit and Loss attributable to Equity Share Holders	(1,07,19,96,606)	(20,88,49,042)
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	(79.06)	(15.40)
- Diluted EPS	(79.06)	(15.40)

29. Contingent Liabilities and Commitments
(₹ In Lacs)

Particulars	Year 31.03.2017	Year 31.03.2016
Contingent Liabilities		
Corporate Guarantees	2,230.83	2,230.83
Disputed demand under excise duty (Net of duty deposited under protest)	110.42	110.42
Claims Against the company not acknowledged as debts	5.08	149.73
Commitments		
Estimated amount of Contract remaining to be executed on capital account and not provide for (Net of Advances)	Nil	Nil

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

Particulars	Year 31.03.2017	Year 31.03.2016
Raw Material Consumed	444.78	784.01
Consumables, Store & Spares Consumed	119.15	68.35
Total	563.93	852.36

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

Particulars	Year	Indigenous		Imported		Total
		Value Amount		Value Amount		Value Amount
Raw Material	2016-17	444.78	100%	Nil	Nil	444.78
	2015-16	784.01	100%	Nil	Nil	784.01
Consumables, Store & Spares	2016-17	119.15	100%	Nil	Nil	119.15
	2015-16	68.35	100%	Nil	Nil	68.35

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 extends credit from time to time as per market practices. In respect of export receivables amounting to ₹ 46296.06 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 company is considering taking legal action to further augment the recovery process and the management is confident of recovering all these dues and hence no provision is considered necessary against these receivables as of now.

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31ST, 2017

34. "Exceptional Items credit from time to time as per market practices. In respect of export receivables amounting to ₹ 46296.06 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 Company is considering taking legal action to further augment the recovery process and the management is confident of recovering all these dues and hence no provisions considered necessary against these receivables as of now.
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 Mr. Pavan Kumar Verma (WTD)
- o Mr. Bikram Bhattacharya (CFO)
- o Mr. Tanveer Gill (ID)
- o Ms. Maria Fernandes (ID)
- o Mr. Vinay Singh (CS)
- o Mr. Vimal Sharma (CS)

Subsidiary:

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

Associates/Companies Under Significant Influence :

- o Alchemist Hospitals Limited
- o Alchemist Airways Private Limited
- o Alchemist Realty Limited
- o Alchemist Foods Limited
- o Medisphere Marketing 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 Pinkcassia Hotels & Resorts Pvt. Ltd.
- o Royal Building and Infrastructures Pvt. Ltd.
- 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	
		2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
1	Managerial Remuneration						
	Maj. Gen. (Retd.) Anil Oberoi			0.00	1.84		
	Mr. Pavan Kumar Verma			32.20	31.42		
	Mr. Bikram Bhattacharya			26.09	25.25		
	Mr. Vimal Sharma(CS)			2.04	5.01		
	Mr. Vinay Singh(CS)			2.00	0.00		
2	Sitting Fees to Directors						
	Mr. R.P. Chhabra			0.00	0.05		
	Mr. Asoke Kumar Chaterjee			0.00	0.10		
	Ms. Silpi Chakraborty			0.00	0.20		
	Mr. Tanveer Gill			0.55	0.00		
	Ms. Maria Fernandes			0.60	0.45		
3	Inter Corporate Loans- Paid/(Repaid)						
	Alchemist Infrastructures Private Limited (WOS)	-0.55	0.30				
	Alchemist Hospitality Group Limited (Subsidiary)	0.17	0.26				
	Alchemist Foods Limited (Associates)					385.61	-13,900.21
	Alchemist Reality Limited					204.27	0.00
	Alchemist Touchnology Limited					17.87	0.00
	Eco Breaking Technologies India Private Limited					14.08	0.00
	Alchemist Hotel & Resorts Limited					1.99	0.00
	Dooteriah & Kalej Valley Tea Estate Private Limited					56.50	0.00
4	Inter Corporate Loan- Received/(Repaid)						
	Alchemist Healthcare Limited	4.90	0.00				
	KDS Corporation Private Limited					1,337.51	2,563.52
	Technology Parks Limited					219.83	0.00
	Alchemist Hospitals Limited					0.33	0.00
5	Expenses Incurred on their behalf						
	Jass Developers Private Limited					0.00	0.69
	Alchemist F&B Limited					0.00	0.98
	Alchemist Airways Private Limited					0.77	0.00
	Alchemist Lifesciences Limited					1.08	1.70
	A1 News Network Private Limited					1.24	0.26
	Alchemist Media Limited					0.00	0.08
	Black Cats Protections Private Limited					0.03	0.00
6	Sale of Goods						
	Alchemist Hospitals Limited					4.57	0.00
7	Investment Made						
	Alchemist Healthcare Limited	2.55	0.00				
	Alchemist Foods Limited					0.00	13,900.21

ALCHEMIST LIMITED

Sr. No.	Transactions	Subsidiary		Key Managerial Persons & Their Relative		Associates	
		2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
8	Investment Sold						
	Alchemist Foods Limited					7,049.43	0.00
	Dooteriah & Kalej Valley Tea Estate Private Limited					181.80	0.00
9	Services Received						
	Black Cats Protections Private Limited					0.00	13.15
	Alchemist Hospitals Limited					0.00	0.26
10	Rent Received						
	Century 21 Properties India Private Limited					0.00	0.50
11	Rent Paid						
	Jass Developers Private Limited					3.78	0.00

Detail of related party balances outstanding at year end:

(₹ In Lacs)

Sr. No.	Balance Outstanding	Subsidiary		Associates/ Joint Venturer	
		31.03.17	31.03.16	31.03.17	31.03.16
1	Inter Corporate Loans- Given				
	Alchemist Infrastructures Private Limited (WOS)	1.02	1.56		
	Alchemist Hospitality Group Limited	0.91	0.74		
	Alchemist Foods Limited			385.61	0.00
	Alchemist Realty Limited			204.27	0.00
	Alchemist Touchnology Limited			19.36	1.50
	Eco Breaking Technologies India Private Limited			14.27	0.19
	Dooteriah & Kalej Valley Tea Estate Private Limited			57.96	1.46
	Alchemist Hotels & Resorts Limited			1.99	0.00
2	Inter Corporate Loan- Received				
	Alchemist Healthcare Limited	4.90	0.00		
	KDS Corporation Private Limited			4,338.21	3,000.70
	Technology Parks Limited			68,529.83	68,310.00
3	Investments				
	Alchemist Enterprises Pte Limited (WOS)	252.99	252.99		
	Alchemist Infrastructures Private Limited (WOS)	1.00	1.00		
	Alchemist Hospitality Group Limited (Subsidiary)	3.74	3.74		
	Alchemist Healthcare Limited	2.55	0.00		
	Alchemist Foods Limited			16,855.79	23,905.21
	Alchemist Medisphere Limited			2.25	2.25
	Dooteriah & Kalej Valley Tea Estate Private Limited			0.00	181.80
4	Trade Receivables				
	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
	Alchemist Lifesciences Limited			121.11	120.38

Sr. No.	Balance Outstanding	Subsidiary		Associates/ Joint Venturer	
		31.03.17	31.03.16	31.03.17	31.03.16
5	Trade Payable				
	Alchemist Hospitals Ltd			0.67	1.18
	Dooteriah & Kalej Valley Tea Estate Private Limited			10.96	10.96
	Jass Developers Private Limited			1.10	0.00
	Black Cats Protections Private Limited			4.54	0.00
6	Advance to Suppliers				
	Black Cats Protections Private Limited			0.00	0.57
7	Security Received				
	A1 News Network Private Limited			3.00	3.00
8	Advance from Joint Venturer				
	Alchemist Township India Limited			1,229.49	1,229.49
9	Amount Recoverable				
	Jass Developers Private Limited			0.00	2.68
	Alchemist Universe of Education Limited			22.92	22.92
	Alchemist F&B Limited			2.46	2.46
	Alchemist Aviation Private Limited			0.82	0.82
	Alchemist Airways Private Limited			1.74	0.98
	Alchemist Hospitals Limited			1.26	1.58
	Alchemist Lifesciences Limited			0.36	0.00
	Alchemist Media Limited			0.08	0.08
	A 1 News Network Private Limited			1.62	0.38
	Pinkcassisa Hotel & Resort Pvt. Ltd.			0.50	0.50
	Royal Building & Infrastructures Pvt. Ltd.			0.10	0.10

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, 142 (Previous year 3,840) preference shares were redeemed and as per provisions of the Companies Act, 2013 a sum of ₹ 14,200/- (Previous Year ₹ 3,84,000/-) has been transferred to Capital Redemption Reserve out of Statement of Profit & Loss. Further a sum of ₹ 1,19,606.- (Previous Year ₹ 47,50,426/-) 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 III 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, 2017.
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, 2017.

(₹ In Lacs)

Sr. No.	Particulars	Agri Business	Pharma, Chemical & Minerals	Unallocated	Total
	Segment Revenue :				
a)	Revenue from Sales	642.12	1,729.59	-	2,371.71
	Total Revenue	642.12	1,729.59	-	2,371.71
b)	Segment Results :				
	Operating Profit(Loss)	(551.63)	(3162.10)		(3,713.74)
	Add :- Unallocated Incomes			311.33	311.33
	Less: Finance Cost			230.29	230.29
	Less: Exceptional Item			7,194.95	7194.95
	Profit Before Tax	(551.63)	(3,162.10)	(7,113.91)	(10,827.65)
	Provision for Deferred Tax			107.68	107.68
	Previous year Taxes			-	-
	Profit After Tax	(551.63)	(3,162.10)	(7,006.23)	(10,719.97)
c)	Other Information :				
	Segment Assets				
	Investments	-	0.25	17,123.32	17,123.57
	Other Segment Assets	284.87	1165.52	48,801.67	50,252.06
		284.87	1165.76	65,924.98	67,375.63
	Segment Liabilities				
	Share Capital (Including Money Receive against Share Warrant)	-	-	1,387.70	1,387.70
	Other Segment Liabilities	904.39	2,628.61	78,617.61	82,150.61
		904.39	2,628.61	80,005.31	83,538.31
	Fixed Assets				
	(Incl. Capital Work in Progress)	619.51	1,462.85	14,080.32	16,162.68

45. Employee Benefits:
Defined Contribution plans:

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

(₹ In Lacs)

Particulars	Year 31.03.2017	Year 31.03.2016
Companys Contribution to Provident Fund (Including admin. exp.)	71.25	82.44
Companys Contribution to Employees State Insurance	15.39	18.53
Companys Contribution to Employees Welfare Fund	0.19	0.20

Defined Benefit Plans:

Gratuity

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

Particulars	Gratuity	
	2016-17	2015-16
Defined Benefit Plans		
Change in benefit obligations	₹	₹
Obligations at period beginning – Current	10,48,123	12,40,653
Obligations at period beginning - Non-current	1,32,59,124	1,55,67,392
Service Cost	14,33,103	14,62,350
Interest on Defined benefit obligation	10,61,319	12,31,544
Benefits settled	(20,81,518)	(28,27,479)
Actuarial (gain)/loss	(31,45,162)	(23,67,213)
Obligations at period end	1,15,74,989	1,43,07,247
Current Liability (within 12 months)	6,19,563	10,48,123
Non-Current Liability	1,09,55,426	1,32,59,124
Change in plan assets		
Plans assets at period beginning, at fair value	-	-
Expected return on plan assets	-	-
Actuarial gain/(loss)	-	-
Contributions	20,81,518	28,27,479
Benefits settled	(20,81,518)	(28,27,479)
Plans assets at period end, at fair value		
Funded Status		
Closing Fair value of plan assets		
Closing value of obligations	1,15,74,989	1,43,07,247
Liability recognized in the balance sheet	(1,15,74,989)	(14,307,247)
Details of Gratuity / Leave cost		
Service cost	14,33,103	14,62,350
Interest cost	10,61,319	12,31,544
Expected return on plan assets	-	-
Actuarial (gain)/loss	(31,45,162)	(23,67,213)
Net gratuity / leave cost	(6,50,740)	3,26,681
Experience Adjustment on Plan Liabilities	(31,45,162)	(23,67,213)
Experience Adjustment on Plan Assets	-	-

Assumptions		
Discount factor	7.29%	8%
Estimated rate of return on plan assets	0.00%	0.00%
Salary Increase	5.00%	5.00%
Attrition rate	6.00%	6.00%
Retirement age	60	60

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.

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 2016-17 is not likely to be material.
49. 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\$ 4,00,000/- standing in its books against which the payment of ₹ 265.33 lacs has been received by Alchemist Limited during the financial year 2015-16. 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.
50. 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.
51. An unclaimed dividend pertaining to dividend declared for the year 2008-09 amounting to ₹ 8,22,848/- was transferred to investor education and protection fund during the year 2016-17.
52. Previous years figures have been reworked, regrouped, rearranged and reclassified wherever deemed necessary, to make them comparable.

53. During the year, the company has specified bank notes (SBNs) or other denomination notes as defined in the MCA notification, G.S.R 308(E), dated March 31, 2017. The details of SBNs held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination-wise SBNs and other notes as per the notification are as follows:

			In ₹
Particulars	SBNs(1)	Other Denomination Notes	Total
Closing Cash In Hand as on Nov 8, 2016	13,23,500	34,669	13,58,169
Add: Permitted Receipt	0	17,59,516	17,59,516
Less: Permitted Payment	-3,000	-14,00,860	-14,03,860
Less: Amount deposited into Banks	-13,20,500	-1,95,769	-15,16,269
Closing Cash In hand as on Dec 30, 2016	0	1,97,556	1,97,556

- (1) For the purpose of this clause, the term 'Specified Bank Notes shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated November 8, 2016.

Sd/- CA. Ashish Chhabra Partner	Sd/- Vinay Singh Company Secretary	Sd/- Bikram Bhattacharya CFO	Sd/- Pavan Kumar Verma Whole Time Director DIN-00213365	Sd/- 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 : 24/05/2017

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, 2017, 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 there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the 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 and two associates, Alchemist Foods Limited and Alchemist Medisphere Limited, are still under compilation. Accordingly, the same are not forming part of the consolidated financial statements.***
- b. 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.***
- c. ***The Holding Company has not made any provision on the export receivables amounting to Rs. 46296.06 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 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, 2017, 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 Rs. 803.79 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 Rs. 786.86 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. 30 to the consolidated financial statements which states that “In respect of the Holding Company, cash in hand includes cash amounting to Rs. 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”.
- c. Attention is invited to note no. 36 to the consolidated financial statements which states that “The balances of majority of the Trade Receivables, Trade Payables and Loan & Advances made and received, are subject to confirmation and as such these balances are reflected in the Balance Sheet as appearing in the books, pending reconciliation, the net effect is unascertainable”.
- d. Attention is invited to note no. 43 to the consolidated financial statements which states that “In respect of the Holding Company, exceptional items include loss on sale of shares to the tune of Rs. 6850.44 lacs, of a Subsidiary and an Associate Company. It also includes a loss of Rs. 344.51 lacs which pertains to loss on account of plant and machinery sold/discarded by the Holding Company in respect of its Pharma division. Both these decisions have been taken consciously with a view to contain losses and monetise assets”.

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 Infrastructures Private Limited, subsidiary of Alchemist Limited, which reflects total assets of Rs. 4.47 Lacs as at 31st March, 2017, total revenue of Rs. 0.00 Lacs for the year then ended, has been audited by us.
- b. Financial Statements of Alchemist Hospitality Group Limited and Alchemist Healthcare Limited, subsidiaries of Alchemist Limited, which reflects total assets of Rs. 5.95 Lacs as at 31st March, 2017, total revenue of Rs. 0.00 Lacs for the year then ended, have not been audited by us. They have been audited by other auditors whose reports have 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 subsidiaries 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 subsidiaries, is based solely on the reports of the other auditors.

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 (1) (c) of the Act, we report that the Holding Company has sold the shares of its subsidiary, Alchemist Foods Limited and its associate, Dooteriah and Kalaj Valley Tea Estates Private Limited at a price which was less than the price at which they were purchased by the Holding Company.
2. 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, 2017 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, 2017 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.
 - iv. The Group, as detailed in note no. 46 to the consolidated financial statements, has made requisite disclosures in these consolidated financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on the audit procedures performed and taking into consideration the information and explanations given to us, in our opinion, these are in accordance with the books of account maintained 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: 24th May, 2017

Annexure - A to the Independent Auditors' 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 2017, 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. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's and its subsidiary companies, incorporated in India, internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Holding Company and its subsidiary companies, incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, based on the internal control over financial reporting criteria established by the respective company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

for **N. Kumar Chhabra & Co.**

Chartered Accountants

Firm's Registration Number: 000837N

CA. Ashish Chhabra

Partner

Membership Number: 507083

Place of Signature: New Delhi

Date: 24th May, 2017

ALCHEMIST LIMITED

CONSOLIDATED BALANCE SHEET

Particulars	Note	(Amount in ₹)	
		As At 31 st March 2017	As At 31 st March 2016
EQUITY AND LIABILITIES			
1 Shareholders' Funds:			
Share Capital	2	13,87,69,800	13,87,84,000
Reserves & Surplus	3	-95,85,16,083	20,91,52,780
		-81,97,46,283	34,79,36,780
2 Minority Interest		2,32,701	9,65,62,846
		2,32,701	9,65,62,846
3 Non Current Liabilities			
Long term borrowings	4	7,34,69,33,672	7,19,24,24,424
Deferred Tax Liabilities (Net)	5	6,33,15,166	31,81,62,756
Other Long Term Liabilities	6	4,08,27,689	4,72,98,980
Long Term Provisions	7	1,09,55,426	2,12,40,177
		7,46,20,31,954	7,57,91,26,337
4 Current Liabilities			
Short-term borrowings	8	3,71,10,608	11,59,78,484
Trade payables	9	137,02,30,705	1,46,98,45,608
Other current liabilities	10	30,29,80,209	38,04,23,742
Short-term provisions	11	6,19,563	16,78,550
		1,71,09,41,086	1,96,79,26,384
		8,35,34,59,458	9,99,15,52,347
Total Equity and Liabilities			
Assets			
1 Non Current Assets	12		
Fixed Assets			
(i) Tangible Assets		1,48,18,77,737	3,63,27,76,466
(ii) Intangible Assets		13,43,90,576	41,66,38,319
(iii) Capital work in Progress		0	18,82,29,345
(iii) Intangible under Development		-	-
		1,61,62,68,314	4,23,76,44,129
Non Current Investments	13	1,71,16,27,609	1,89,30,173
Long Term Loan & Advances	14	9,28,78,895	18,91,04,356
Other Non Current Assets	15	29,10,718	22,40,408
		3,42,36,85,537	4,44,79,19,066
2 Current Assets			
Current Investments		-	-
Inventories	16	5,93,61,141.79	40,82,70,931
Trade Receivables	17	4,70,00,31,399.95	4,98,49,14,687
Cash and Cash Equivalents	18	4,01,72,411.67	5,40,74,993
Short Term Loans and Advances	19	13,00,34,447.95	9,53,94,107
Other Current assets	20	1,74,519.86	9,78,563
		4,92,97,73,921	5,54,36,33,281
		8,35,34,59,458	9,99,15,52,347
Total Assets			

Significant Accounting Policies & Notes to the financial statement

(1 to 48)

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

Sd/- CA. Ashish Chhabra Partner	Sd/- Vinay Singh Company Secretary	Sd/- Bikram Bhattacharya CFO	Sd/- Pavan Kumar Verma Whole Time Director DIN-00213365	Sd/- Vinay Kumar Mittal Director DIN-00287042
MEMBERSHIP NO.: 507083				
N. KUMAR CHHABRA & CO.				
CHARTERED ACCOUNTANTS				
FIRM REGISTRATION NO.: 000837N				
Place : New Delhi				
Date : 24/05/2017				

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

Particulars	Note	(Amount in ₹)	
		For the year ended 31 st March 2017	For the year ended 31 st March 2016
INCOME			
Revenue from Operations	21	23,71,70,607	1,05,04,62,213
Other Income	22	2,96,97,405	22,08,05,605
		26,68,68,012	1,27,12,67,818
EXPENDITURE			
Cost of Material Consumed	23A	4,44,77,873	58,02,36,317
Purchase of Stock in Trade	23B	14,03,56,313	5,20,44,941
Change in Inventories of Finished Goods, Work in Progress Store, Spares & Scrap	23C	45,65,156	1,55,09,968
Employees Benefit Expenses	24	14,49,61,682	37,82,77,733
Finance Cost	25	2,30,29,041	5,01,88,166
Depreciation & Amortisation Expenses	26	7,95,86,383	26,23,49,720
Other Expenses	27	19,32,25,853	35,72,05,847
		63,02,02,302	1,69,58,12,692
Profit/(Loss) Before Exceptional Items & Taxes		(36,33,34,290)	(42,45,44,874)
Exceptional Items		71,94,95,164	9,10,56,059
Profit/(Loss) Before Tax		(1,08,28,29,454)	(51,56,00,933)
Tax Expenses :			
Current Tax		-	-
Minimum Alternative Tax (MAT) Credit Entitlements		-	-
Deferred Tax Charge/ (Benefit)		(1,07,68,057)	1,66,34,264
Tax Relating to Previous Years		-	0
Net Profit for the year (Before Adjustment of Minority Interest)		(1,07,20,61,397)	(53,22,35,197)
Profit/ (Loss) transferred to Minority		(13,698)	(4,85,18,020)
Net Profit For The Year (After Adjustment of Minority Interest)		(1,07,20,47,699)	(48,37,17,177)
Earning Per Shares			
(Equity shares, Par value ₹ 10/- each)			
Basic & Diluted			
- Basic EPS	28	(79.06)	(35.67)
- Diluted EPS	28	(79.06)	(35.67)
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.

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

Place : New Delhi
Date : 24/05/2017

CONSOLIDATED CASH FLOW STATEMENTS FOR THE YEAR ENDED

Particulars	(Amount in ₹)	
	31 st March 2017	31 st March 2016
A) Cash Flow From Operating Activities		
Net Profit Before Tax & Exceptional Items	(1082830057)	(424544874)
Adjustments for:		
Adjustments of F.Y. 2013-14 on a/c of difference between audited and board adopted financial statements of Alchemist Enterprises PTE Limited	0	(30496000)
Depreciation & Amortisation	79586383	262349720
Loss/ (Profit) on Sale of Shares	685043958	-
Interest Received	(1048511)	(2402761)
Loss/(Profit) on Sale of Assets	12986734	27,848,561
Operating profit before working capital changes	(306261493)	(167245354)
Adjustments for changes in Working Capital:		
Inventories	7332856	34682975
Trade Receivable	93480209	(242469413)
Short Term Loan & Advances	(64875303)	65631131
Other Non Current Assets	(670310)	(1886630)
Other Current Assets	(174520)	1957118
Long Term Loan & Advances	(537262)	11233068
Trade Payable	3387469	72033831
Other Current Liabilities	37714294	(11108867)
Short Term Provisions	(411310)	(1691917)
Long Term Provisions	(2303698)	(18439076)
Other Long Term Liabilities	(6471291)	7989248
Cash generated/(Used) from/in Operation	(239790359)	(249313887)
Provision For Tax	0	0
Net Cash generated/(Used) from/in Operating Activities	(239790359)	(249313887)
B) Cash Flow From Investing Activities		
Purchase of Fixed Assets and capital work in progress	(387897)	(53985000)
Proceeds from Sale of Fixed Asset (Net of Depreciation)	50460353	120748439
(Purchase)/Sale of non current Investments	38406967	0
Foreign Currency Translation Reserve	(583052)	(415189)
Interest Received	1048511	2402761
Dividend Received	0	0
Exceptional Item	0	(91056059)
Net Cash generated/(Used) from/in Investing Activities	88944882	(22305047)
C) Cash Flow From Financing Activities		
Redemption of Preference Shares	(14200)	(384000)
Preference Shares Redemption Premium	(127800)	(4972000)
Long Term Borrowings	156888180	206679240
Short Term Borrowings	2110608	(8716415)
Increase in Equity Capital (Incl Shares Premium)	500000	0
Net Cash generated/(Used) from/in Financing Activities	159356788	192606826
D) Net Increase / (Decrease) in Cash & Cash Equivalents (D=A+B+C)	8511311	(79012108)
E) Cash & Cash Equivalents at the beginning of the year	54074993	133087101
Less: Cash & Cash Equivalents of Alchemist Foods Limited at the beginning of the year (Since not consolidated during the financial year 2016-17)	22413892	0
F) Cash & Cash Equivalents at the end of the year	40172412	54074993

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

Sd/- CA. Ashish Chhabra Partner	Sd/- Vinay Singh Company Secretary	Sd/- Bikram Bhattacharya CFO	Sd/- Pavan Kumar Verma Whole Time Director DIN-00213365	Sd/- 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 : 24/05/2017

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31ST, 2017**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 statements of Alchemist Limited the parent company of Alchemist Healthcare Limited, Alchemist Infrastructures Pvt Limited and Alchemist Hospitality Group Limited have been combined on 31st March, 2017. 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 interests 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 Interests share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of Companys 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 theses 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.

	As At 31 March 2017	(Amount in ₹) As At 31 March 2016
2 SHARE CAPITAL		
a) AUTHORISED		
Equity Shares - 3,00,00,000 of ₹ 10/- each (Previous year -3,00,00,000 of ₹ 10/- each)	30,00,00,000	30,00,00,000
Preference Shares - 50,00,000 of ₹ 100/- each (Previous year -50,00,000 of ₹ 100/- each)	50,00,00,000	50,00,00,000
b) ISSUED, SUBSCRIBED AND PAID-UP		
Equity Shares - 1,35,59,800 of ₹ 10/- each (Previous year 1,35,59,800 of ₹ 10/- each)	13,55,98,000	13,55,98,000
Redeemable Preference Shares 31718 of ₹ 100/- each (Previous year 31,760 of ₹ 100/- each)	31,71,800	31,86,000
Total	13,87,69,800	13,87,84,000

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 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 2017		As at 31 st March 2016	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	13559800	13,55,98,000	13559800	13,55,98,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	13559800	13,55,98,000	13559800	13,55,98,000

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

Preference Shares	As at 31 st March 2017		As at 31 st March 2016	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	31860	31,86,000	35700	35,70,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year (Redemption)	142	14,200	3840	3,84,000
Shares outstanding at the end of the year	31718	31,71,800	31860	31,86,000

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

Name of Shareholder	As at 31 st March 2017		As at 31 st March 2016	
	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, 2017

	As At 31 st March 2017	(Amount in ₹) As At 31 st March 2016
3 RESERVE & SURPLUS		
<u>Capital Reserve</u>		
Capital Reserve	29,99,716	29,99,716
	29,99,716	29,99,716
<u>Capital Redemption Reserve</u>		
Balance Brought Forward	51,84,05,000	51,80,21,000
Add: Transfer from Statement of Profit & Loss	14,200	3,84,000
	51,84,19,200	51,84,05,000
<u>Preference Shares Redemption Reserve</u>		
Balance Brought Forward	18,38,373	20,59,947
Add: Transfer from Statement of Profit & Loss	1,19,606	47,50,426
Less: Utilized for the Redemption of Preference Shares	1,27,800	49,72,000
	18,30,179	18,38,373
<u>Share Premium</u>	0	58,22,59,550
<u>General Reserve</u>	0	83,28,994
<u>Surplus in Statement of Profit & Loss</u>		
Balance Brought Forward	(41,28,52,832)	(38,90,55,229)
Add: Transfer from Statement of Profit & Loss	(1,07,20,47,699)	(48,37,17,177)
Less: Transfer to Preference Share Redemption Reserve	1,19,606	4750,426
Less: Reserves as on 31/3/15 of Alchemist Enterprises Pte. Limited*	-	306,24,232
	(1,48,50,34,337)	(90,85,31,064)
<u>Foreign Currency Translation Reserve</u>	32,69,159	38,52,211
Total	(95,85,16,083)	20,91,52,780
* Reserves as on 01/04/2016 of Alchemist Foods Limited are not included in the opening reserve of the consolidated balance sheet as the balance sheet of the associate has not been consolidated.		
4. LONG TERM BORROWINGS		
<u>SECURED</u>		
Term Loans from Bank		
Punjab National Bank	7,28,44,190	12,57,65,777
Less : Current Maturities	(1,28,44,190)	(6,70,30,383)
	6,00,00,000	5,87,35,394
Vehicle Loans from Banks		
Vehicle Loans	9,21,725	56,65,533
Less : Current Maturities	(7,91,800)	(30,46,526)
	1,29,926	26,19,007
	6,01,29,925	6,13,54,401
<u>UN-SECURED</u>		
Inter Corporate Deposits	7,28,68,03,747	7,13,10,70,023
	7,28,68,03,747	7,13,10,70,023
Total	7,34,69,33,672	71,92,42,4424

Term Loans From Banks

- **Punjab National Bank:** Secured Loan of ₹ 7,28,44,190/- (Rupees Seven Crore Twenty Eight lac Forty Four Thousand One Hundred Ninety Only) (Previous Year ₹ 9,62,35,394/- (Rupees Nine Crore Sixty Two Lac Thirty Five Thousand Three Hundred Ninety 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 ₹ 1.28 Crore (Rupees One Crore Twenty Eight 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 Banks

- Vehicle Loans of ₹ 9,21,725/- (Rupees Nine Lac Twenty One Thousand Seven Hundred Twenty Five Only) (Previous Year ₹ 14,85,795/- (Rupees Fourteen Lac Eighty Five Thousand Seven Hundred Ninety Five Only) are Secured against hypothecation of vehicles. Due within one year is ₹ 7,91,800/- (Rupees Seven Lac Ninety One Thousand Eight Hundred Only) (Previous year ₹ 7,93,370/- (Rupees Seven Lac Ninety Three Thousand Three Hundred Seventy Only). Interest due but not paid has been reflected separately under Note 10, other current liabilities. 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 ₹ 43.38 Crores and ₹ 685.29 Crores. The terms of repayment with respect to loan from KDS Corporation Private Limited has 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.

	As At	(Amount in ₹)
	31st March 2017	As At
	<u>31st March 2017</u>	<u>31st March 2016</u>
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	6,97,52,594	32,86,55,741
Gross deferred tax liability	<u>6,97,52,594</u>	<u>32,86,55,741</u>
<u>Deferred tax assets</u>		
Carrying amount of provisions for Gratuity, Bonus and Leave Encashment	64,37,428	1,04,92,985
Gross deferred tax assets	<u>64,37,428</u>	<u>1,04,92,985</u>
Deferred tax liabilities (Net)	<u>6,33,15,166</u>	<u>31,81,62,756</u>
6. OTHER LONG TERM LIABILITIES		
Securities Received	4,08,27,689	4,72,98,980
Total	<u>4,08,27,689</u>	<u>4,72,98,980</u>

	As At 31 st March 2017	(Amount in ₹) As At 31 st March 2016
7. LONG TERM PROVISIONS		
Provision for Employees Benefits		
- Gratuity	1,09,55,426	2,12,40,177
Total	1,09,55,426	2,12,40,177
8. SHORT TERM BORROWINGS		
Secured Loan repayable on demand from bank *		
(i) Bank of India	3,50,00,000	3,50,00,000
(ii) Punjab National Bank	0	8,09,78,484
Unsecured Loan repayable on demand from bank		
Bank Overdraft- HDFC Bank	21,10,608	0
Total	3,71,10,608	11,59,78,484

* **Bank of India:**

Working Capital facility of ₹ 3,50,00,000/- (Rupees Three Crore Fifty Lacs Only) (Previous Year ₹ 3,50,00,000/- (Rupees Three Crore Fifty Lacs 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. Interest due but not paid has been reflected separately under Note 10, other current liabilities.

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.

Name of Bank - Type of Loan	Sanction Amount	Default amount as on 31/03/17	Default cleared Amount	Default cleared date	Default outstanding as on 24/05/17
BANK OF INDIA - CC LIMIT	3,50,00,000	8,20,236	8,20,236	4/6/2017	0

9. TRADE PAYABLES

Trade Payable	1,37,02,30,705	1,46,98,45,608
Total	1,37,02,30,705	1,46,98,45,608

10. OTHER CURRENT LIABILITIES

Current Maturities of Long term provisions*

Term Loan	1,28,44,190	6,70,30,383
Vehicle Loan	7,91,800	30,46,526
Interest Accrued and Due on Borrowings	8,28,349	63,65,774
Liabilities For Capital Goods	1,00,86,771	1,70,56,271
Expenses and Statutory Dues Payable	10,26,53,720	7,58,18,537
Advance received **	13,05,07,799	15,86,16,094
Unclaimed Dividend ***	29,07,519	37,40,367
Other Liabilities	4,23,60,063	4,87,49,790
Total	30,29,80,209	38,04,23,742

* **Refer Note No. 4**

** **Refer Note No. 43**

*** A sum of ₹ 29,07,519/- (Rupees Twenty nine lac seven thousand five hundred nineteen only) (Previous year ₹ 37,40,367/- (Rupees Thirty Seven Lac Forty Thousand Three Hundred Sixty Seven Only) is lying as unclaimed dividend in separate accounts with HDFC Bank and YES Bank, Chandigarh.

(Amount in ₹)

As At
31st March 2017

As At
31st March 2016

11. SHORT TERM PROVISIONS
Provisions from Employees

- Gratuity	6,19,563	16,78,550
Total	6,19,563	16,78,550

NOTE 12
(Amount in ₹)

PARTICULARS	GROSS BLOCK				DEPRECIATION & AMORTISATION				NET BLOCK	
	AS AT 1-Apr-16	SALE/ ADJUSTMENTS	ADDITIONS/ CAPITALISED	AS AT 31-Mar-17	AS AT 1-Apr-16	ON SALE/ ADJUSTMENTS	FOR THE YEAR	AS AT 31-Mar-17	AS AT 31-Mar-17	AS AT 31-Mar-16
Tangible Assets										
- Land	175,976,908	-20,473,109		155,503,799	0	0	0	0	155,503,799	175,976,908
- Building	41,582,211	0	0	41,582,211	23,578,936	0	661,623	24,240,559	17,341,652	18,003,275
- Building other than Factory Building	1,078,327,103	0	0	1,078,327,103	21,308,502	0	17,061,826	38,370,328	1,039,956,761	1,057,018,601
- Building - Lease Hold Improvements	0	0	0	0	0	0	0	0	0	0
- Plant & Machinery	206,694,449	-43,641,078	48,960	163,102,331	66,398,222	-18,776,319	8,525,452	56,147,347	106,954,983	140,296,227
- Electric Installation	60,059,816	0	0	60,059,816	7,099,872	0	5,700,997	12,800,869	47,258,947	52,959,944
- Sapling	69,964,419	0	0	69,964,419	69,274,585	0	261,925	69,536,498	427,921	689,834
- Green House	55,561,339	0	0	55,561,337	52,783,274	0		52,783,274	2,778,063	2,778,065
- Furniture & Fixtures	108,450,161	0	0	108,450,161	21,575,280	0	9,656,569	31,231,849	77,218,312	86,874,875
- Vehicles	119,721,743		20,000	119,741,743	87,099,928	0	9,728,832	96,828,760	22,912,983	32,621,815
- Office Equipment's	24,021,781	0	14,000	24,035,781	14,950,434	0	3,203,795	18,154,229	5,881,552	9,071,347
- Servers and Networks	4,631,611	0	0	4,631,611	2,063,280	0	730,929	2,794,205	1,837,406	2,568,331
- Computer & Peripherals	49,575,588	0	125,687	49,701,275	43,711,685	0	2,184,244	45,895,918	3,805,357	5,863,903
Sub Total	1,994,567,129	-64,114,187	208,647	1,930,661,587	409,843,998	-18,776,319	57,716,192	448,783,836	1,481,877,737	1,584,723,126
Previous Year	2,035,258,965	-41,387,062	695,226	1,994,567,129	357,568,435	-12,044,424	64,319,987	409,843,998	1,584,723,126	
Intangible Assets										
- Computer Software	19,047,800		179,250	19,227,050	5,567,850	0	1,918,257	7,486,107	11,740,943	13,479,950
- Research & Developments	99,263,512	0	0	99,263,512	47,218,488	0	8,636,241	55,854,729	43,408,783	52,045,024
- Pan India Distribution Network	113,249,960	0	0	113,249,960	22,693,416	0	11,315,693	34,009,109	79,240,851	90,556,544
Sub Total	231,561,272	0	179,250	231,740,522	75,479,754	0	21,870,191	97,349,945	134,390,576	156,081,517
Previous Year	231,442,682	0	118,590	231,561,272	53,574,127	0	21,905,627	75,479,754	156,081,517	
Grand Total	2,226,128,401	-64,114,187	387,897	2,162,402,109	485,323,752	-18,776,319	79,586,383	546,133,781	1,616,268,314	1,740,804,644
Previous Year	2,266,701,647	-41,387,062	813,816	2,226,128,401	411,142,562	-12,044,424	86,225,614	485,323,752	1,740,804,644	
Capital Work in Progress	18,109,245	18,109,245	0	0					0	18,109,245

	As At 31 st March 2017	(Amount in ₹) As At 31 st March 2016
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)	-	1,81,80,173
- Alchemist Medisphere Limited (Current Year Equity Shares 22500 (Previous year 22500 Shares) of ₹ 10/- Each)	2,25,000	2,25,000
- Alchemist Foods Ltd (Current Year Equity Shares 2955573)	29,55,57,300	-
- Alchemist Foods Ltd * (Current Year Preference Shares 28350424)	1,39,00,21,288	-
Unquoted - Subsidiary		
- Alchemist Enterprise(S) Pte. Ltd (Current Year Equity Shares 501000) (Previous year 501000) of SGD\$ 1 Each)	2,52,99,021	-
Unquoted - Others		
- Shivalik Solid Waste Management Ltd. (Current Year Equity Shares 2500 (Previous year Nil) of ₹ 10/- Each)	25,000	25,000
	1,71,11,27,609	1,84,30,173
<u>Non Trade Investments (In Mutual Funds)</u>		
Quoted		
- Religare Business Leader Fund (Current Year Units 50000 (Previous Year Units 50000) of ₹ 10/- Each)	5,00,000	500,000
	5,00,000	5,00,000
Total	1,71,16,27,609	1,89,30,173
Aggregate Market Value of Quoted Investments	11,77,500	9,96,500
14. LONG TERM LOAN AND ADVANCES		
Unsecured, Considered good		
Capital Advances	8,03,78,837	10,40,15,054
Mat Credit Entitlements	0	5,07,69,297
Security Deposits	1,25,00,058	3,43,20,005
Total	9,28,78,895	18,91,04,356
15. OTHER NON CURRENT ASSETS		
Balances With Banks in Deposit Accounts with Maturity after 31st March, 2018 *	29,10,718	22,40,408
Total	29,10,718	22,40,408

* Including deposit of ₹ 26.45 Lacs (Previous Year ₹ 22.40 Lacs) under lien for guarantee given by banks to various Government Authorities.

	As At	As At
	31st March 2017	31st March 2016
		(Amount in ₹)
16. INVENTORIES		
Inventories taken as valued and certified by the Management		
- Raw Materials *	59,69,365	3,46,48,683
- Finished Goods *	5,33,57,306	20,34,47,122
- Work In Progress/Semi finished goods.*	0	16,91,52,398
- Store, Spares and Scrap **	34,472	10,22,728
Total	<u>5,93,61,142</u>	<u>40,82,70,931</u>
* 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	4,67,32,32,873	4,89,95,72,903
Unsecured - Considered good	2,67,98,527	8,53,41,785
Total	<u>4,70,00,31,400</u>	<u>4,98,49,14,687</u>
18. CASH AND CASH EQUIVALENTS		
Balance with Banks - Current Accounts	1,46,56,944	91,57,660
Balance with Banks - Fixed Deposit A/c *	66,66,837	2,38,22,870
Cash in hand (including imprest balances)	1,88,48,631	2,10,94,463
Total	<u>4,01,72,412</u>	<u>5,40,74,992</u>
* Including deposit of ₹ 48.58 Lacs (Previous Year ₹ 13.59 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	2,28,65,876	2,89,77,965
Advances Recoverable in Cash or in Kind or for value to be received	10,71,68,571	6,64,16,142
Total	<u>13,00,34,448</u>	<u>9,53,94,107</u>
20. OTHER CURRENT ASSETS		
Unsecured, Considered good		
Interest Accrued	1,74,520	6,47,414
Insurance Claim Receivable	0	3,31,149
Total	<u>1,74,520</u>	<u>978563</u>
21. REVENUE FROM OPERATIONS		
Gross Sales	24,16,50,377	1,03,04,67,666
Less :- Excise Duty	44,79,770	1,24,27,984
Net Sale	<u>23,71,70,607</u>	<u>1,01,80,39,682</u>
Other Operating Revenue	0	3,24,22,531
Total	<u>23,71,70,607</u>	<u>1,05,04,62,213</u>

	Year Ended	Year Ended
	31st March 2017	31st March 2016
		(Amount in ₹)
22. OTHER INCOME		
Interest received	10,48,511	2402761
Net Gain on foreign currency transactions & translation	0	195458537
Profit on Sale of Asset	2,14,64,472	0
Misc Other Income	71,84,422	22944307
Total	2,96,97,405	220805605
23. DETAILS OF INVENTORY		
23A Cost of Material Consumed		
Opening Stock	87,37,067	5,41,58,153
Add : Purchases	4,17,10,171	56,07,26,847
	5,04,47,238	61,48,85,000
Less : Closing Stock	59,69,365	3,46,48,683
Total	4,44,77,873	58,02,36,317
23B Purchase of Stock in Trade	14,03,56,313	5,20,44,941
Total	14,03,56,313	5,20,44,941
23C Change in Inventories of Finished Goods, Work in Progress Store, Spares & Scrap		
Opening Stock		
- Finished goods	2,05,79,997	22,35,87,309
- Work in Progress	3,73,31,278	4,42,17,982
- Scrap	45,658	12,03,49,855
	5,79,56,933	38,81,55,146
Closing Stock		
- Finished goods	5,33,57,306	20,34,47,122
- Work in Progress	0	3,73,31,278
- Scrap	34,472	13,18,66,778
	5,33,91,777	37,26,45,178
(Increase) / Decrease in Inventory of Finished Goods, Work in Progress and Stores & Scrap	45,65,156	1,55,09,968
24. EMPLOYEES BENEFIT EXPNESES		
Salaries & Wages including Bonus, Gratuity, Welfare Expenses	13,47,80,554	34,14,79,107
Employer's Contribution towards Provident & other Funds	86,83,612	2,31,33,202
Staff Welfare	14,97,516	1,36,65,424
Total	14,49,61,682	37,82,77,733
25. FINANACE COST		
Interest Paid	2,25,64,926	4,64,96,447
Other Borrowing Cost	4,64,115	36,91,719
Total	2,30,29,041	5,01,88,166

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31ST, 2017

	(Amount in ₹)	
	Year Ended 31 st March 2017	Year Ended 31 st March 2016
26. DEPRECIATION AND AMORTISATION EXPENSES		
Depreciation on Tangible Assets	5,77,16,192	19,94,58,241
Amortization on Intangible Assets	2,18,70,191	6,28,91,479
Total	7,95,86,383	26,23,49,720
27. OTHER EXPENSES		
Consumable, Stores, Spares & Other Manufacturing Expenses	1,19,14,557	1,01,45,926
Power & Fuel Expenses	72,07,008	7,82,83,424
Rent	57,37,307	5,62,52,492
Postage, Telegram & Courier	5,29,079	10,86,773
Repair & Maintenance	13,21,593	2,02,85,995
Travelling Expenses	43,53,774	1,22,19,832
Fee & Taxes	7,85,913	41,70,228
Insurance Charges	13,28,655	48,09,509
Telephone, Internet & Communication Charges	34,74,129	88,10,037
Vehicle Running & Maintenance	51,76,606	1,70,15,990
Director Sitting Fees	1,10,000	80,000
Misc. and General Expenses	74,60,905	3,80,65,392
Prior Period Items	75,13,246	28,40,430
Selling & Marketing Expenses	305,32,408	5,91,63,138
Advertisement & Publicity	5,37,849	23,01,274
Printing and Stationery	18,41,251	30,08,896
<u>Auditor's Remuneration</u>		
- Statutory Audit Fee	15,48,123	24,04,921
- Tax Audit Fee	2,50,388	4,23,340
- For Others	5,62,755	5,69,815
<u>Cost Auditor's Remuneration</u>		
- Audit Fee	1,44,000	1,60,000
Legal & Professional Charges	85,89,612	2,03,38,797
Business Promotion / Entertainment Expenses	1,39,71,255	1,47,69,638
Net Loss on Foreign Exchange Translation	7,83,35,441	0
Total	19,32,25,853	35,72,05,847

28. Earning Per Shares (EPS) (₹)

Particulars	Year	
	31.03.2017	31.03.2016
Profit(Loss) After Tax as per the Statement of Profit and Loss attributable to Equity Share Holders	(1072047699)	(48,37,17,177)
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	(79.06)	(35.67)
- Diluted EPS	(79.06)	(35.67)

29. Contingent Liabilities and Commitments

(₹ In Lacs)

Particulars	Year 31.03.2017	Year 31.03.2016
Contingent Liabilities		
Corporate Guarantees	2230.83	2230.83
Disputed demand under excise duty (Net of duty deposited under protest)	110.42	110.42
Claims against the company not acknowledge as debts	5.08	860.08
Commitments		
Estimated amount of Contract remaining to be executed on capital account and not provide for (Net of Advances)	Nil	Nil

30. 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.

31. Alchemist Limited has four subsidiaries namely Alchemist Healthcare Limited, Alchemist Infrastructures Private Limited, Alchemist Hospitality Group Limited and Alchemist Enterprises Pte Limited, Singapore and two associates namely Alchemist Foods Limited & Medisphere Marketing Limited. However, the results of Alchemist Enterprises Pte. Limited and Alchemist Foods Limited have not been consolidated as the results of the subsidiary were not presented for consolidation.

32. Related Party Disclosures
- Key Managerial Personnel

- o Maj. Gen. (Retd.) Anil Oberoi
- o Mr. Pavan Kumar Verma
- o Mr. Bikram Bhattacharya
- o Mr. Tanveer Gill
- o Ms. Maria Fernandes
- o Mr. Vinay Singh (CS)
- o Mr. Vimal Sharma (CS)

- Subsidiary (Not Consolidated):

Alchemist Enterprise Pte Limited, Singapore

- Associates:

- o Alchemist Foods Limited
- 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 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		Subsidiary (not consolidated) Associates	
		2016-17	2015-16	2016-17	2015-16
1	Managerial Remuneration				
	Maj. Gen. (Retd.) Anil Oberoi	0.00	1.84		
	Mr. Pavan Kumar Verma	32.20	31.42		
	Mr. Bikram Bhattacharya	26.09	25.25		
	Mr. Vimal Sharma(CS)	2.04	5.01		
	Mr. Vinay Singh(CS)	2.00	0.00		
2	Sitting Fees to Directors				
	Mr. R.P. Chhabra	0.00	0.05		
	Mr. Asoke Kumar Chatterjee	0.00	0.10		
	Ms. Silpi Chakraborty	0.00	0.20		
	Mr. Tanveer Gill	0.55	0.00		
	Ms. Maria Fernandes	0.60	0.45		
3	Inter Corporate Loans- Paid/(Repaid)				
	Alchemist Foods Limited (Associates)			385.61	-13900.21
	Alchemist Reality Limited			204.27	0.00
	Alchemist Touchnology Limited			17.87	0.00
	Eco Breaking Technologies India Private Limited			14.08	0.00
	Alchemist Hotel & Resorts Limited			1.99	0.00
	Dooteriah & Kalej Valley Tea Estate Private Limited			56.50	0.00
4	Inter Corporate Loan- Received/(Repaid)				
	KDS Corporation Private Limited			1337.51	2563.52
	Technology Parks Limited			219.83	0.00
	Alchemist Hospitals Limited			0.33	0.00
5	Expenses Incurred on their behalf				
	Jass Developers Private Limited			0.00	0.69
	Alchemist F&B Limited			0.00	0.98
	Alchemist Airways Private Limited			0.77	0.00
	Alchemist Lifesciences Limited			1.08	1.70
	A1 News Network Private Limited			1.24	0.26
	Alchemist Media Limited			0.00	0.08
	Black Cats Protections Private Limited			0.03	0.00
6	Sale of Goods				
	Alchemist Hospitals Limited			4.57	0.00
7	Investment Made				
	Alchemist Foods Limited			0.00	13900.21
8	Investment Sold				
	Alchemist Foods Limited			7049.43	0.00
	Dooteriah & Kalej Valley Tea Estate Private Limited			181.80	0.00
9	Services Received				
	Black Cats Protections Private Limited			0.00	13.15
	Alchemist Hospitals Limited			0.00	0.26
10	Rent Received				
	Century 21 Properties India Private Limited			0.00	0.50
11	Rent Paid				
	Jass Developers Private Limited			3.78	0.00

Detail of related party balances outstanding at year end:

(₹ In Lacs)

Sr. No.	Balance Outstanding	Subsidiary (not consolidated) Associates/Joint Venturer	
		31.03.17	31.03.16
1	Inter Corporate Loans- Given		
	Alchemist Foods Limited	385.61	0.00
	Alchemist Reality Limited	204.27	0.00
	Alchemist Touchnology Limited	19.36	1.50
	Eco Breaking Technologies India Private Limited	14.27	0.19
	Dooteriah & Kalej Valley Tea Estate Private Limited	57.96	1.46
	Alchemist Hotels & Resorts Limited	1.99	0.00
2	Inter Corporate Loan- Received		
	KDS Corporation Private Limited	4338.21	3000.70
	Technology Parks Limited	68529.83	68310.00
3	Investments		
	Alchemist Enterprises Pte Limited (WOS- not consolidated)	252.99	252.99
	Alchemist Foods Limited	16855.79	23905.21
	Alchemist Medisphere Limited	2.25	2.25
	Dooteriah & Kalej Valley Tea Estate Private Limited	0.00	181.80
4	Trade Receivables		
	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
	Alchemist Lifesciences Limited	121.11	120.38
5	Trade Payable		
	Alchemist Hospitals Ltd	0.67	1.18
	Dooteriah & Kalej Valley Tea Estate Private Limited	10.96	10.96
	Jass Developers Private Limited	1.10	0.00
	Black Cats Protections Private Limited	4.54	0.00
6	Advance to Suppliers		
	Black Cats Protections Private Limited	0.00	0.57
7	Security Received		
	A1 News Network Private Limited	3.00	3.00
8	Advance from Joint Venturer		
	Alchemist Township India Limited	1229.49	1229.49
9	Amount Recoverable		
	Jass Developers Private Limited	0.00	2.68
	Alchemist Universe of Education Limited	22.92	22.92
	Alchemist F&B Limited	2.46	2.46
	Alchemist Aviation Private Limited	0.82	0.82
	Alchemist Airways Private Limited	1.74	0.98
	Alchemist Hospitals Limited	1.26	1.58
	Alchemist Lifesciences Limited	0.36	0.00
	Alchemist Media Limited	0.08	0.08
	A 1 News Network Private Limited	1.62	0.38
	Pinkcassisa Hotel & Resort Pvt. Ltd.	0.50	0.50
	Royal Building & Infrastructures Pvt. Ltd.	0.10	0.10

33. 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 2017.

(₹ In Lacs)

Sr. No.	Particulars	Agri Business	Pharma, Chemical & Minerals	Unallocated	Total
a)	Segment Revenue :				
	Revenue from Sales	642.12	1729.59	-	2371.71
	Total Revenue	642.12	1729.59	-	2371.71
b)	Segment Results :				
	Operating Profit(Loss)	(552.28)	(3162.10)		(3714.38)
	Add :- Unallocated Incomes			311.33	311.33
	Less: Finance Cost			230.29	230.29
	Less: Exceptional Item			7194.95	7194.95
	Profit Before Tax	(552.28)	(3162.10)	(7113.91)	(10828.29)
	Provision for Deferred Tax			107.68	107.68
	Previous year Taxes			-	-
	Profit After Tax	(552.28)	(3162.10)	(7006.23)	(10720.61)
c)	Other Information :				
	Segment Assets				
	Investments	-	0.25	17116.02	17116.27
	Other Segment Assets	284.87	1165.52	48805.25	50255.64
		284.87	1165.76	65924.98	67371.91
	Segment Liabilities				
	Share Capital (Including Money Receive against Share Warrant)	-	-	1387.70	1387.70
	Other Segment Liabilities	904.39	2628.61	78613.89	82146.89
		904.39	2628.61	80005.31	83534.59
	Fixed Assets				
	(Incl. Capital Work in Progress)	619.51	1462.85	14080.32	16162.68

34. 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.

35. Employees benefits:

Defined Contribution plans:

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

(₹ In Lacs)

Particulars	Year 31.03.2017	Year 31.03.2016
Company's Contribution to Provident Fund	71.25	171.32
Company's Contribution to Employee State Insurance	15.39	41.44

Defined Benefit Plans:

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	
	2016-17	2015-16
Defined Benefit Plans		
Change in benefit obligations		
Obligations at period beginning - Current	1048123	1822089
Obligations at period beginning - Non-current	13259124	22923665
Service Cost	1433103	2802625
Interest on Defined benefit obligation	1061319	1828754
Benefits settled	(2081518)	(3772646)
Actuarial (gain)/loss	(3145162)	(2685760)
Obligations at period end	11574989	22918727
Current Liability (within 12 months)	619563	1678550
Non Current Liability	10955426	21240177
Change in plan assets		
Plans assets at period beginning, at fair value	-	-
Expected return on plan assets	-	-
Actuarial gain/(loss)	-	-
Contributions	2081518	3772646
Benefits settled	(2081518)	(3772646)
Plans assets at period end, at fair value	-	-
Funded Status		
Closing Fair value of plan assets	-	-
Closing value of obligations	11574989	22918727
Liability recognized in the balance sheet	(11574989)	(22918727)
Details of Gratuity / Leave cost		
Service cost	1433103	2802625
Interest cost	1061319	1828754
Expected return on plan assets	-	-
Actuarial (gain)/loss	(3145162)	(2685760)
Net gratuity / leave cost	(650740)	1945619
Experience Adjustment on Plan Liabilities	(3145162)	(2685760)
Experience Adjustment on Plan Assets	-	-

(Amount in ₹)

Particulars	Gratuity	
	2016-17	2015-16
Assumptions		
Discount factor	7.29%	8%
Estimated rate of return on plan assets	0.00%	0.00%
Salary Increase	5.00%	5.00%
Attrition rate	6.00%	6.00%
Retirement age	60	60

36. 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.

37. 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 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.

38. 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 2017.

39. 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 Holding 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 Holding 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.

40. 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 Holding 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 Holding Company situated at Village Dappar and Samlehri.

41. In respect of Alchemist Limited, the company extended credit from time to time as per market practices. In respect of export receivables amounting to ₹ 46296.06 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 company is considering taking legal action to further augment the recovery process and the management is confident of recovering all these dues and hence no provision is considered necessary against these receivables as of now.

42. In respect of Alchemist Limited, an unclaimed dividend pertaining to dividend declared for the year 2008-09 amounting to ₹ 8,22,848/- was transferred to investor education and protection fund during the year 2016-17.

43. In respect of Alchemist Limited, exceptional items include loss on sale of shares to the tune of ₹ 6850.44 lacs, of a Subsidiary and an Associate Company. It also includes a loss of ₹ 344.51 lacs which pertains to loss on account of plant and machinery sold/discarded by the Company in respect of its Pharma division. Both these decisions have been taken consciously with a view to contain losses and monetise assets.

ALCHEMIST LIMITED

44. 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.
45. Previous years figures have been reworked, regrouped, rearranged and reclassified wherever deemed necessary, to make them comparable.
46. During the year, the company has specified bank notes (SBNs) or other denomination notes as defined in the MCA notification, G.S.R 308(E), dated March 31, 2017. The details of SBNs held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination-wise SBNs and other notes as per the notification are as follows:

(in ₹)

Particulars	SBNs(1)	Other Denomination Notes	Total
Closing Cash In Hand as on Nov 8, 2016	1378000	435369	1813369
Add: Permitted Receipt	0	1759516	1759516
Less: Permitted Payment	(3000)	(1400860)	(1403860)
Less: Amount deposited into Banks	(1375000)	(195769)	(1570769)
Closing cash in hand as on Dec 30, 2016	0	598256	598256

For the purpose of this clause, the term 'Specified Bank Notes shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated November 8, 2016.

Sd/- CA. Ashish Chhabra Partner	Sd/- Vinay Singh Company Secretary	Sd/- Bikram Bhattacharya CFO	Sd/- Pavan Kumar Verma Whole Time Director DIN-00213365	Sd/- 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 : 24/05/2017

28TH
ANNUAL REPORT
2016-2017



ALCHEMIST LIMITED

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