

# ALCHEMIST

Ref:- AL/CS/STX/2018-19/22

October 15, 2018

✓ The Manager (Department of Corporate Services)  
Bombay Stock Exchange Limited (BSE)  
P. J. Towers, 25<sup>th</sup> 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 29<sup>th</sup> Annual Report for the Financial Year 2017-18

Dear Sir/Ma'am,

Please find the enclosed 29<sup>th</sup> Annual Report for the Financial Year 2017-18 of Alchemist Limited.

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

For Alchemist Limited

*Hemant*  
Hemant Kumar Mangal  
(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

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**29<sup>TH</sup>**  
**ANNUAL REPORT**  
**2017-2018**



**ALCHEMIST LIMITED**

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**CORPORATE INFORMATION**

<b>Board of Directors</b>	Mr. Bikram Bhattacharya Mr. Vinay Kumar Mittal Prof. Maria Fernandes Ms. Ambika Chowdhary	Whole Time Director Director (Non- Executive) Director (Independent) Director (Independent)
<b>Chief Financial Officer</b>	Mr. Dinesh Kumar	
<b>Company Secretary &amp; Compliance Officer</b>	Mr. Hemant Kumar Mangal	
<b>Statutory Auditors</b>	M/s.Anu and Associates Chartered Accountants, Chandigarh.	
<b>Bankers</b>	Punjab National Bank Bank of India HDFC Bank	
<b>Registrar &amp; Share Transfer Agents</b>	Link Intime India Private Limited C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400083	
<b>Registered &amp; Head Office</b>	23, Nehru Place, New Delhi- 110019 Phone: 011-40600800 Fax: 40600888 E-mail: investors@alchemist.co.in Website: www.alchemist.co.in	
<b>Chandigarh Office</b>	Plot No. F-5, Rajiv Gandhi, I T Park, Chandigarh-160101 Phone: 0172-4266666	
<b>Works Pharma Unit</b>	Electronic Complex, Chambaghat, Solan, Himachal Pradesh Phone: 0179-2230500-2230800	
<b>Steel Unit</b>	C-29, Village Chanalon, Near Kurali, District: Mohali, Punjab Phone: 0160-2641170.	
<b>Floriculture Unit</b>	Dappar, Ambala Chandigarh Highway, District Mohali, Punjab Phone: 0176-2248666-2248668 Village Kanogata, Rajgarh, District Sirmour (Himachal Pradesh)	

**DIRECTORS' REPORT**

Dear Members,

Your Directors are pleased to present the 29<sup>th</sup> 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 31<sup>st</sup> March, 2018. The financial highlights for the year under review are given below:

**1. FINANCIAL HIGHLIGHTS**

Financial Results are presented in the table below:

(₹ in lakhs)

Particulars	Consolidated		Standalone	
	2017-18	2016-17	2017-18	2016-17
<b>Revenue from Operations including other Income</b>	2843.40	2708.78	2,843.40	2,708.78
<b>Less Expenses:</b>				
Cost of Material Consumed	509.42	444.78	509.42	444.78
Purchase of Stock in Trade	945.09	1403.56	945.09	1403.56
Change in Inventories	449.65	45.65	449.65	45.65
Employees Benefit Expenses	955.74	1474.27	955.74	1474.27
Finance Cost	171.53	225.65	171.53	225.65
Depreciation & Amortization Expenses	776.21	795.86	776.21	795.86
Other Expenses	746.74	1972.23	745.43	1971.57
<b>Total Expenses</b>	<b>4554.37</b>	<b>6362.00</b>	<b>4553.07</b>	<b>6361.35</b>
<b>Profit/(Loss) Before Exceptional Items &amp; Taxes</b>	<b>(1710.98)</b>	<b>(3653.22)</b>	<b>(1709.67)</b>	<b>(3652.57)</b>
Exceptional Items	(71.31)	7194.51	(71.14)	7194.95
<b>Profit/(Loss) Before Tax</b>	<b>(1639.67)</b>	<b>(10847.73)</b>	<b>(1638.53)</b>	<b>(10847.52)</b>
Tax Expenses	42.07	(115.54)	42.07	(115.54)
<b>Profit/(Loss) after Tax</b>	<b>(1681.73)</b>	<b>(10732.20)</b>	<b>(1680.60)</b>	<b>(10731.98)</b>
Profit/(Loss) transferred to Minority (Non Controlling Interest)	(0.20)	(0.14)	(0.00)	(0.00)
<b>Net Profit/(Loss) for the year</b>	<b>(1681.53)</b>	<b>(10732.06)</b>	<b>(1680.60)</b>	<b>(10731.98)</b>
<b>Items that will not be reclassified to profit or loss</b>	<b>49.14</b>	<b>30.51</b>	<b>49.14</b>	<b>30.51</b>
Income tax relating to these items	(12.78)	(7.86)	(12.78)	(7.86)
Total other comprehensive income	36.37	22.65	36.37	22.65
<b>Total comprehensive income for the year</b>	<b>(1645.37)</b>	<b>(10709.54)</b>	<b>(1644.23)</b>	<b>(10709.33)</b>
Paid-Up equity share capital (Face value ₹ 10/- each)	1355.98	1355.98	1355.98	1355.98
Earnings per share (of ₹ 10/- each)				
Basic	(12.40)	(79.15)	(12.39)	(79.15)
Diluted	(12.40)	(79.15)	(12.39)	(79.15)

**2. OPERATIONS**

The net revenue of the Company was ₹ 2843.40 Lakhs as compared to ₹ 2708.78 Lakhs in the previous year. The Operating profit/(loss) i.e profit/(loss) before Interest, Depreciation & Tax during the year was ₹ (1709.67) Lakhs as compared to ₹ (3652.57) Lakhs in the previous year. The net profit/(loss) after tax was ₹ (1680.60) Lakhs during the year as compared to ₹ (10731.98) Lakhs in the previous year.

**3. 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 Pharma, Infrastructures and Hospitality.

- **PHARMA DIVISION**

Alchemist Pharma division is a strong vertical of Alchemist Group with around 300 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 20,000 Doctors and 30,000 retailers across the country. Alchemist's Molecules have been acknowledged with tremendous response at the market place. A detailed write up on the Pharma division is contained in the Section on Management Discussion and Analysis elsewhere in this report.

- **STEEL DIVISION**

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

- **AGRI DIVISION**

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

#### **4. SHARE CAPITAL**

The paid up Equity Share Capital was ₹ 1355.98 Lakhs and paid up Preference Share Capital was ₹ 31.72 Lakhs as on March 31, 2018.

#### **5. CHANGE IN NATURE OF BUSINESS, IF ANY**

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

#### **6. 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 2017-18, as per the Companies (Declaration and Payment of Dividend) Rules, 2014.

#### **7. DEPOSITS**

The Company has not accepted any deposits from the public during the financial year under review as per Section 73 & 76 and other applicable provisions of Companies Act, 2013.

#### **8. DEPOSITORY SYSTEM**

As the members are aware, the Company's equity shares are compulsorily tradable in electronic form. As on March 31, 2018, 12902061 shares (95.15%) 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.

#### **9. LISTING**

The Shares of your Company are listed on Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE). The Listing fee for the year 2018-19 has been paid to the Stock Exchanges. Annual custodian charges of Depository have also been paid to NSDL and CDSL for the same period.

#### **10. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND**

During the year the Company has transferred the unpaid or unclaimed dividends for the financial year 2009-2010 amounting to ₹ 7,93,780/- 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 01<sup>st</sup> April, 2011 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.

#### **11. SUBSIDIARY COMPANY & CONSOLIDATED FINANCIAL STATEMENTS**

As on 31<sup>st</sup> March, 2018, the Company has three Subsidiary Companies namely Alchemist Healthcare Limited, Alchemist Infrastructures Private Limited and Alchemist Hospitality Group Limited. Financial Statements of the above mentioned 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 and Associate Companies is attached to the Financial Statements in **Form AOC-1 (Annexure-I)**. 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.

***\*The financial statements of one Associate, ROC Foods Limited (formerly Known as Alchemist Foods Limited) is still under compilation. Accordingly, the same is not forming part of the consolidated financial results.***

**\*\* Alchemist Limited wholly owned foreign Subsidiary i.e. Alchemist Enterprise (S) PTE Ltd has now been wound up therefore the financials of the same has not been consolidated.**

## **12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

Particulars of loans given, Investments/guarantees made or securities provided by the Company are given in the financial statements.

## **13. RELATED PARTY TRANSACTION**

All the related party transactions are entered on arm's length basis and are in compliance with applicable provisions of the Companies Act, 2013 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 Parties are provided in the accompanying Financial Statements. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

## **14. 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-II**.

## **15. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

During the year under review the Company does not fall under the criteria prescribed under Section 135(1) of Companies Act, 2013 and other relevant rules framed thereunder, hence the Company is not required to constitute Corporate Social Responsibility Committee.

## **16. MEETINGS**

During the year 6 (Six) Board Meetings, 4 (Four) Audit Committee Meetings, 4 (Four) Stakeholders Relationship Committee and 4 (Four) Nomination and 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.

## **17. DETAILS OF DIRECTORS & KEY MANAGERIAL PERSONNEL APPOINTED/RESIGNED/RETIRED DURING THE YEAR**

### **Appointment/reappointment of Director**

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

### **Changes in Directors & Key Managerial Personnel (KMP)**

- Mr. Tanveer Gill (Independent Director) has resigned from the Company w.e.f. 6<sup>th</sup> June, 2017.
- The Board has appointed Ms. Ambika Chowdhary (DIN:07887565) as an Independent Director of the Company w.e.f. 26<sup>th</sup> July, 2017.
- The Board has appointed Mr. Bikram Bhattacharya (DIN:03595530) as Whole Time Director of the Company w.e.f. 10<sup>th</sup> August, 2017 for the period of five years.
- Mr. Pavan Kumar Verma (Whole Time Director) has resigned from the Company w.e.f. 15<sup>th</sup> September, 2017.
- Mr. Bikram Bhattacharya has ceased to be a Chief Financial Officer (CFO) of the Company w.e.f. 10<sup>th</sup> August, 2017.
- Mr. Debasish Basu has been appointed as a Chief Financial Officer (CFO) of the Company w.e.f. 10<sup>th</sup> August, 2017 and has resigned w.e.f. 2<sup>nd</sup> September, 2017.
- Mr. Gurprit Singh has been appointed as a Chief Financial Officer (CFO) of the Company w.e.f. 2<sup>nd</sup> September, 2017 and has resigned w.e.f. 09<sup>th</sup> November, 2017.
- Mr. Dinesh Kumar has been appointed as a Chief Financial Officer (CFO) of the Company w.e.f. 09<sup>th</sup> November, 2017.

- Mr. Vinay Singh, Company Secretary & Compliance Officer of the Company has resigned w.e.f 09<sup>th</sup> March, 2018. There after the Board has appointed Mr. Hemant Kumar Mangal as Company Secretary & Compliance Officer of the Company w.e.f 02<sup>nd</sup> April, 2018.

**18. 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 there under and Regulation 19 of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 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.

**19. DECLARATION BY INDEPENDENT DIRECTORS**

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 of upto five consecutive years on the Board of a Company, and 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 roles, 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.

**20. SEPARATE MEETINGS OF INDEPENDENT DIRECTORS**

In terms of requirements under Schedule IV of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors was held on March 30, 2018.

The Independent Directors at the meeting, inter alia, reviewed the following:-

- Performance of Non-Independent Directors and Board as a whole.
- Performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors.
- Assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

**21. MANAGERIAL REMUNERATION**

The details required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the Corporate Governance Report.

**22. 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.

**23. BOARD EVALUATION**

An annual evaluation of the performances of the Board, its Committees and that of the individual Directors was undertaken during the year on the basis of the criteria such as the composition, structure, functioning, effectiveness of the Board, the Committee Meetings, the contribution and preparedness of individual Directors to the Board and Committees etc after seeking inputs from all the Directors. In a separate meeting of the Independent Directors the performance of Non-Independent Directors, the Chairman and the Board as a whole was evaluated.

**24. 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 appropriate steps are taken to mitigate the same.

**25. INTERNAL CONTROL SYSTEM**

The details in respect of internal financial control and their adequacy are included in the Management Discussion & Analysis Report, which forms part of this Annual Report.

**26. DISCLOSURE 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 2017-2018, no complaints were received by the Company related to sexual harassment.

**27. STATUTORY AUDITORS**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the rules framed thereunder, M/s. Anu & Associates, Chartered Accountants, were appointed as Statutory Auditor of the Company for a period of five years at 28<sup>th</sup> AGM of the Company held on 14<sup>th</sup> September 2017, subject to 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.

**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 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 2018-19. Hence, no estimate/provision made by management. The Company has initiated legal recourse against the defaulting customers and is regularly following up on the same.

**28. COST AUDITORS**

Cost Audit is mandatory for Pharma and Steel Unit. 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 2017-18.

The Board of Directors at its meeting held on 21<sup>st</sup> May, 2018, 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 31<sup>st</sup> March, 2019. A proposal for ratification of remuneration of the Cost Auditors for Financial Year 2018-19 is placed before the Shareholders.

**29. SECRETARIAL AUDITORS**

The Board has appointed M/s. V Kapoor & Associates, Practicing Company Secretaries to conduct Secretarial Audit for the financial year 2017-18. The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2018 is annexed herewith marked as **Annexure- III** to this Report.

**30. INTERNAL AUDITORS**

The Company has appointed Mr. Amardeep Singh, 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.

**31. 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.

**32. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

There are no such material changes and commitments which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

**33. DETAILS OF SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL**

During the financial year no order has been passed by the authorities which impacts the going concern status and Company's operations in future.

**34. 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.

**35. INDUSTRIAL RELATIONS**

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

**36. 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.

**37. 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. 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 a well established System. The Management of the Company interacts with the employees with regular thoughts and mails.

**38. 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.

**39. 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 annexed as **Annexure-V**.

**40. MANAGEMENT DISCUSSION & ANALYSIS REPORT**

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

**41. CORPORATE GOVERNANCE**

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

**42. 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.

### 43. ACKNOWLEDGEMENT

Your Directors take this opportunity to express their grateful appreciation for the excellent assistance and cooperation received from the banks and other authorities. Your Directors also thank the employees of the Company for their valuable service and support during the year. Your Directors also gratefully acknowledge with thanks the cooperation and support received from the shareholders of the Company.

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

**Date : 09<sup>th</sup> August, 2018  
Place : New Delhi**

**Sd/-  
Bikram Bhattacharya  
(Whole Time Director)  
DIN: 03595530**

**Form-AOC-1**Statement containing salient features of the financial statement of Subsidiaries/  
Associate Companies/Joint Ventures**Part "A": Subsidiaries****(₹ in Lakhs)**

S. No.	Name of the Subsidiary	Alchemist Healthcare Limited	Alchemist Infrastructures Private Limited	Alchemist Hospitality Group Limited
1	Financial Year Ending	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2018	31 <sup>st</sup> March 2018
2	Currency & Exchange rate on the last day offinancial year	INR	INR	INR
3	Share Capital	5	1	5
4	Reserves & Surplus	(0.45)	1.12	(5.40)
5	Total Assets	5.00	4.46	0.96
6	Total Liabilities	5.00	4.46	0.96
7	Investments	Nil	Nil	Nil
8	Turnover	Nil	Nil	Nil
9	Profit before Taxation	(0.26)	(0.76)	(0.29)
10	Provision for Taxation	Nil	Nil	Nil
11	Profit after Taxation	(0.26)	(0.76)	(0.29)
12	Proposed Dividend	Nil	Nil	Nil
13	% of Shareholding	51%	100%	75%
14	Date since when subsidiary was Acquired	29/01/2016	20/06/2011	03/06/2005

**Part "B": Associate****(₹ in Lakhs)**

S. No.	Name of the Associate	Alchemist Medisphere Limited
1	Financial Year Ending	31 <sup>st</sup> March 2018
2	Currency & Exchange rate on the last day of financial year	INR
3	Share Capital	5
4	Reserves & Surplus	(5.19)
5	Total Assets	59.79
6	Total Liabilities	59.79
7	Investments	Nil
8	Turnover	Nil
9	Profit before Taxation	(0.37)
10	Provision for Taxation	Nil
11	Profit after Taxation	(0.37)
12	Proposed Dividend	Nil
13	% of Shareholding	45%
14	Date since when Associate was Acquired	14/02/2008

For and on behalf of the Board of Directors  
Alchemist LimitedDate: 21<sup>st</sup> May, 2018  
Place: New DelhiSd/-  
Bikram Bhattacharya  
(Whole-Time Director)  
DIN: 03595530Sd/-  
Vinay Kumar Mittal  
(Director)  
DIN: 00287042

**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 31<sup>st</sup> March, 2018.

**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 Boards of Directors  
Alchemist Limited**

**Sd/-  
Bikram Bhattacharya  
(Whole Time Director)  
DIN-03595530**

**Date: 9<sup>th</sup> August, 2018**

**Place: New Delhi**

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2018**  
*[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

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, 2018 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, 2018 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 Requirement) 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.

**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 V Kapoor Associates  
Practicing Company Secretaries**

Sd/-  
Varun Kapoor  
(Proprietor)  
ACS No.: 37377  
C P No.: 17111

Place : New Delhi  
Date : 09.08.2018

**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

Our Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2018 is to be read along with this letter.

**Management's Responsibility**

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

**Auditor's Responsibility**

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. Where ever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
4. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

**Disclaimer**

5. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
6. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

**For V Kapoor Associates**  
**Practicing Company Secretaries**

Sd/-  
**Varun Kapoor**  
**(Proprietor)**  
**ACS No.: 37377**  
**C P No.: 17111**

**Place : New Delhi**  
**Date : 09.08.2018**



**PART - A**
**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>8.76</td> </tr> <tr> <td>Mr. Tanveer Gill**</td> <td>0.06</td> </tr> <tr> <td>Ms. Ambika Chowdhary***</td> <td>0.24</td> </tr> <tr> <td>Mr. Bikram Bhattacharya****</td> <td>11</td> </tr> <tr> <td>Prof. Maria Fernandes</td> <td>0.30</td> </tr> <tr> <td>Mr. Vinay Kumar Mittal</td> <td>Nil</td> </tr> </tbody> </table>	Name of Directors	Ratio to Median Remuneration	Mr Pavan Kumar Verma*	8.76	Mr. Tanveer Gill**	0.06	Ms. Ambika Chowdhary***	0.24	Mr. Bikram Bhattacharya****	11	Prof. Maria Fernandes	0.30	Mr. Vinay Kumar Mittal	Nil	<p>Hence, remuneration has been considered till that date during the financial year 2017-18.</p> <p>*Mr. Pavan Kumar Verma ceased to be Whole Time Director w.e.f September 15, 2017.</p> <p>** Mr. Tanveer Gill ceased to be Director w.e.f June 06, 2017.</p> <p>***Ms. Ambika Chowdhary appointed as Director w.e.f July 26, 2017.</p> <p>****Mr. Bikram Bhattacharya appointed as Whole Time Director w.e.f August 10, 2017.</p>												
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Prof. Maria Fernandes	0.30																												
Mr. Vinay Kumar Mittal	Nil																												
(ii)	the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	<table border="1"> <thead> <tr> <th>Name of Directors/ KMP</th> <th>Percentage increase/ decrease in Remuneration</th> </tr> </thead> <tbody> <tr> <td>Mr. Pavan Kumar Verma<sup>1</sup></td> <td>(50.91)</td> </tr> <tr> <td>Mr. Tanveer Gill<sup>2</sup></td> <td>(75.31)</td> </tr> <tr> <td>Mr. Bikram Bhattacharya (WTD)<sup>3</sup></td> <td>100</td> </tr> <tr> <td>Prof. Maria Fernandes</td> <td>23.46</td> </tr> <tr> <td>Mr. Vinay Kumar Mittal</td> <td>Nil</td> </tr> <tr> <td>Ms. Ambika Chowdhary<sup>4</sup></td> <td>Nil</td> </tr> <tr> <td>Mr. Bikram Bhattacharya (CFO)<sup>5</sup></td> <td>(63.13)</td> </tr> <tr> <td>Mr. Debasish Basu<sup>6</sup></td> <td>100</td> </tr> <tr> <td>Mr. Gurprit Singh<sup>7</sup></td> <td>100</td> </tr> <tr> <td>Mr. Dinesh Kumar<sup>8</sup></td> <td>100</td> </tr> <tr> <td>Mr. Vinay Singh<sup>9</sup></td> <td>31.76</td> </tr> <tr> <td>Mr. Hemant Kumar Mangal<sup>10</sup></td> <td>100</td> </tr> </tbody> </table>	Name of Directors/ KMP	Percentage increase/ decrease in Remuneration	Mr. Pavan Kumar Verma <sup>1</sup>	(50.91)	Mr. Tanveer Gill <sup>2</sup>	(75.31)	Mr. Bikram Bhattacharya (WTD) <sup>3</sup>	100	Prof. Maria Fernandes	23.46	Mr. Vinay Kumar Mittal	Nil	Ms. Ambika Chowdhary <sup>4</sup>	Nil	Mr. Bikram Bhattacharya (CFO) <sup>5</sup>	(63.13)	Mr. Debasish Basu <sup>6</sup>	100	Mr. Gurprit Singh <sup>7</sup>	100	Mr. Dinesh Kumar <sup>8</sup>	100	Mr. Vinay Singh <sup>9</sup>	31.76	Mr. Hemant Kumar Mangal <sup>10</sup>	100	<p>1. Mr.Pavan Kumar Verma ceased to be Whole Time Director w.e.f September 15, 2017.</p> <p>2. Mr. Tanveer Gill ceased to be Director w.e.f June 06, 2017.</p> <p>3. Mr. Bikram Bhattacharya appointed as Whole Time Director w.e.f August 10, 2017.</p> <p>4. Ms. Ambika Chowdhary appointed as Director w.e.f July 26, 2017.</p> <p>5. Mr. Bikram Bhattacharya ceased as CFO w.e.f August 10, 2017.</p> <p>6. Mr. Debasish Basu appointed as CFO w.e.f August 10, 2017 and ceased w.e.f. September 02, 2017.</p>
Name of Directors/ KMP	Percentage increase/ decrease in Remuneration																												
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Mr. Hemant Kumar Mangal <sup>10</sup>	100																												

**ALCHEMIST LIMITED**

		<p>7. Mr. Gurprit Gill appointed as CFO w.e.f September 02, 2017 and ceased w.e.f. November 09, 2017.</p> <p>8. Mr. Dinesh Kumar appointed as CFO w.e.f November 09, 2017.</p> <p>9. Mr. Vinay Singh ceased to be Company Secretary &amp; Compliance Officer w.e.f. 9<sup>th</sup> March, 2018.</p> <p>10. Mr. Hemant Kumar Mangal appointed as Company Secretary &amp; Compliance Officer w.e.f. 2<sup>nd</sup> April, 2018</p>
(iii)	the percentage increase in the median remuneration of employees in the financial year	(6.88)%
(iv)	the number of permanent employees on the rolls of company	269
(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 Lakhs per annum and employed throughout the financial year or 8 Lakhs 50 Thousand only per month (if any)	There were no such employees.

**PART-B**
**Details of Top 10 (Ten) Employees in terms of Remuneration drawn for the financial year ended on 31<sup>st</sup> March, 2018**

Name	Age (In Years)	Designation	Remuneration (per month)	Qualification	Exp. (In Year)	Date of Commencement of Employment	Previous Employment	
							Na.me of Employer	Post Held
Mr. Charandeep Singh Jolly	59	Chief Executive Officer	3.00	Post-Graduation in Public Relation	35	01-Jan-2016	N/A	N/A
Mr. Bikram Bhattacharya	65	Group Director-Finance & Accounts	1.54	CA	36	10-Aug-2017	N/A	N/A
Mr. Gaurav Arora	40	Vice President-Marketing & Sales	1.12	MBA	19	09-Oct-2012	Life Medicare and Biotech	Head Marketing
Mr. Ajay Arora	66	Vice President-Steel & Floriculture	1.04	Graduate	45	02-Sep-2003	Punjab Anand Batteries	Sales Representative
Mr. Paramjeet Singh	46	Deputy General Manager-Finance	1.03	B.Com	21	02-Mar-1998	Bull Forest Limited	Account Assistant
Ms. Sarabjeet Bajwa <b>(Resigned w.e.f. April, 03, 2018)</b>	63	Senior Manager	1	BA (Arts)	39	16-Jun-2017	L M Thapar School of Management	Secretary
Ms. Madhu Tara	43	Assistant General Manager-HR & Admin	0.9	BA (Arts)	14	14-Jan-2013	Remky Company Limited	Assistant Manager
Mr. Harmeet Singh	35	Transport Manager	0.85	Graduate	16	15-Sep-2011	M/s Exclusive Pvt. Ltd.	Senior Technician
Mr. Sarabjit Singh	55	Assistant Vice President-Solan Plant	0.79	M. Sc (Maths)	28	01-Apr-2006	EssJee Pharmaceuticals	Production Manager
Mr. Anop Singh Negi	45	Assistant General Manager-Accounts	0.67	M.Com	20	10-May-2013	Focus Imaging & Research Center Pvt. Ltd.	Sr. Manager-Accounts

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

**Date : 9<sup>th</sup> August, 2018  
Place : New Delhi**

**Sd/-  
Bikram Bhattacharya  
(Whole Time Director)  
DIN: 03595530**

**FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN****As on financial year ended on 31.03.2018****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 Ph.: 011-40600800 E-mail: investors@alchemist.co.in
Whether listed company	Yes
Name, Address & contact details of the Registrar & Transfer Agent, (if any).	Link Intime India Pvt. Ltd. 44, Community Centre, II <sup>nd</sup> 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	71.38
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 Add: 23, Nehru Place, New Delhi-110019	U74999DL2011PTC221158	Subsidiary Company	100.00	Section 2(87) (ii)
2.	Alchemist Hospitality Group Limited Add: Village Dapparambla, Chandigarh Road, Dist- Patiala-Punjab	U55101PB2005PLC028503	Subsidiary Company	74.88	Section 2(87) (ii)
3.	Alchemist Healthcare Limited, Add: 23, Nehru Place, New Delhi- 110019	U74999DL2016PLC290389	Subsidiary Company	51	Section 2(87) (ii)
4.	ROC Foods Limited Add: Plot No. F5, Rajiv Gandhi, IT Park, Chandigarh-160101	U15400CH2008PLC031186	Associate Company	25	Section 2(6)
5.	Alchemist Medisphere Ltd. Add: 23, Nehru Place, New Delhi-110019	U51909DL2004PLC129294	Associate Company	44.99	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	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	1381532	221780	1603312	11.82	1379220	220780	1600000	11.80	(0.02)
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	3118341	0	3118341	23.00	3118341	0	3118341	23.00	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
<b>Total shareholding of Promoter (A)-(1)</b>	<b>4499873</b>	<b>221780</b>	<b>4721653</b>	<b>34.82</b>	<b>4497561</b>	<b>220780</b>	<b>4718341</b>	<b>34.80</b>	<b>(0.02)</b>
<b>(2) Foreign</b>									
a) NRI Individuals/ HUF	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp. (Cam Finance and General Trade)	0	20000	20000	0.15	0	20000	20000	0.15	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
<b>Total shareholding of Promoter (A)-(2)</b>	<b>0</b>	<b>20000</b>	<b>20000</b>	<b>0.15</b>	<b>0</b>	<b>20000</b>	<b>20000</b>	<b>0.15</b>	<b>0</b>
<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>	<b>4499873</b>	<b>241780</b>	<b>4741653</b>	<b>34.97</b>	<b>4497561</b>	<b>240780</b>	<b>4738341</b>	<b>34.95</b>	<b>(0.02)</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	5000	0	5000	0.036	5000	0	5000	0.036	0
b) Banks / FI	200000	0	200000	1.474	200000	0	200000	1.474	0
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	2.280	131875	Nil	131875	0.973	(1.307)
g) FII's	2331165	Nil	2331165	17.192	1322165	0	1322165	9.751	(7.441)
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1):-</b>	<b>2845241</b>	<b>0</b>	<b>2845241</b>	<b>20.982</b>	<b>1659040</b>	<b>0</b>	<b>1659040</b>	<b>12.234</b>	<b>(8.748)</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.	2121353	8800	2130153	15.709	1365738	7200	1372938	10.126	(5.583)
b) Individuals									
i) Individual shareholders holding nominal share capital up to ₹ 2 lakh	2100010	320759	2420769	17.853	3499876	226559	3726435	27.481	9.628
ii) Individual shareholders holding nominal share capital in excess of ₹ 2 lakh	855660	0	855660	6.310	1245828	0	1245828	9.188	2.878

# 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	
c) Others									
(i) Clearing Members	218180	0	218180	1.609	126792	0	126792	0.935	(0.674)
(ii) HUF	56711	0	56711	0.418	85792	0	85792	0.633	0.215
(iii) Non Resident Indians	82033	205200	287233	2.118	301450	183200	484650	3.574	1.456
(iv) OCBs	2200	0	2200	0.016	2200	0	2200	0.016	0
(v) Foreign Nationals	2000	0	2000	0.015	2000	0	2000	0.014	0
(vi) Trusts	0	0	0	0	0	0	0	0	0
(vii) Foreign Bodies-D R	0	0	0	0	0	0	0	0	0
(viii) IEPF	0	0	0	0	115784	0	115784	0.853	
<b>Sub-total (B)(2):-</b>	<b>5438147</b>	<b>534759</b>	<b>5972906</b>	<b>44.048</b>	<b>6745460</b>	<b>416959</b>	<b>7162419</b>	<b>52.821</b>	<b>8.773</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>8283388</b>	<b>534759</b>	<b>8818147</b>	<b>65.03</b>	<b>8404500</b>	<b>416959</b>	<b>8821459</b>	<b>65.05</b>	<b>0.02</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total (A+B+C)</b>	<b>12783261</b>	<b>776539</b>	<b>13559800</b>	<b>100</b>	<b>12902061</b>	<b>657739</b>	<b>13559800</b>	<b>100</b>	<b>0</b>

## (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	0	3059000	22.56	0	0
2	Kanwar Deep Singh	1257020	9.27	0	1257020	9.27	0	0
3	Ravinder Singh	220780	1.63	0	220780	1.63	0	0
4	Karan Deep Singh	117400	0.86	0	117400	0.86	0	0
5	Toubro Investment Ltd.	59341	0.44	0	59341	0.44	0	0
6	Cam Finance & Ge. Trade	20000	0.15	0	20000	0.15	0	0
7	Vijay Anand	4200	0.03	0	4200	0.03	0	0
8	Harpreet Kaur	400	0.00	0	400	0.00	0	0
9	Isher kaur	200	0.00	0	200	0.00	0	0
10	Sukhvinder Kaur	2312	0.02	0	0	0	0	(0.02)
11	Shyam Sunder	1000	0.01	0	0	0	0	(0.01)
	<b>Total</b>	<b>4741653</b>	<b>34.97</b>	<b>0</b>	<b>4738341</b>	<b>34.94</b>	<b>0</b>	<b>(0.03)</b>

## ALCHEMIST LIMITED

### (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	4741653	34.97		
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer / bonus/ sweat equity etc.):	(3312)	(0.03)		
	At the end of the year	4738341	34.94		

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

Sl. No.	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
1	Davos International Fund	746000	5.50	746000	5.50
2	Passage to India Master Fund Limited	576165	4.25	576165	4.25
3	Sunil Talwar	373838	2.75	373838	2.75
4	Basics Softsolutions Private Limited	330000	2.43	330000	2.43
5	The New India Assurance Company Limited	200000	1.47	200000	1.47
6	Terence Joseph Fernandes	16	0.0001	171522	1.26
7	Sanjay Kumar	169908	1.25	169908	1.25
8	General Insurance Corporation of India	131875	0.97	131875	0.97
9	Ashwani Kumar Singhal	81271	0.60	111271	0.82
10	Globe Capital Market Limited	131790	0.97	106963	0.79

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

Sl. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of Total Shares of the Company	No. of Shares	% of total shares of the Company
1.	Name of the Director/KMP				
2.					
3.					
4.					

**NIL**

# ALCHEMIST LIMITED

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

(₹ In Lakhs)

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year (FY-2017-18)</b>				
i) Principal Amount	601.30	72872.93	0	73474.23
ii) Interest due but not paid	8.28	0	0	8.28
iii) Interest accrued but not due	0	0	0	Nil
<b>Total (i+ii+iii)</b>	<b>609.58</b>	<b>72872.93</b>	<b>0</b>	<b>73482.51</b>
Change in Indebtedness during the financial year				
* Addition	0	1294.10	0	1294.10
* Reduction	(300.54)		0	(300.54)
<b>Net Change</b>	<b>300.54</b>	<b>1294.10</b>	<b>0</b>	<b>993.56</b>
<b>Indebtedness at the end of the financial year (FY-2017-18)</b>				
i) Principal Amount	299.99	74167.03	0	74467.02
ii) Interest due but not paid	9.05	0	0	9.05
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>309.04</b>	<b>74167.03</b>	<b>0</b>	<b>74476.07</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ In Lakhs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Mr. Pavan Kumar Verma (Whole Time Director)*	Mr. Bikram Bhattacharya (Whole Time Director)**	
1	Gross salary			
	(a) Salary inclusive of perquisites as per provisions contained in section 17 of the Income-tax Act, 1961	14.76	18.53	33.29
	(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	-	-	-
	<b>Total (A)</b>	<b>14.76</b>	<b>18.53</b>	<b>33.29</b>
	<b>Ceiling as per the Act</b>	@5% or 10% of profits calculated under Section 198 or within the limit as permissible under schedule V of the Companies Act, 2013. The above remuneration was paid within the limit as prescribed under the Act.		

#### Notes:

\*Mr. Pavan Kumar Verma ceased to be Whole Time Director w.e.f September 15, 2017.

\*\*Mr. Bikram Bhattacharya appointed as Whole Time Director w.e.f August 10, 2017.



**B. Remuneration to other Directors**

(₹ in Lakhs)

S. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Tanveer Gill*	Mr. Vinay Kumar Mittal	Prof. Maria Fernandes	Ms. Ambika Chowdhary**	
1		<b>Independent Directors</b>				
	Fee for attending Board and Committee Meetings	0.10	-	0.50	0.40	1.00
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	<b>Total (1)</b>	<b>0.10</b>	<b>0.00</b>	<b>0.50</b>	<b>0.40</b>	<b>1.00</b>
2.		<b>Other Non-Executive Directors</b>				
	Fee for attending Board and Committee Meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	<b>Total (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total (B)=(1+2)</b>	<b>0.10</b>	<b>0.00</b>	<b>0.50</b>	<b>0.40</b>	<b>1.00</b>
	<b>Total Managerial Remuneration</b>	<b>0.10</b>	<b>0.00</b>	<b>0.50</b>	<b>0.40</b>	<b>1.00</b>
	<b>Overall Ceiling as per the Act</b>	@ 1% of profits calculated under 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 ceased to be Director w.e.f June 06, 2017.

\*\*Ms. Ambika Chowdhary appointed as Director w.e.f July 26, 2017

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

(₹ in Lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel						Total
		Mr. Bikram Bhattacharya (CFO) <sup>1</sup>	Mr. Debasish Basu (CFO) <sup>2</sup>	Mr. Gurprit Singh (CFO) <sup>3</sup>	Mr. Dinesh Kumar (CFO) <sup>4</sup>	Mr. Vinay Singh (CS) <sup>5</sup>	Mr. Hemant Kumar Mangal (CS) <sup>6</sup>	
1	<b>Gross salary</b>							
	Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	9.62	0.46	0.66	4.26	2.64	0.87	18.51
	Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-	-	-
	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	-	-	-	-	-	-	-
	<b>Total</b>	<b>9.62</b>	<b>0.46</b>	<b>0.66</b>	<b>4.26</b>	<b>2.64</b>	<b>0.87</b>	<b>18.51</b>

**Notes:**

1. Mr. Bikram Bhattacharya ceased to be CFO w.e.f August 10, 2017.

2. Mr. Debasish Basu appointed as CFO w.e.f August 10, 2017 and resigned w.e.f. September 02, 2017.

3. Mr. Gurprit Singh appointed as CFO w.e.f September 02, 2017 and resigned w.e.f. November 09, 2017.

4. Mr. Dinesh Kumar appointed as CFO w.e.f November 09, 2017.

5. Mr. Vinay Singh ceased to be Company Secretary &amp; Compliance officer w.e.f. March 09, 2018.

6. Mr. Hemant Kumar Mangal appointed as Company Secretary &amp; Compliance officer w.e.f. April 02, 2018.

**ALCHEMIST LIMITED****VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

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

For and on behalf of the Board of Directors  
ALCHEMIST LIMITED

Date : 09<sup>th</sup> August, 2018  
Place : New Delhi

Sd/-  
Bikram Bhattacharya  
(Whole Time Director)  
DIN: 03595530

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

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

**VISION**

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

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

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

**MISSION**

Our Mission is to bring about an entrepreneurial revolution in India by identifying and infusing our Alchemy into businesses and markets and transmuted 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 21<sup>st</sup> Century.

Alchemist Group is one of India's fastest growing Conglomerates. Our Group currently comprises of several companies having 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 Pharma Inc.: 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.

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**

Medicine spending in India is expected to increase at 9-12% CAGR between 2018-22 to US\$ 26-30 billion, driven by increasing consumer spending, rapid urbanization, and raising healthcare insurance among others.

The Indian government has taken many steps to reduce costs and bring down healthcare expenses. Speedy introduction of generic drugs into the market has remained in focus and is expected to benefit the Indian pharmaceutical companies. In addition, the thrust on rural health programmes, lifesaving drugs and preventive vaccines also augurs well for the

pharmaceutical companies.

## **BUILDING BLOCKS OF ALCHEMIST LIMITED'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:** The Marketing strategy of Alchemist is aimed at striking at the Mass of society

While corporate strategies aim at around striking the class, Alchemist has ventured to address the healthcare problems of the mass of society. A Strategy has been put forward to serve the bottom of the pyramid...the masses. 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 like Anemia, Calcium Deficiency and Weak Immunity. The programs are mass based and societal in approach.

**Geography and Customer Class:** Pharmaceutical division of Alchemist Limited 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, 150 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.

**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 300 SKUs in Ethical and Generics is the back bone of our business which reaches to the deepest corners of the country. We have presence almost PAN India.**

**Pharma division broad outlook:** The pharma division believes we exist for society and hence we continue to serve our society through social 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. 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, and 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 signaled 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.

### **IGTG FORTE: A new revolution in treatment of Diabetes**

Alchemist Pharma brand IGTG FORTE has now been used by doctors for treatment of Type II Diabetes which is affecting 371 million people globally. Doctors have acknowledged the brand in treatment of Diabetes and Diabetic foot ulcers. We are proud to say that with use of IGTG FORTE we have been able to bring a new revolution which has now made doctors re-think the treatment of Diabetes from a Chronic Reversible disease to a disease which may be reversed. This change of approach for management of diabetes has happened for the first time in the world.

### **IGTG FORTE: INDIA'S 1st Wonder Pill**

Alchemist Pharma Flagship brand IGTG FORTE has been acknowledged as India's 1<sup>st</sup> 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 been compared to presently used IVF therapy. The difference in cost his few thousands with IGTG FORTE vs Many Lacs with IVF. IGTG Forte is being used as a support treatment to treat Arthritis, Cancer and even the most deadliest **AIDS**. In other words IGTG FORTE is a solution to all Immuno-Compromised conditions and the confidence of doctors that it has gained through regular use in patients and in clinic results have made them certify IGTG FORTE as India's First Wonder Pill. Seeing the scope of the indications and confidence of Doctors IGTG FORTE is expected to reach a market capitalization of over of 30 Crores in the next 2 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.

**VALCAL-M:** Calcium deficiency is the most common deficiency found in Indians right from growing children to women, and to pregnant mothers. Alchemist brand Valcal-M is another unique product which is marketed by and is the best calcium available out of thousand brands available in India. 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 which is also required by body for overall growth and other health benefits. 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. We are also registered with Municipal Corporations of Delhi, State run govt. hospitals and also govt. dispensaries for the class of brands we market.

### **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.

## **PHARMA DIVISION**

Alchemist Pharma division is a strong vertical of Alchemist Group with around 300 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 20,000 Doctors and 30,000 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 BUSINESS**

Floriculture in India, is being viewed as a high growth Industry. India is the second largest producer of flowers after China. Commercial floriculture is becoming important from the export angle. The liberalization of industrial and trade policies paved the way for development of export-oriented production of cut flowers. It has been found that commercial floriculture has higher potential per unit area than most of the field crops and is therefore a lucrative business. The liberalized economy has given an impetus to the Indian entrepreneurs for establishing export oriented floriculture units under controlled climatic

conditions. Indian Floriculture Market is growing at a Compounded Annual Growth Rate (CAGR) of about 25%. 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: (2018-2025)", 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, 2018-2022," due to the slowdown in world economic growth, the Fencing industry has suffered a certain impact, but still maintained a relatively optimistic growth.. The metal fencing market is in a commanding position owing to a wide range of products available under this category. The market is expected to grow at a CAGR of 4.5% between 2017 and 2025.

The global fencing market is largely driven by factors such as the rising consumer interest in home improvement and home decor 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.

### **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.

## CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, expectations, predictions and assumptions may be 'forward looking' within the meaning of applicable Securities Laws and Regulations. Actual results may differ materially from those expressed herein. Important factors that could influence the Company's operations include global and domestic economic conditions affecting demand, supply, price conditions, change in Government's regulations, tax regimes, the laws and other factors such as litigation and industrial relations.

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

**Dated: 09th August, 2018**  
**Place: New Delhi**

**Sd/-**  
**Bikram Bhattacharya**  
**(Whole Time Director)**  
**DIN: 03595530**



**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 2017-2018, 6 (Six) Board Meetings were held viz (i) 24<sup>th</sup> May, 2017 (ii) 26<sup>th</sup> July, 2017 (iii) 10<sup>th</sup> August, 2017 (iv) 15<sup>th</sup> September, 2017 (v) 09<sup>th</sup> November, 2017 and (vi) 14<sup>th</sup> February, 2018.

The Composition of the Board of Directors as on March 31, 2018 with their attendance at the Board Meetings held during the year 2017-18 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. Tanveer Gill*	Director	Non-Executive	Independent	1	No	-
Mr. Bikram Bhattacharya**	Whole Time Director	Executive	Non Independent	3	Yes	19
Mr. Pavan Kumar Verma***	Whole Time Director	Executive	Non Independent	3	Yes	08
Prof. Maria Fernandes	Director	Non-Executive	Independent	6	Yes	13
Mr. Vinay Kumar Mittal	Director	Non-Executive	Non Independent	6	Yes	17
Ms. Ambika Chowdhary****	Director	Non-Executive	Independent	4	Yes	12

**Notes:**

\*Mr. Tanveer Gill resigned from the Company w.e.f. June 06, 2017.

\*\* Mr. Bikram Bhattacharya has been appointed as Whole Time Director w.e.f. August 10 2017.

\*\*\*Mr.Pavan Kumar Verma resigned from the Company w.e.f. September 15, 2017.

\*\*\*\*Ms. Ambika Chowdhary has been appointed w.e.f. July 26, 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. Vinay Kumar Mittal is having about 30 years of technical experience in the field of real estate business. He started his career in 1985 as engineer (Civil) with Hindustan Construction Company Limited and also worked with various reputed group i.e. Kailash Nath & Associates, Ansal Properties & Industries Limited, DLF Universal Limited, Emaar MGF Land Limited and M3M India Limited.

Mr. Vinay Kumar Mittal is Chairman in 2 committees and Member in 2 Committees (including this listed 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 30, 2018, 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) Remuneration of Directors**
**(₹ in Lakhs)**

Name of the Director	Salary inclusive of Perquisites and allowances	Sitting fee	Total
<b>Executive Directors</b>			
Mr. Pavan Kumar Verma (01 <sup>st</sup> April, 2017 till 15 <sup>th</sup> September, 2017)	14.76	Nil	14.76
Mr. Bikram Bhattacharya (10 <sup>th</sup> August, 2017 till 31 <sup>st</sup> March, 2018)	18.53	Nil	18.53
<b>Non-Executive Directors</b>			
Mr. Tanveer Gill (01 <sup>st</sup> April, 2017 till 6 <sup>th</sup> June 2017)	Nil	0.10	0.10
Prof. Maria Fernandes	Nil	0.50	0.50
Ms. Ambika Chowdhary (26 <sup>th</sup> July 2017 till 31 <sup>st</sup> March 2018)	Nil	0.40	0.40
Mr. Vinay Kumar Mittal	Nil	Nil	Nil
<b>Total</b>	<b>33.29</b>	<b>1.0</b>	<b>34.29</b>

**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. Bikram Bhattacharya, Whole Time Director is annexed as **Annexure A** to this report.

**4. AUDIT COMMITTEE**
**MEETING AND ATTENDANCE**

During the year 2017-18 the Audit Committee of the Company was reconstituted by the Board of Directors by having the following members viz Prof. Maria Fernandes, Ms. Ambika Chowdhary and Mr. Bikram Bhattacharya.

The Audit Committee met 4 (Four) times during the year on 24<sup>th</sup> May, 2017, 10<sup>th</sup> August 2017, 09<sup>th</sup> November, 2017, and 14<sup>th</sup> February, 2018 was attended by members as under:

Name of Members and Position	No. of meetings held	No. of meetings attended
Prof. Maria Fernandes (Chairperson)	4	4
Mr. Pavan Kumar Verma (Member)*	4	2
Mr. Bikram Bhattacharya (Member)**	4	2
Mr. Tanveer Gill*** (Member)	4	1
Ms. Ambika Chowdhary (Member)****	4	3

**Notes:**

\*Mr. Pavan Kumar Verma ceased to be Member w.e.f. September 15, 2017.

\*\*Mr. Bikram Bhattacharya appointed as Member w.e.f August 10, 2017.

\*\*\*Mr. Tanveer Gill ceased to be Member w.e.f June 06, 2017.

\*\*\*\*Ms. Ambika Chowdhary appointed as Member w.e.f July 26, 2017.

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.

During the year 2017-18 the Nomination and Remuneration Committee of the Company was reconstituted by the Board of Directors by having the following members viz Prof. Maria Fernandes, Mr. Vinay Kumar Mittal and Ms. Ambika Chowdhary.

**MEETING AND ATTENDANCE**

The Committee met Four (4) times during the year on 26<sup>th</sup> July 2017, 10<sup>th</sup> August 2017, 15<sup>th</sup> September 2017 and 09<sup>th</sup> November 2017 and was attended by members as under:

Name of Members and Position	No. of meetings held	No. of meetings attended
Prof. Maria Fernandes (Chairperson)	4	4
Mr. Vinay Kumar Mittal (Member)	4	4
Ms. Ambika Chowdhary (Member)*	4	4

**Notes:**

\*Ms. Ambika Chowdhary appointed as Member w.e.f. July 26, 2017.

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 fees paid to Non-Executive Independent Directors for attending the meetings of the Board and Committees thereof during the year are given herein above.

#### **6. STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Stakeholders Relationship Committee was reconstituted by the Board of Directors consists of two Directors viz. Mr. Vinay Kumar Mittal (Chairperson), Mr. Bikram Bhattacharya(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. 24<sup>th</sup> May, 2017, 10<sup>th</sup> August, 2017, 09<sup>th</sup> November, 2017 and 14<sup>th</sup> February, 2018 and was attended by members as under:

<b>Name of Members and Position</b>	<b>No. of meetings held</b>	<b>No. of meetings attended</b>
Mr. Vinay Kumar Mittal (Chairman)	4	4
Mr. Pavan Kumar Verma(Member)*	4	2
Mr. Bikram Bhattacharya (Member)**	4	2

#### **Notes:**

\*Mr. Pavan Kumar Verma ceased to be Member w.e.f. September 15, 2017.

\*\*Mr. Bikram Bhattacharya appointed as Member w.e.f. August 10, 2017.

#### **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 2017-18 :**

<b>Nature of Complaint</b>	<b>Opening Balance</b>	<b>No. of Complaints received</b>	<b>No. of Complaints resolved</b>	<b>No. of Complaint Pending</b>
Non Receipt of De-mat Credit	Nil	Nil	Nil	Nil
Non Receipt of Dividend	Nil	01	01	Nil
Non Receipt of Annual Report	Nil	18	18	Nil
Non Receipt of Share Certificate	Nil	01	01	Nil
SEBI	Nil	14	14	Nil
<b>Total</b>	<b>Nil</b>	<b>34</b>	<b>34</b>	<b>Nil</b>

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

#### **7. SUBSIDIARY COMPANY**

As on 31<sup>st</sup> March, 2018, the Company have 3 (Three) Subsidiary Companies i.e. 'Alchemist Infrastructures Private Limited' and 'Alchemist Hospitality Group Limited' and 'Alchemist Healthcare Limited'.

Wholly Owned Foreign Subsidiary of Alchemist Limited i.e. "Alchemist Enterprise (S) PTE Ltd." has been winded up. Mr. Vinay Kumar Mittal is on the board of 'Alchemist Hospitality Group Limited' and 'Alchemist Healthcare Limited'.

**8. GENERAL BODY MEETINGS**

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

<b>Financial Year</b>	<b>Location of the Meeting</b>	<b>Type of Meeting</b>	<b>Date</b>	<b>Time</b>
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.
2016-17	Paharpur Business Centre, Nehru Place Greens, New Delhi	Annual General Meeting	14-09-2017	10:00 A.M.

- **Special Resolutions passed during last three Annual General Meeting:**

Two Special Resolutions has been passed by the Shareholders in the last three Annual General Meeting.

**Resolution passed through Postal Ballot:**

One resolution was passed through Postal Ballot during the year.

The Company passed the following Special Resolution through Postal Ballot / e-voting on:

Ø **To approve divestment in Material Subsidiary Company.**

The Company received approval of the members vide notice dated 19<sup>th</sup> April, 2016 on 19<sup>th</sup> 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 and submitted the report to the Company.

**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.

**9. 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 Indian Accounting Standards (IND-AS) 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 SEBI (Listing Obligations and Disclosure Requirements Regulations 2015) have been complied with by the Company.

**10. CEO/CFO CERTIFICATION**

The certificate required under Regulation 17(8) of the Listing Regulations, duly signed by the CEO and CFO was placed before the Board. The same is provided as **Annexure B** to this report.

**11. CERTIFICATE ON CORPORATE GOVERNANCE**

As required under Regulation 34 of Listing Regulations, certificate on Corporate Governance by the Practicing Chartered Accountants is annexed as **Annexure C** to this report.

**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
(iv)	Website where displayed?	Website of BSE & NSE as well as website of the Company
(v)	Whether it also displays official news releases?	No
(vi)	Whether presentation made to Institutional Investors or to Analysts?	No
(vii)	Whether Management Discussion & Analysis is part of Annual Report?	Yes

**13. GENERAL SHAREHOLDER INFORMATION**

i)	Annual General Meeting (proposed): Date & Time: Venue:	September 25, 2018 at 10:00 A.M. at Paharpur Business Centre, Nehru Place Greens, New Delhi-110019
ii)	Financial Calendar (1 <sup>st</sup> April, 2018 to 31 <sup>st</sup> March, 2019) (Tentative): Quarterly Results: Quarter ended 30 <sup>th</sup> June, 2018 Quarter ended 30 <sup>th</sup> September, 2018 Quarter ended 31 <sup>st</sup> December, 2018 Quarter/Year ended 31 <sup>st</sup> March, 2019	On or before 14 <sup>th</sup> August, 2018 On or before 14 <sup>th</sup> November, 2018 On or before 14 <sup>th</sup> February, 2019 On or before 30 <sup>th</sup> May, 2019
iii)	Date of Book Closure	19 <sup>th</sup> September, 2018 to 25 <sup>th</sup> September, 2018
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 2018-19 has already been paid.
vi)	Scrip 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 <b>Table-A</b> below
viii)	Performance in comparison to broad-based BSE Sensex	As per ( <b>Chart-I to Chart-IV</b> )
ix)	Registrar and Transfer Agents	LINK INTIME INDIA PVT. LTD. C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400083. 44, Community Centre, Second Floor, Nariana Industrial Area, Phase 1, Near PVR Naraina, New Delhi-110028 Contact No. - 011-41410592-94 Telefax: 011-41410591 Email: <a href="mailto:delhi@linkintime.co.in">delhi@linkintime.co.in</a>

## ALCHEMIST LIMITED

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 & Category of Shareholding	As per <b>Table-B (Chart-I to IV) &amp; Table-C (Chart-I to IV)</b>
xii)	Dematerialization of Shares and Liquidity	As on 31.03.2018, 12902061 Equity Shares of the Company (95.15% of the total issued capital) were held in Dematerialized Form and 657739 Equity Shares (4.85% of total issued capital) were held in physical form.
xiii)	Outstanding GDRs/ADRs/ Warrants or Convertible instruments, conversion date and likely impact on equity	Nil
xiv)	Plant Locations	<p><b>Pharma Unit:</b> Electronic Complex, Chambaghat, Solan, Himachal Pradesh</p> <p><b>Steel Unit</b> C-29, Village Chanalon, Near Kurali, District: Mohali, Punjab</p> <p><b>Floriculture Unit</b> Dappar, Ambala Chandigarh Highway, District Mohali, Punjab Village Kanogata, Rajgarh, District Sirmour, (Himachal Pradesh)</p>
xv)	Company Secretary & Compliance Officer	Mr. Hemant Kumar Mangal 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: <a href="mailto:investors@alchemist.co.in">investors@alchemist.co.in</a> Website : <a href="http://www.alchemist.co.in">www.alchemist.co.in</a>

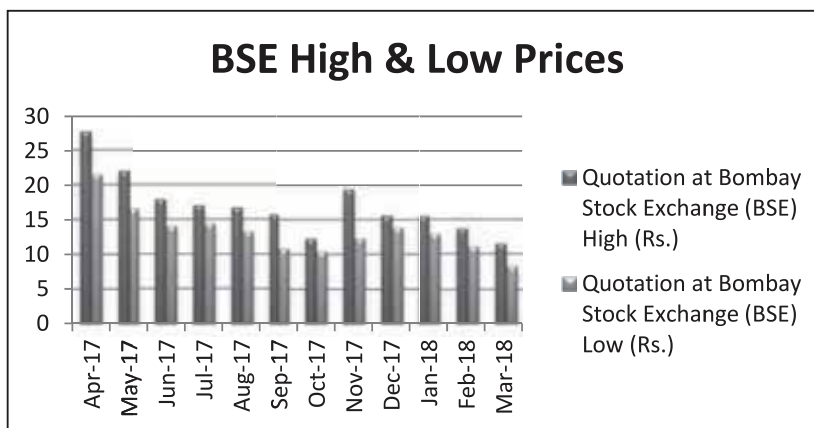
**TABLE-A**

**Market Price Data:**

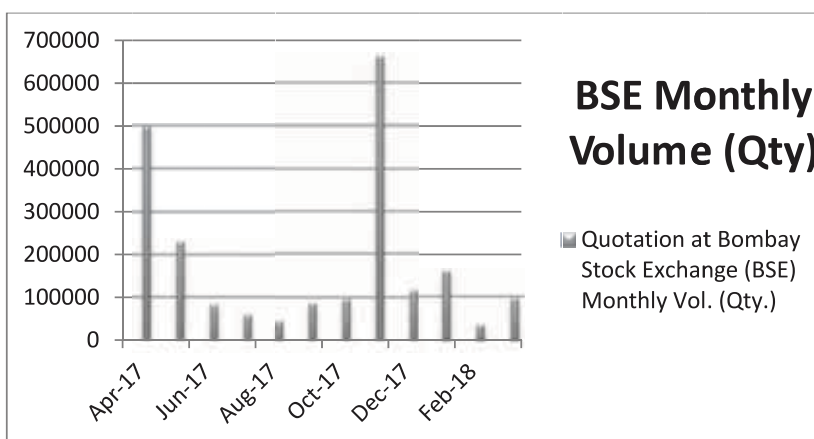
Monthly high and low quotations of shares and volume of Equity Shares traded on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) for the year ended 31<sup>st</sup> March, 2018 are as follows:-

Month	BSE			NSE		
	High (₹)	Low (₹)	Monthly Vol. (Qty.)	High (₹)	Low (₹)	Monthly Vol. (Qty.)
April, 2017	27.65	21.50	497841	27.65	21.35	3020078
May, 2017	22.00	16.55	230522	22.00	16.65	1247757
June, 2017	17.90	14.00	81970	17.65	13.80	494166
July, 2017	17.00	14.40	58613	17.95	14.50	265698
August, 2017	16.70	13.25	43864	15.50	13.00	285233
September, 2017	15.70	10.85	86133	14.25	10.40	504829
October, 2017	12.24	10.35	95886	12.25	10.30	729097
November, 2017	19.40	12.30	662970	19.30	11.85	2295828
December, 2017	15.60	13.82	117147	15.75	13.55	403827
January, 2018	15.50	12.85	160975	15.30	12.85	424367
February, 2018	13.65	11.02	36946	13.50	10.75	82911
March, 2018	11.45	8.17	96146	11.40	8.25	141007

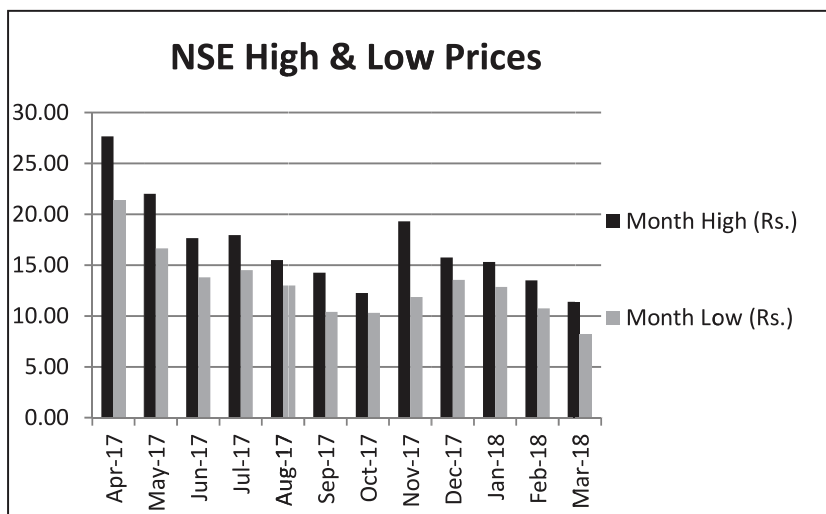
**CHART - I**



**CHART - II**

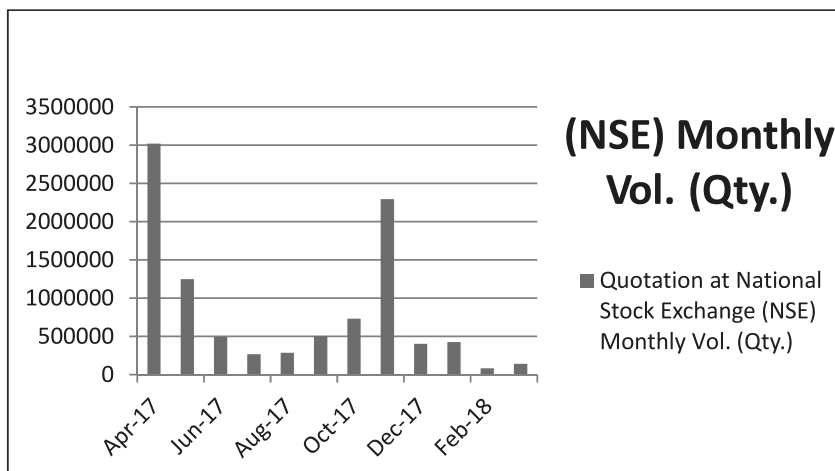


**CHART - III**





**CHART - IV**

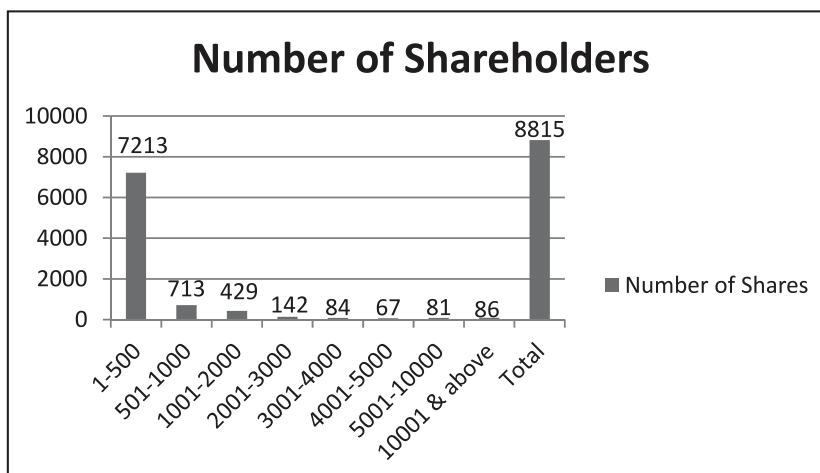


**TABLE-B**

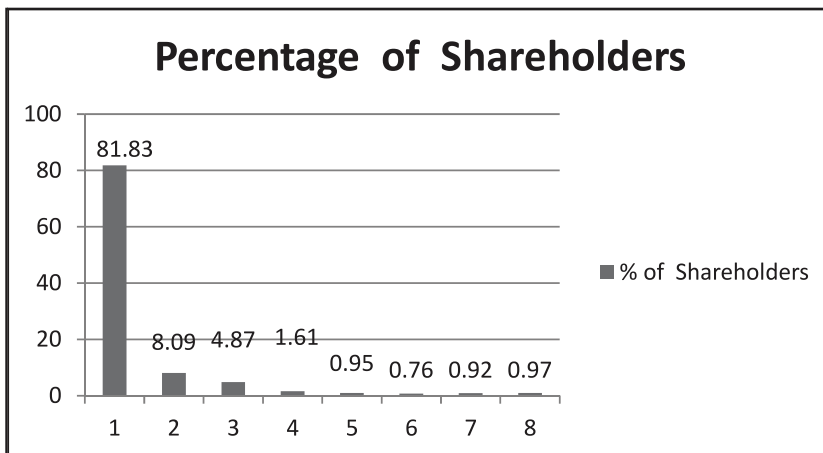
**Distribution of Shareholding as on 31<sup>st</sup> March, 2018:**

No. of Equity Shares	Number of shareholders	% of shareholders	No. of Shares held	% of shareholding
1-500	7213	81.83	1017273	7.50
501-1000	713	8.09	602065	4.44
1001-2000	429	4.87	684137	5.05
2001-3000	142	1.61	362336	2.67
3001-4000	84	0.95	305665	2.26
4001-5000	67	0.76	316144	2.33
5001-10000	81	0.92	606145	4.47
10001 & above	86	0.97	9666035	71.28
<b>Grand Total</b>	<b>8815</b>	<b>100.00</b>	<b>13559800</b>	<b>100.00</b>

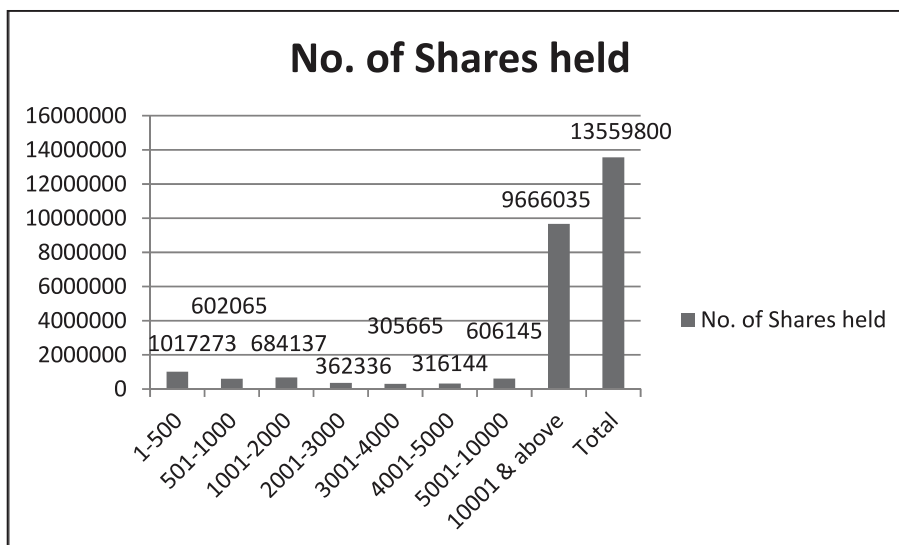
**CHART - I**



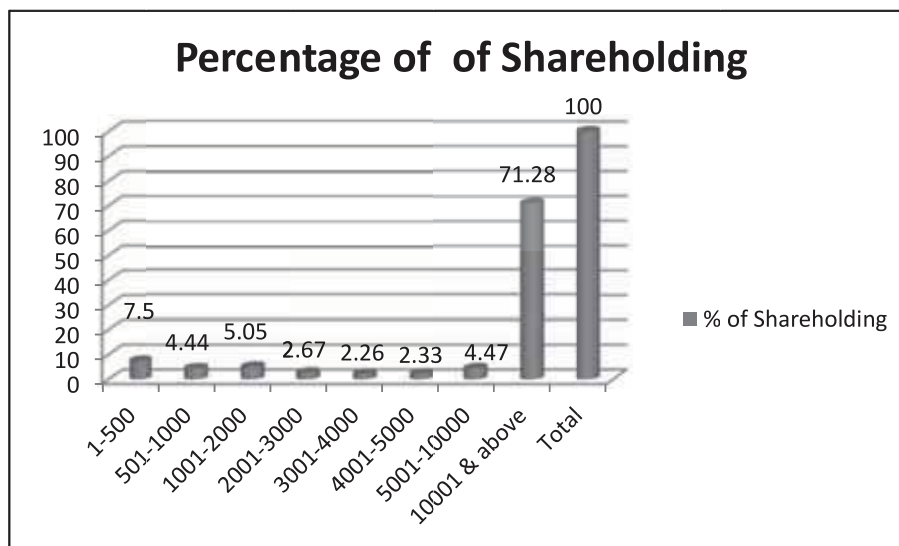
**CHART - II**



**CHART - III**



**CHART - IV**

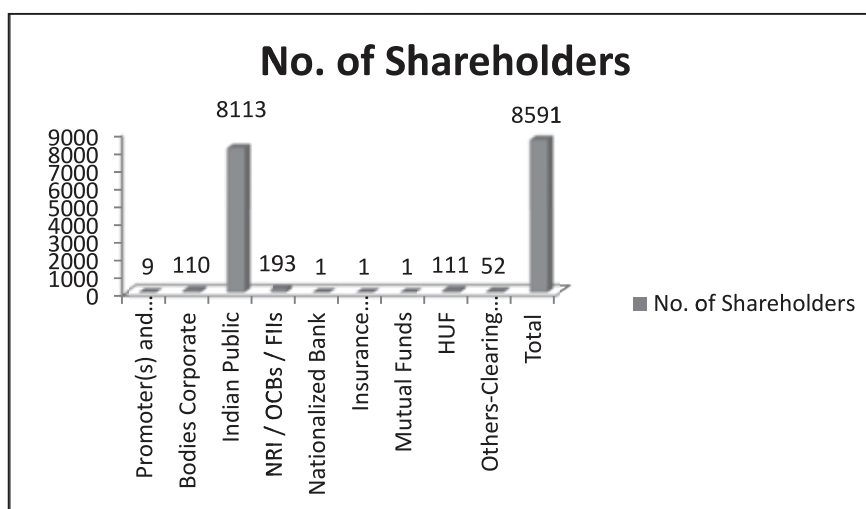


**TABLE-C**

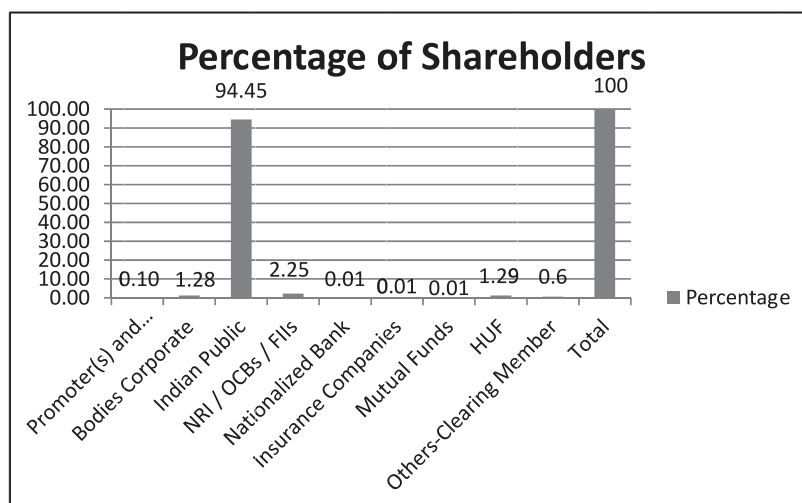
**Category of Shareholders as on 31<sup>st</sup> March, 2018:**

Category	Number of Shareholders	% of Shareholders	No. of Shares held	% of shareholding
Promoter(s) and Persons acting in concert	9	0.10	4620341	34.07
Bodies Corporate	110	1.28	698135	5.16
Indian Public	8113	94.45	6050994	44.62
NRI / OCBs / FIIs	193	2.25	1805350	13.31
Nationalized Bank	01	0.01	200000	1.47
Insurance Companies	01	0.01	131875	0.97
Mutual Funds	01	0.01	5000	0.04
HUF	111	1.29	40241	0.30
Others-Clearing Member	52	0.60	7864	0.06
<b>TOTAL</b>	<b>8591</b>	<b>100.00</b>	<b>13559800</b>	<b>100.00</b>

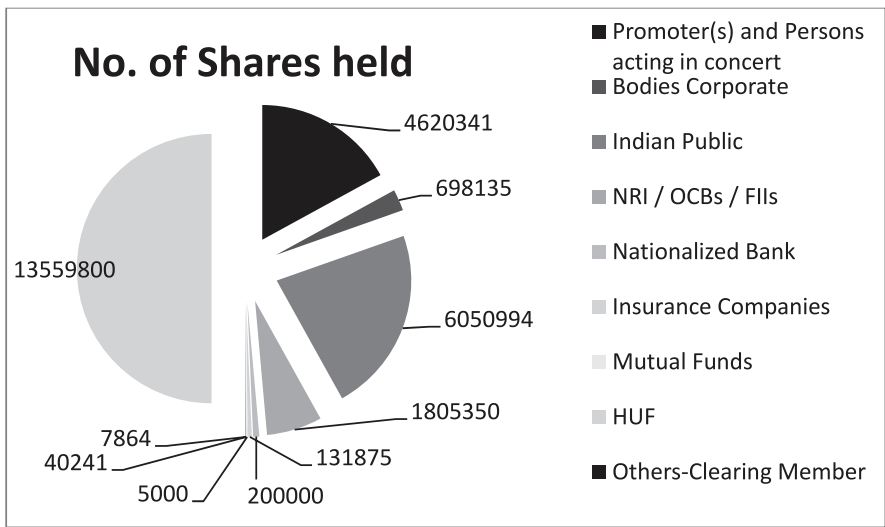
**CHART - I**



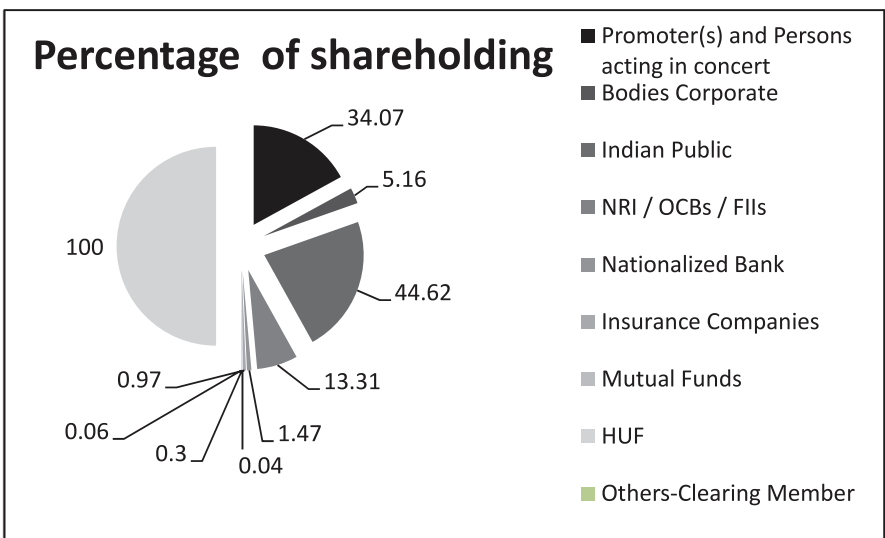
**CHART - II**



**CHART - III**



**CHART - IV**



**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, 2018.

**For ALCHEMIST LIMITED**

**Date : 9<sup>th</sup> August, 2018**  
**Place : New Delhi**

**Sd/-**  
**Bikram Bhattacharya**  
**(Whole Time Director)**  
**DIN: 03595590**

**Annexure B****CHIEF EXECUTIVE OFFICER (CEO)/CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION**

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

- (a) They have reviewed financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2018 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 21<sup>st</sup> May, 2018.

**For ALCHEMIST LIMITED**

**Date : 9<sup>th</sup> August, 2018**  
**Place : New Delhi**

**Sd/-**  
**Bikram Bhattacharya**  
**(Whole Time Director)**  
**DIN:03595530**

**Sd/-**  
**Dinesh Kumar**  
**(Chief Financial Officer)**

**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 31<sup>st</sup> March, 2018 as per relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, ("Listing Regulations") as referred to in Regulation 15(2) of the Listing Regulations, for the period 1<sup>st</sup> April 2017 to 31<sup>st</sup> March 2018.

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.

**Anu and Associates.**  
**Chartered Accountants**  
**Firm Registration No. 019624N**

**Date : 9<sup>th</sup> August , 2018**  
**Place : New Delhi**

**Sd/-**  
**C.A. Parveen Kumar**  
**Partner**  
**(Membership No. 531655)**

**INDEPENDENT AUDITORS' 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 31<sup>st</sup> March, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

The Company's Board of Directors are 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 including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under Section 143(11) of the Act.

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 standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone 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 standalone 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. Attention is invited to note no. 48 to the standalone financial statements which states that "The Company extends credit from time to time as per market practices. In respect of export receivables amounting to ₹ 46,442.79 lakhs, credit was extended for export sales in the normal course of the business, however it apparently got stuck. The Company has initiated legal recourse against the defaulting customers and is regularly following up on the same. The management is confident of recovering all such dues and hence no provision is considered necessary against these receivables".

***Such export receivables are outstanding for more than three years as at the year end date, however, no provision is made against such doubtful trade receivables.***

***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 31<sup>st</sup> March, 2018, and its loss, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Emphasis of Matters**

- a. Attention is invited to note no. 63 to the standalone financial statements which states that “The accumulated losses of the Company had exceeded its net worth. The Company’s operations were adversely affected in earlier financial years due to sluggish market demand, working capital getting stuck in trade receivables and loss making manufacturing activity of the pharmaceutical unit. The Company has initiated legal recourse against the defaulting customers and is regularly following up on the same and the Company during the last year has even closed down its loss making pharmaceutical manufacturing. The units of the Company now continue to operate at satisfactory capacity utilization levels and are generating positive Earnings before Interest Depreciation Tax and Amortization (EBIDTA). With strong management focus on strategic initiatives for cost rationalization, optimum product mix and efficient plant operations, the management believes that accumulated losses would reasonably be paired, in due course. The financial statements, as such have been prepared on a going concern basis”.
- b. Attention is invited to note no. 61 to the standalone financial statements which states that “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. Assets purchased up to 31<sup>st</sup> March, 2010 have been reflected as purchased on 1<sup>st</sup> April, 2010. Thereafter, assets have been reflected at the date on they which were purchased. As on 31<sup>st</sup> March, 2018, the net block of the assets purchased prior to 1<sup>st</sup> April, 2010 is only 3% of the total overall net block. Hence, the impact of the same on depreciation for the year 2017-18 is not likely to be material”.
- c. Attention is invited to note no. 52 to the standalone financial statements which states that “In the opinion of the management, the assets are of the value stated, if realized in the ordinary course of business.  
Out of the Other Non Current Assets as shown in Note No. 10, Company is pursuing legal action in Honorable Kolkata High Court against Medisphere Marketing Limited for recovery of the amount of ₹ 459.80 lakhs outstanding in its books.  
Further, in trade receivables as shown in Note 12, the Company is pursuing legal action on account of cheque being dishonored, against 60 parties for an amount of ₹ 70.20 lakhs”.
- d. Attention is invited to note no. 57 to the standalone financial statements which states that “The balances of majority of the Trade Receivables, Trade Payables and Loan 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”.
- e. Attention is invited to note no. 50 to the standalone financial statements which states that “The pharma division of the Company was engaged in a legal suit with its national carrying and forwarding agency, M/s Bestime Trading Company Private Limited, which has now been resolved and an amicable settlement has been reached. The settlement is forming part of the order dated 23<sup>rd</sup> March, 2018, passed by the Honorable High Court of Delhi. As per the terms of settlement, the Company is required to pay an amount of ₹ 45 lakhs in nine monthly installments of ₹ 5 lakhs each during the financial year 2018-19, against the total commission, interest and other expenses payable amounting to ₹ 51.96 lakhs as on the date of the settlement. Further, the Company is required to continue paying ₹ 2.50 lakhs monthly as commission and interest @ 8% per annum on security of ₹ 220 lakhs, to be paid half yearly by the Company. This arrangement will continue for a period of one year i.e. till 31<sup>st</sup> March, 2019 and thereafter, the Company shall refund the security amount within 90 days i.e. by 30<sup>th</sup> June, failing which the Company would be required to pay an interest @ 12% per annum for the period of delay beyond 30<sup>th</sup> June, 2018. Further, the Company has created a mortgage of the Company’s land at Himachal Pradesh in favor of its National C&F”.
- f. Attention is invited to note no. 51 to the standalone financial statements which states that “The pharma division of the Company has adjusted trade payables amounting to ₹ 1,095.98 lakhs by way of a book entry on account of direct payment to them by some trade receivables or by making direct payment to the suppliers of the supplier from whom the Company is getting the products manufactured as per the Company’s specification. Such adjustments is only in the case of the franchise arrangement as disclosed in note no. 49 to the standalone financial statements and in case of a third party manufacturer”.

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

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”) issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.



- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- (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 31<sup>st</sup> March, 2018 taken on record by the Board of Directors, none of the Directors is disqualified as on 31<sup>st</sup> March, 2018 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.45 to the standalone financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

*for Anu and Associates*  
Chartered Accountants  
Firm's Registration Number: 019624N

**Sd/-**  
**CA. Parveen Kumar**  
*Partner*

Membership Number: 531655

**Place:** New Delhi  
**Date:** 21<sup>st</sup> May, 2018

**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 ₹ 55.59 lakhs, 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, if any, 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 ₹ 251.13 lakhs to 13 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 five parties whose yearend outstanding balance is ₹ 20.98 lakhs, in contravention of provisions of Section 185 of the Companies Act, 2013.**  
**Further, the Company has given interest free loans/amount recoverable to/from 18 parties whose year end outstanding balance is ₹ 757.73 lakhs 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, Goods and Service 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 ₹ 17.71 lakhs were outstanding as on 31<sup>st</sup> March, 2018, 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 31<sup>st</sup> March, 2018 by the Company on account of dispute is given below:**

<b>Name of the Statute</b>	<b>Nature of the dues</b>	<b>Forum where pending</b>	<b>Total Amount involved* (₹ in Lakhs)</b>	<b>Amount paid under protest (₹ in Lakhs)</b>	<b>Period to which amount relates</b>
<i>Income Tax Act, 1961</i>	<i>Income Tax</i>	<i>Assessing Officer</i>	446.75	-	2007-08 to 2013-14

**\* 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 31<sup>st</sup> March, 2018 in repayment of principle and interest is as follows:***

(₹ in Lakhs)

<i>Name of Bank - Type of Loan</i>	<i>Sanction Amount</i>	<i>Default amount as on 31/03/18</i>	<i>Default cleared Amount</i>	<i>Default cleared date</i>	<i>Default outstanding as on 21/05/18</i>
<i>Punjab National Bank - Term Loan</i>	<i>2,100.00</i>	<i>34.05</i>	<i>34.05</i>	<i>26-04-2018</i>	<i>-</i>

- 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 Anu and Associates**

Chartered Accountants

Firm's Registration Number: 019624N

**Sd/-****CA. Parveen Kumar**

Partner

Membership Number: 531655

**Place :** New Delhi**Date:** 21<sup>st</sup> May, 2018

**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 have audited the internal financial controls over financial reporting of Alchemist Limited ("the Company") as of 31<sup>st</sup> March, 2018 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 ICAI. 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 31<sup>st</sup> March, 2018, 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 ICAI.

*for Anu and Associates*  
Chartered Accountants  
Firm's Registration Number: 019624N

**Sd/-**  
**CA. Parveen Kumar**  
*Partner*  
Membership Number: 531655

**Place:** New Delhi  
**Date:** 21<sup>st</sup> May, 2018

# ALCHEMIST LIMITED

## BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2018

PARTICULARS	NOTE	(₹ in Lakhs)		
		As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2016
<b>Assets</b>				
<b>Non - Current Assets</b>				
Property, Plant and Equipment	4	14,239.02	14,818.78	15,847.23
Capital Work-in-progress	5	-	-	181.09
Other Intangible Assets	6	1,125.17	1,343.91	1,560.82
<b>Financial Assets</b>				
Investments	7	16,865.58	17,078.95	24,305.82
Loans	8	405.33	387.54	2.30
Others	9	206.27	201.11	218.87
Other Non-current Assets	10	781.59	803.79	796.63
<b>Total Non - Current Assets</b>		<b><u>33,622.95</u></b>	<b><u>34,634.08</u></b>	<b><u>42,912.76</u></b>
<b>Current Assets</b>				
Inventories	11	185.83	593.61	666.94
<b>Financial Assets</b>				
Trade Receivables	12	47,154.54	47,000.31	47,935.12
Cash and Cash Equivalents	13	248.15	300.47	353.77
Bank Balances	14	21.14	48.74	74.78
Loans	15	338.47	370.17	198.52
Others	16	18.29	42.13	51.09
Current Tax Assets (Net)	17	0.62	5.50	117.09
Other Current Assets	18	642.78	498.67	289.18
<b>Total Current Assets</b>		<b><u>48,609.82</u></b>	<b><u>48,859.61</u></b>	<b><u>49,686.47</u></b>
<b>Total Assets</b>		<b><u>82,232.76</u></b>	<b><u>83,493.68</u></b>	<b><u>92,599.23</u></b>
<b>Equity and Liabilities</b>				
<b>Equity</b>				
Equity Share Capital	19	1,355.98	1,355.98	1,355.98
Other Equity	20	(11,319.56)	(9,675.33)	1,035.28
<b>Total Equity</b>		<b><u>(9,963.58)</u></b>	<b><u>(8,319.35)</u></b>	<b><u>2,391.26</u></b>
<b>Liabilities</b>				
<b>Non - Current Liabilities</b>				
<b>Financial Liabilities</b>				
Borrowings	21	74,498.74	73,505.95	71,936.84
Other Financial Liabilities	22	368.22	413.65	475.99
Provisions	23	52.20	109.55	132.59
Deferred Tax Liabilities (Net)	24	688.00	633.15	740.83
<b>Total Non - Current Liabilities</b>		<b><u>75,607.16</u></b>	<b><u>74,662.31</u></b>	<b><u>73,286.25</u></b>
<b>Current liabilities</b>				
<b>Financial Liabilities</b>				
Borrowings	25	365.78	371.11	537.34
Trade payables	26	13,332.35	13,702.31	13,668.44
Other financial liabilities	27	2,550.98	2,718.90	2,428.11
Other current liabilities	28	336.47	283.04	253.50
Provisions	29	3.60	75.37	34.33
<b>Total Current Liabilities</b>		<b><u>16,589.18</u></b>	<b><u>17,150.73</u></b>	<b><u>16,921.72</u></b>
<b>Total Equity and Liabilities</b>		<b><u>82,232.76</u></b>	<b><u>83,493.68</u></b>	<b><u>92,599.23</u></b>

Significant Accounting Policies and Notes to the Financial Statements 1 to 65

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

for Anu and Associates

for and on behalf of the Board of Directors

Chartered Accountants  
Firm Registration No.: 019624N

Sd/-  
**CA. Parveen Kumar**  
(Partner)  
Membership No.: 531655

Sd/-  
**Hemant Kumar Mangal**  
(Company Secretary)

Sd/-  
**Dinesh Kumar**  
(Chief Financial Officer)

Sd/-  
**Bikram Bhattacharya**  
(Whole Time Director)  
DIN: 03595530

Sd/-  
**Vinay Kumar Mittal**  
(Director)  
DIN: 00287042

Place: New Delhi  
Date: 21<sup>st</sup> May, 2018

**ALCHEMIST LIMITED****STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDING 31<sup>ST</sup> MARCH, 2018**

Particulars	Note	(₹ in Lakhs)	
		For the year ending 31 <sup>st</sup> March, 2018	For the year ending 31 <sup>st</sup> March, 2017
<b>INCOME</b>			
Revenue from Operations	30	2,660.01	2,416.50
Other Income	31	183.38	292.28
<b>Total Income</b>		<b>2,843.40</b>	<b>2,708.78</b>
<b>EXPENSES</b>			
Cost of Material Consumed	32	509.42	444.78
Purchase of Stock in Trade	33	945.09	1,403.56
Change in Inventories of Finished Goods, Stock-in-trade, Work-in-Progress and Scrap	34	449.65	45.65
Employees Benefit Expenses	35	955.74	1,474.27
Finance Cost	36	171.53	225.65
Depreciation and Amortization Expenses	37	776.21	795.86
Other Expenses	38	745.43	1,971.57
<b>Total Expenses</b>		<b>4,553.07</b>	<b>6,361.35</b>
<b>Loss Before Exceptional Items and Taxes</b>		<b>(1,709.67)</b>	<b>(3,652.57)</b>
Exceptional Items		(71.14)	7,194.95
Loss Before Tax		<b>(1,638.53)</b>	<b>(10,847.52)</b>
<b>Tax Expenses</b>	39		
Current Tax		-	-
Deferred Tax Charge/(Benefit)		42.07	(115.54)
<b>Total Tax Expenses</b>		<b>42.07</b>	<b>(115.54)</b>
<b>Loss for the year</b>		<b>(1,680.60)</b>	<b>(10,731.98)</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to Profit or Loss		49.14	30.51
Income Tax relating to items that will not be reclassified to Profit or Loss		(12.78)	(7.86)
<b>Total Other Comprehensive Income</b>		<b>36.37</b>	<b>22.65</b>
<b>Total Comprehensive Income for the Year</b>		<b>(1,644.23)</b>	<b>(10,709.33)</b>
<b>Earning Per Shares (EPS)</b> <b>(Equity shares, Par value ₹ 10/- each)</b>			
Basic and Diluted			
Basic EPS	40	(12.39)	(79.15)
Diluted EPS	40	(12.39)	(79.15)
<b>Significant Accounting Policies and Notes to the Financial Statements</b>	1 to 65		

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

for Anu and Associates

for and on behalf of the Board of Directors

Chartered Accountants

Firm Registration No.: 019624N

Sd/-

CA. Parveen Kumar

(Partner)

Membership No.: 531655

Sd/-

Hemant Kumar Mangal

(Company Secretary)

Sd/-

Dinesh Kumar

(Chief Financial Officer)

Sd/-

Bikram Bhattacharya

(Whole Time Director)

DIN: 03595530

Sd/-

Vinay Kumar Mittal

(Director)

DIN: 00287042

Place: New Delhi

Date: 21<sup>st</sup> May, 2018

**STATEMENT OF CASH FLOW FOR THE YEAR ENDING 31<sup>ST</sup> MARCH, 2018**

Particulars	(₹ in Lakhs)	
	For the year ending 31 <sup>st</sup> March, 2018	For the year ending 31 <sup>st</sup> March, 2017
<b>A. Cash Flow from Operating Activities</b>		
Loss for the year	(1,680.60)	(10,731.98)
Adjustments for		
Depreciation and Amortisation	776.21	795.86
Loss/(Profit) on Financial Assets Measured at FVTPL	-	(1.81)
Loss/ (Profit) on Property, Plant and Equipment Sold/Discarded	(37.28)	(51.23)
Loss/(Profit) on Sale of Financial Assets Measured at Cost	(71.14)	6,850.44
Loss/(Profit) on Sale of Financial Assets Measured at FVTPL	(0.39)	-
Other Exceptional Items	-	181.09
Finance Cost	171.53	225.65
Interest Income	(5.75)	(10.49)
Dividend	(0.03)	-
Tax Expenses	42.07	(115.54)
Operating Profit Before Working Changes in Working Capital	<b>(805.39)</b>	<b>(2,857.99)</b>
Adjustments for changes in working capital		
Trade Receivable	(154.23)	934.80
Trade Payable	(369.96)	33.87
Inventories	407.78	73.33
Provisions	(79.98)	48.51
Other Financial and Non-Financial Assets	(62.01)	(213.84)
Other Financial and Non-Financial Liabilities	(352.10)	545.02
Cash Generated from operations	(1,415.88)	(1,436.30)
Income Tax Paid	(0.62)	(5.50)
<b>Net Cash Flow from/(used in) Operating Activities (A)</b>	<b>(1,416.50)</b>	<b>(1,441.80)</b>
<b>B. Cash Flow from Investing Activities</b>		
Capital Expenditure on Property, Plant & Equipment and Intangible Assets including Capital Advances	21.57	(11.04)
Proceeds from Sale of Property, Plant & Equipment	60.20	504.60
Proceeds from Sale of Investment in Equity Instruments Carried at Cost	272.74	378.24
Proceeds from Sale of Investment Carried at Fair Value through Profit and Loss (FVTPL)	12.17	-
Proceeds/(Payment) from Loan to Subsidiaries	(17.78)	(385.24)
Interest Received	7.14	13.01
Dividend Received	0.03	-
<b>Net Cash Flow from/(used in) Investing Activities (B)</b>	<b>356.06</b>	<b>499.57</b>
<b>C. Cash Flow from Financing Activities</b>		
Redemption of Preference Shares including Premium	-	(1.42)
Proceeds/(Repayment) of Borrowings	1,184.21	1,322.68
Proceeds/(Repayment) of Borrowings	-	-
Interest Paid	(170.76)	(266.10)
<b>Net Cash Generated from Financing Activities (C)</b>	<b>1,013.45</b>	<b>1,055.16</b>
Net Increase/(Decrease) in Cash and Cash Equivalents During the Year (A+B+C)	(46.99)	112.93
Add: Cash and Cash Equivalents as at the Beginning of the Year	(70.64)	(183.57)
Cash and Cash Equivalents as at the end of the Year (refer Note 13)	<b>(117.63)</b>	<b>(70.64)</b>

**Significant Accounting Policies and Notes to the Financial Statements**

This is the Statement of Cash Flow referred to in our report of even date.

for Anu and Associates  
Chartered Accountants  
Firm Registration No.: 019624N

for and on behalf of the Board of Directors

Sd/-  
CA. Parveen Kumar  
(Partner)  
Membership No.: 531655

Sd/-  
Hemant Kumar Mangal  
(Company Secretary)

Sd/-  
Dinesh Kumar  
(Chief Financial Officer)

Sd/-  
Bikram Bhattacharya  
(Whole Time Director)  
DIN: 03595530

Sd/-  
Vinay Kumar Mittal  
(Director)  
DIN: 00287042

Place: New Delhi  
Date: 21<sup>st</sup> May, 2018



**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDING 31<sup>ST</sup> MARCH, 2018**

(₹ in Lakhs)

**A. EQUITY SHARE CAPITAL**

Particular	Number of Shares	Amount
Balance as on 1 <sup>st</sup> April, 2016	13559800	1,355.98
Changes in equity share capital during the year	-	-
Issue of equity shares	-	-
<b>Balance at on 31<sup>st</sup> March, 2017</b>	<b>13559800</b>	<b>1,355.98</b>
Changes in equity share capital during the year	-	-
Issue of equity shares	-	-
<b>Balance at on 31<sup>st</sup> March, 2018</b>	<b>13559800</b>	<b>1,355.98</b>

**B. OTHER EQUITY**

Particular	Other equity - Reserves and Surplus			
	Preference Shares Redemption Reserve	Capital Redemption Reserve	Retained earnings	Total
Balance as on 1 <sup>st</sup> April, 2016	18.38	5,184.05	(4,167.16)	1,035.28
Loss for the year	-	-	(10,731.98)	(10,731.98)
Other comprehensive income/(expense) for the year	-	-	22.65	22.65
Transfer to Capital Redemption Reserve	-	0.14	(0.14)	-
Transfer to Preference Share Redemption Reserve	1.20	-	(1.20)	-
Utilized for the Redemption of Preference Shares	(1.28)	-	-	(1.28)
<b>Balance at on 31<sup>st</sup> March, 2017</b>	<b>18.30</b>	<b>5,184.19</b>	<b>(14,877.82)</b>	<b>(9,675.33)</b>
Loss for the year	-	-	(1,680.60)	(1,680.60)
Other comprehensive income/(expense) for the year	-	-	36.37	36.37
<b>Balance at on 31<sup>st</sup> March, 2018</b>	<b>18.30</b>	<b>5,184.19</b>	<b>(16,522.05)</b>	<b>(11,319.56)</b>

This is the Statement of Changes in Equity referred to in our report of even date.

 for Anu and Associates  
 Chartered Accountants  
 Firm Registration No.: 019624N

for and on behalf of the Board of Directors

 Sd/-  
**CA. Parveen Kumar**  
 (Partner)  
 Membership No.: 531655

 Sd/-  
**Hemant Kumar Mangal**  
 (Company Secretary)

 Sd/-  
**Dinesh Kumar**  
 (Chief Financial Officer)

 Sd/-  
**Bikram Bhattacharya**  
 (Whole Time Director)  
 DIN: 03595530

 Sd/-  
**Vinay Kumar Mittal**  
 (Director)  
 DIN: 00287042

 Place: New Delhi  
 Date: 21<sup>st</sup> May, 2018

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31<sup>ST</sup>, 2018****Note 1 Corporate Information**

Alchemist Limited (the 'Company' or 'Alchemist') is a Public Limited Company domiciled in India and incorporated under the provisions of the Companies Act on 05-07-1988. The Company's equity shares are listed on the bourses of Bombay Stock Exchange Limited (BSE) and National Stock Exchange (NSE). The Company is engaged in the business of Agriculture and allied activities comprising of floriculture and manufacturing of wire mesh for poultry industry and trading of chemicals and pharmaceutical formulations.

**Note 2 Basis of Preparation and Presentation****a) Statement of compliance**

The Company has adopted Indian Accounting Standards (Ind AS) with effect from 1<sup>st</sup> April, 2017, with transition date of 1<sup>st</sup> April, 2016, pursuant to notification issued by Ministry of Corporate Affairs dated 16<sup>th</sup> February, 2015, notifying the Companies (Indian Accounting Standards) Rules, 2015. Accordingly, the financial statements comply with Ind AS as prescribed under Section 133 of the Companies Act, 2013 (the "Act"), read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, relevant provisions of the Act and other accounting principles generally accepted in India.

The financial statements upto and for the year ended 31<sup>st</sup> March, 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended), as notified under Section 133 of the Act and other relevant provision of the Act ("previous GAAP").

The financial statements for the year ended 31<sup>st</sup> March, 2018 are the first financial statements of the Company prepared under Ind AS. Certain of the Company's Ind AS accounting policies used in the opening balance sheet differed from its previous GAAP policies applied as at March 31, 2016, and accordingly adjustments were made to restate the opening balances as per Ind AS. The resulting adjustments arose from events and transactions before the date of transition to Ind AS. Therefore, as required by Ind AS 101, those adjustments were recognized directly through retained earnings as at April 1, 2016.

An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is included in Note 65.

**b) Investments in Subsidiaries and Associates**

The Company has elected to continue with the carrying value of its investments in Subsidiary Companies and Associate Companies as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

**c) Functional and presentation currency**

The management has determined the currency of the primary economic environment in which the Company operates i.e., functional currency, to be 'Indian Rupees' [INR (₹)]. The financial statements are presented in INR (₹) which is Company's functional and presentational currency.

**d) Basis of measurement**

The financial statements have been prepared on the historical cost basis except for the following items

Items	Measurement Basis
Certain financial assets and liabilities	Fair value
Net defined benefit (asset)/liability	Fair value of plan assets less present value of defined benefit obligations

**e) Critical accounting estimates and judgements**

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

**Judgements**

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

Note 3 (n) - whether the Company acts as a principal rather than as an agent in a transaction;

Note 3 (p) - leases: whether an arrangement contains a lease;

Note 3 (p) - lease classification; and

Note 3 (d) and 43- classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding.

#### **Assumptions and estimation uncertainties**

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31<sup>st</sup> March, 2018 is included in the following notes:

Note 3 (k) - measurement of defined benefit obligations and plan assets: key actuarial assumptions;

Note 3 (g) - measurement of useful lives and residual values to property, plant and equipment;

Note 3 (h) - measurement of useful lives of intangible assets;

Note 3 (l), and 3 (m) - recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources; and

Note 3 (r) - recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used and MAT credit entitlement.

#### **Note 3 Summary of Significant Accounting Policies**

The accounting policies set out below have been applied consistently to all periods presented in these financial statements and in preparing the opening Ind AS Balance Sheet as at 1<sup>st</sup> April, 2016 for the purposes of the transition to Ind AS.

##### **a) Current and non-current classification**

All assets and liabilities are classified into current and non-current.

###### **Assets**

An asset is classified as current when it satisfies any of the following criteria:

- It is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is expected to be realised within 12 months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

###### **Liabilities**

A liability is classified as current when it satisfies any of the following criteria:

- It is expected to be settled in the Company's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is due to be settled within 12 months after the reporting date; or
- The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include the current portion of financial liabilities some part of which may be noncurrent. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

###### **Operating cycle**

The operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. Based on the nature of operations and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle being a period of 12 months for the purpose of classification of assets and liabilities as current and non-current.

##### **b) Foreign currency transactions and translations**

Monetary and non-monetary transactions in foreign currencies are initially recorded in the functional currency of the Company at the exchange rates at the dates of the transactions or at an average rate if the average rate approximates the actual rate at the date of the transaction. Monetary foreign currency assets and liabilities remaining unsettled on reporting date are translated at the rates of exchange prevailing on reporting date. Gains/(losses) arising on account

of realisation/settlement of foreign exchange transactions and on translation of monetary foreign currency assets and liabilities are recognised in the statement of profit and loss.

**c) Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either

In the principal market for the asset or liability, or

In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to/by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole

Level 1 – Quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

**d) Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**i. Financial assets****Recognition and initial measurement**

All financial assets are initially recognised when the Company becomes a party to the contractual provisions of the instrument. All financial assets are initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

**Classification and subsequent measurement****Classification**

For the purpose of subsequent measurement, the Company classifies financial assets in following categories:

- Financial assets at amortised cost;
- Financial assets at Fair Value Through Profit or Loss (FVTPL)

A financial asset being 'debt instrument' is measured at the amortised cost if both of the following conditions are met

- The financial asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

A financial asset being equity instrument is measured at FVTPL.

All financial assets not classified as measured at amortised cost are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

#### Subsequent measurement

Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest income and impairment are recognised in the statement of profit and loss.

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest income, are recognised in the statement of profit and loss.

#### Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. Any gain or loss on derecognition is recognised in the statement of profit and loss.

#### Impairment

The Company recognizes loss allowances using the Expected Credit Loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition, in which case those financial assets are measured at lifetime ECL. The changes (incremental or reversal) in loss allowance computed using ECL model, is recognised as an impairment gain or loss in the statement of profit and loss.

#### Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the counter party does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

### ii. Financial liabilities

#### Recognition and initial measurement

All financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. All financial liabilities are initially measured at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are attributable to the liability.

#### Classification and subsequent measurement

Financial liabilities are classified as measured at amortised cost.

Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense are recognised in the statement of profit and loss. Any gain or loss on derecognition is also recognised in the statement of profit and loss.

#### Derecognition

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the statement of profit and loss.

### iii. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

## e) Equity share capital

Proceeds from issuance of ordinary shares are recognised as equity share capital in equity. Incremental costs directly attributable to the issuance of new equity shares are recognized as a deduction from equity, net of any tax effects.

**f) Cash and cash equivalents**

Cash and cash equivalents include cash in hand, bank balances and any deposits with original maturities of three months or less (that are readily convertible to known amounts of cash and cash equivalents and subject to an insignificant risk of changes in value). However, for the purpose of the statement of cash flows, in addition to above items, any bank overdrafts/cash credits that are integral part of the Company's cash management, are also included as a component of cash and cash equivalents.

**g) Property, plant and equipment**

Recognition and measurement

An item is recognised as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. PPE are initially recognized at cost. The initial cost of PPE comprises its purchase price (including non-refundable duties and taxes but excluding any trade discounts and rebates), and any directly attributable cost of bringing the asset to its working condition and location for its intended use. In case of multiple element contracts where by the vendor supplies PPE as well as other components, PPE is recorded on the basis of relative fair values.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent to initial recognition, PPE are stated at cost less accumulated depreciation and any impairment losses. When significant parts of property, plant and equipment are required to be replaced in regular intervals, the Company recognises such parts as separate component of assets. When an item of PPE is replaced, then its carrying amount is de-recognised from the balance sheet and cost of the new item of PPE is recognised. Further, in case the replaced part was not being depreciated separately, the cost of the replacement is used as an indication to determine the cost of the replaced part at the time it was acquired.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

The expenditures that are incurred after the item of PPE has been put to use, such as repairs and maintenance, are normally charged to the statement of profit and loss in the period in which such costs are incurred. However, in situations where the said expenditure can be measured reliably, and is probable that future economic benefits associated with it will flow to the Company, it is included in the asset's carrying value or as a separate asset, as appropriate.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the Straight-Line Method (SLM). The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Depreciation is charged on a pro-rata basis at the straight line method over estimated economic useful lives of its property, plant and equipment generally in accordance with that provided in the Schedule II to the Act other than sapling which are depreciated over a period of 7 years with nil residual value.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1<sup>st</sup> April, 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit and loss within other gains/(losses).

Capital work-in-progress includes assets under construction and cost attributable to construction of assets not ready for use before the year end.

**h) Intangible assets**

Recognition and measurement

Intangible assets are recognised if it is probable that the future economic benefits attributable to the assets will flow

to the enterprise and cost of the asset can be measured reliably in accordance with the notified Indian Accounting Standard – 38 on 'Intangible Assets'.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

#### Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at 1<sup>st</sup> April, 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets.

#### Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

#### Amortisation

- a. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired;
- b. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period;
- c. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.
  1. Computer Software  
Softwares are amortised over the period of license, generally not exceeding ten years.
  2. Research & Development  
Research & Development are amortised over the period of ten years.
  3. Pan India Distribution Network  
Pan India Distribution Network are amortised over the period of ten years.

#### **i) Inventories**

Raw materials and packing materials are valued at lower of cost and net realisable value after providing for obsolescence, if any. Cost is determined on the First-In-First-Out (FIFO) method. Obsolete/non-moving inventories are valued at net realisable value.

Inventory costs include purchase price, freight inward, transit insurance charges and non-refundable taxes. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Work-in-process, stores, spares and consumables, stock-in-trade and finished goods are valued at lower of cost and net realisable value.

#### **j) Impairment of non-financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash-Generating Unit's (CGU) fair value less costs of disposal and its value in use.

Recoverable amount is determined for an individual asset, unless the asset does not generate cash in flows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses, if any, are recognised in statement of profit and loss.

#### Reversal of impairment losses

Impairment losses are reversed and the carrying value is increased to its revised recoverable amount provided that this amount does not exceed the carrying value that would have been determined had no impairment loss been recognised for the said asset in previous years.

#### **k) Employee benefits**

The Company's employee benefits mainly include wages, salaries, bonuses, defined contribution to plans, defined benefit plans, compensated absences, deferred compensation and share-based payments. The employee benefits are recognised in the year in which the associated services are rendered by the Company employees.

**i. Short-term obligations**

All employee benefits payable/available within twelve months of rendering the service such as salaries, wages and bonus etc., are classified as short-term employee benefits and are recognised in the statement of profit and loss in the period in which the employee renders the related service.

**ii. Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the statement of profit and loss in the periods during which the related services are rendered by employees. The Company makes specified contributions towards the following schemes:

**Employee 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.

**Employee State Insurance**

The Company makes contribution to Employee 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.

**iii. Defined benefit plans**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

**Gratuity**

The Company provides for gratuity, a defined benefit plan (the Gratuity Plan) covering all directly recruited eligible employees. In accordance with the payment of Gratuity Act, 1972, the Gratuity plan provides a lump sum payment to vested employees on retirement, death, incapacitation or termination of employment.

The calculation of defined benefit obligation is performed annually by a qualified actuary separately for each plan using the projected unit credit method, which recognises each year of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit, are recognised immediately in the balance sheet a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

Re-measurements are not reclassified to the statement of profit and loss in subsequent periods.

The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the statement of profit and loss.

**l) Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If, the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**m) Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or



a present obligation that is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. Information on contingent liabilities is disclosed in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote.

**n) Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received/receivable net of trade discounts, VAT or service tax, GST.

The Company assesses its revenue arrangements against specific criteria, i.e., whether it has exposure to the significant risks and rewards associated with the sale of goods or the rendering of services, in order to determine if it is acting as a principal or as an agent.

**Sale of Products**

Revenue from the sale of goods is recognised when the goods are dispatched and titles have passed, at which time all the following conditions are satisfied:

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**Interest income**

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on, time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

**Dividend income**

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

**o) Government grants**

Government Grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit and loss accounts over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual installments. When loans or similar assistance are provided by the government or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant.

**p) Leases****i. Determining whether an arrangement contains a lease**

The determination of whether an arrangement is, or contains, a lease is based on the substance of an arrangement at inception date: whether fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values.

**ii. Where the Company is the lessee**

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leased assets are depreciated on WDV method over the useful life of the asset. However, if there is no reasonable certainty that the company will obtain ownership by the end of the lease term, the asset is depreciated on WDV method over the shorter of the estimated useful life of the asset or the lease term.

iii. Where the Company is the lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of the asset are classified as operating leases. Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

**q) Borrowing costs**

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs (for general and specific borrowings) directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time (qualifying assets) to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

**r) Income tax**

Income tax expense comprises current and deferred tax. It is recognised in statement of profit and loss, except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

**Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

**Deferred tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on reversal of temporary differences. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Minimum Alternative Tax ('MAT') expense under the provisions of the Income Tax Act, 1961 is recognised as an asset when it is probable that future economic benefit associated with it in the form of adjustment of future income tax liability, will flow to the Company and the asset can be measured reliably. MAT credit entitlement is set off to the extent allowed in the year in which the Company becomes liable to pay income taxes at the enacted tax rates. MAT credit

entitlement is reviewed at each reporting date and is written down to reflect the amount that is reasonably certain to be set off in future years against the future income tax liability. MAT Credit Entitlement has been presented as Deferred Tax in Balance Sheet.

**s) Earnings per share**

The Company presents basic and diluted earnings per share (EPS) data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

**t) Segment reporting**

Information reported to the Board of Directors who is Chief Operating Decision Maker (CODM) for the purposes of resources allocation and assessment of segment performance focuses on the types of services provided. The Board of Directors of the Company have chosen to organise the Company around the different services being provided. Operating segments have been aggregated based on similar risk and reward and on fulfilment of other aggregation criteria.

CODM has identified primary segment which consists of 'Agri Business', and 'Pharma, Chemical and Minerals'.

The following specific accounting policies have been followed for segment reporting:

- i. Segment revenue includes sales and other income directly identifiable with the segment including intersegment revenue;
- ii. Expenses that are directly identifiable with the segments are considered for determining the segment results. Expenses which relate to the Group as a whole and not allocable to segments are included under unallocable expenditure;
- iii. Income which relates to the Group as a whole and not allocable to segments is included in unallocable income; and
- iv. Segment assets and liabilities include those directly identifiable with the respective segments. Un-allocable corporate assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

# ALCHEMIST LIMITED

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

### 4 PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

PARTICULARS	GROSS BLOCK				DEPRECIATION				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	
Land	1,759.77	204.73	-	1,555.04	-	-	-	-	1,555.04	
Building	415.82	-	-	415.82	235.79	-	6.62	242.41	173.42	
Building other than Factory Building	10,783.27	-	-	10,783.27	213.09	-	170.62	383.70	10,399.57	
Plant & Machinery	2,066.94	436.41	0.49	1,631.02	663.98	187.76	85.25	561.47	1,069.55	
Electric Installation	600.60	-	-	600.60	71.00	-	57.01	128.01	472.59	
Bearer Plants	1,255.26	-	-	1,255.26	1,220.58	-	2.62	1,223.20	32.06	
Furniture & Fixtures	1,084.50	-	-	1,084.50	215.75	-	96.57	312.32	772.18	
Vehicles	1,197.22	-	0.20	1,197.42	871.00	-	97.29	968.29	229.13	
Office Equipment's	240.22	-	0.14	240.36	149.50	-	32.04	181.54	58.82	
Servers and Networks	46.32	-	-	46.32	20.63	-	7.31	27.94	18.37	
Computer & Peripherals	495.76	-	1.26	497.01	437.12	-	21.84	458.96	38.05	
<b>Total</b>	<b>19,945.67</b>	<b>641.14</b>	<b>2.09</b>	<b>19,306.62</b>	<b>4,098.44</b>	<b>187.76</b>	<b>577.16</b>	<b>4,487.84</b>	<b>14,818.78</b>	

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 1-Apr-17	SALE/ ADJUSTMENTS	ADDITIONS/ CAPITALISED	AS AT 31-Mar-18	AS AT 1-Apr-17	ON SALE/ ADJUSTMENTS	FOR THE YEAR	AS AT 31-Mar-18	AS AT 31-Mar-18	
Land	1,555.04	-	-	1,555.04	-	-	-	-	1,555.04	
Building	415.82	-	-	415.82	242.41	-	6.62	249.02	166.80	
Building other than Factory Building	10,783.27	-	-	10,783.27	383.70	-	170.62	554.32	10,228.95	
Plant and Machinery	1,631.02	-	-	1,631.02	561.47	-	83.14	644.62	986.41	
Electric Installation	600.60	-	-	600.60	128.01	-	57.01	185.02	415.58	
Bearer Plants	1,255.26	-	-	1,255.26	1,223.20	-	2.50	1,225.70	29.56	
Furniture & Fixtures	1,084.50	-	-	1,084.50	312.32	-	96.57	408.88	675.62	
Vehicles	1,197.42	123.22	-	1,074.19	968.29	100.31	94.42	962.40	111.79	
Office Equipment's	240.36	-	0.40	240.76	181.54	-	26.74	208.28	32.48	
Servers and Networks	46.32	-	-	46.32	27.94	-	7.31	35.25	11.06	
Computer & Peripherals	497.01	-	0.22	497.24	458.96	-	12.55	471.51	25.73	
<b>Total</b>	<b>19,306.62</b>	<b>123.22</b>	<b>0.63</b>	<b>19,184.02</b>	<b>4,487.84</b>	<b>100.31</b>	<b>557.47</b>	<b>4,945.00</b>	<b>14,239.02</b>	

### 5 CAPITAL WORK-IN-PROGRESS

(₹ in Lakhs)

PARTICULARS	GROSS BLOCK				DEPRECIATION				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	
Capital Work in Progress	181.09	181.09	-	-	-	-	-	-	-	
<b>Total</b>	<b>181.09</b>	<b>181.09</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 1-Apr-17	SALE/ ADJUSTMENTS	ADDITIONS/ CAPITALISED	AS AT 31-Mar-18	AS AT 1-Apr-17	ON SALE/ ADJUSTMENTS	FOR THE YEAR	AS AT 31-Mar-18	AS AT 31-Mar-18	
Capital Work in Progress	-	-	-	-	-	-	-	-	-	
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	

### 6 OTHER INTANGIBLE ASSETS

(₹ in Lakhs)

PARTICULARS	GROSS BLOCK				DEPRECIATION				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	
Computer Software	190.48	-	1.79	192.27	55.68	-	19.18	74.86	117.41	
Research & Developments	992.64	-	-	992.64	472.18	-	86.36	558.55	434.09	
Pan India Distribution Network	1,132.50	-	-	1,132.50	226.93	-	113.16	340.09	792.41	
<b>Total</b>	<b>2,315.61</b>	<b>-</b>	<b>1.79</b>	<b>2,317.41</b>	<b>754.80</b>	<b>-</b>	<b>218.70</b>	<b>973.50</b>	<b>1,343.91</b>	

(₹ in Lakhs)

PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	AS AT 1-Apr-17	SALE/ ADJUSTMENTS	ADDITIONS/ CAPITALISED	AS AT 31-Mar-18	AS AT 1-Apr-17	ON SALE/ ADJUSTMENTS	FOR THE YEAR	AS AT 31-Mar-18	AS AT 31-Mar-18
Computer Software	192.27	-	-	192.27	74.86	-	19.22	94.08	98.19
Research & Developments	992.64	-	-	992.64	558.55	-	86.36	644.91	347.73
Pan India Distribution Network	1,132.50	-	-	1,132.50	340.09	-	113.16	453.25	679.25
<b>Total</b>	<b>2,317.41</b>	<b>-</b>	<b>-</b>	<b>2,317.41</b>	<b>973.50</b>	<b>-</b>	<b>218.74</b>	<b>1,192.24</b>	<b>1,125.17</b>

(₹ in Lakhs)

	<u>As at 31<sup>st</sup> March, 2018</u>	<u>As at 31<sup>st</sup> March, 2017</u>	<u>As at 1<sup>st</sup> April, 2016</u>
<b>7 NON CURRENT INVESTMENT</b>			
<b>Category-wise investments</b>			
Investment in equity instruments	2,965.37	3,166.97	10,395.64
Investment in preference share	13,900.21	13,900.21	13,900.21
Investment in mutual funds	-	11.78	9.97
<b>Investment in equity instruments carried at cost</b>			
<b>Unquoted</b>			
<b>Investment in Subsidiaries</b>			
<b>Alchemist Hospitality Group Limited</b>	3.74	3.74	3.74
Current year equity shares 37440, (Previous Year 37440 shares and as on 1 <sup>st</sup> April, 2016 37440 shares) of ₹ 10/- Each			
<b>Alchemist Infrastructures Private Limited</b>	1.00	1.00	1.00
Current year equity shares 10000 (Previous Year 10000 shares and as on 1 <sup>st</sup> April, 2016 10000 shares) of ₹ 10/- Each			
<b>Alchemist Enterprises Pte Ltd</b>	-	201.60	201.60
Current year equity shares NIL, (Previous Year 501000 shares and as on 1 <sup>st</sup> April, 2016 501000 shares) of SGD \$ 1/- Each			
<b>Alchemist Healthcare Limited</b>	2.55	2.55	-
Current year equity shares 255000, (Previous Year 255000 shares and as on 1 <sup>st</sup> April, 2016 Nil shares ) of ₹ 10/- Each			
	<u>7.29</u>	<u>208.89</u>	<u>206.34</u>
<b>Investment in equity instruments carried at cost</b>			
<b>Unquoted</b>			
<b>Investment in Associates</b>			
<b>ROC Foods Limited*</b>	2,955.57	2,955.57	10,005.00
(Formerly Known as 'Alchemist Foods Limited') Current year equity shares 2955573, (Previous Year 2955573 shares and as on 1 <sup>st</sup> April, 2016 10050000 shares) of ₹ 10/- Each			
<b>Dooteriah and Kalej Valley Tea Estates Private Limited</b>	-	-	181.80
Current year equity shares NIL, (Previous Year Nil shares and as on 1 <sup>st</sup> April, 2016 36000 shares) ₹ 100/- Each			
<b>Alchemist Medisphere Limited</b>	2.25	2.25	2.25
Current year equity shares 22500, (Previous Year 22500 shares and as on 1 <sup>st</sup> April, 2016 22500 shares) ₹ 10/- Each			
	<u>2,957.82</u>	<u>2,957.82</u>	<u>10,189.05</u>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	(₹ in Lakhs) As at 1 <sup>st</sup> April, 2016
<b>Other Investment (Equity) carried at fair value through Profit and Loss (FVTPL)</b>			
<b>Unquoted</b>			
<b>Shivalik Solid Waste Management Limited</b>	0.25	0.25	0.25
Current year equity shares 2500, (Previous Year 2500 shares and as on 1 <sup>st</sup> April, 2016 2500 shares) of ₹ 10/- Each			
	<u>0.25</u>	<u>0.25</u>	<u>0.25</u>
<b>Other Investment in Associates (Preference shares) carried at cost</b>			
<b>Unquoted</b>			
<b>ROC Foods Limited*</b>	13,900.21	13,900.21	13,900.21
(Formerly Known as 'Alchemist Foods Limited') Current year preference shares 28350424, (Previous Year 28350424 shares and as on 1 <sup>st</sup> April, 2016 28350424 shares) of ₹ 10/- Each			
	<u>13,900.21</u>	<u>13,900.21</u>	<u>13,900.21</u>
<b>Investment carried at fair value through Profit and Loss (FVTPL)</b>			
<b>Quoted</b>			
<b>Non Trade Investment-Quoted</b>			
<b>Mutual Fund</b>			
<b>Religare Business Leader Fund</b>	-	11.78	9.97
Current year units Nil, (Previous Year 50000 units and as on 1 <sup>st</sup> April, 2016 50000 units) of ₹ 10/- Each			
	<u>-</u>	<u>11.78</u>	<u>9.97</u>
<b>Total</b>	<b><u>16,865.58</u></b>	<b><u>17,078.95</u></b>	<b><u>24,305.82</u></b>
Aggregate value of quoted investments	-	11.78	9.97
Aggregate value of unquoted investments	16,865.58	17,067.18	24,295.86
<b>Total</b>	<b><u>16,865.58</u></b>	<b><u>17,078.95</u></b>	<b><u>24,305.82</u></b>

\* Alchemist Limited's loan to ROC Foods Limited (Formerly known as 'Alchemist Foods Limited') amounting to ₹ 13900.21 Lakhs was converted into 28350424 preference shares of face value of ₹ 10/- each issued at a premium of ₹ 39.03 during the financial year 2015-16.

**8 NON CURRENT FINANCIAL ASSETS - LOANS**

<b>Loan to Subsidiaries (Unsecured, considered good)</b>			
Alchemist Infrastructure Private Limited	1.02	1.02	0.74
Alchemist Hospitality Group Limited	0.92	0.91	1.56
<b>Loan to Associates (Unsecured, considered good)</b>			
ROC Foods Limited	403.39	385.61	-
(Formerly Known as 'Alchemist Foods Limited')			
<b>Total</b>	<b><u>405.33</u></b>	<b><u>387.54</u></b>	<b><u>2.30</u></b>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	(₹ in Lakhs) As at 1 <sup>st</sup> April, 2016
<b>9 OTHER NON CURRENT FINANCIAL ASSETS</b>			
Unsecure, considered good			
Security Deposit	125.79	125.00	131.31
Fixed Deposits maturing after 12 months *	80.48	76.11	87.55
<b>Total</b>	<b>206.27</b>	<b>201.11</b>	<b>218.87</b>
* Including deposit of ₹ 68.64 Lakhs (Previous Year ₹ 75.03 Lakhs and as on 1 <sup>st</sup> April, 2016 ₹ 35.99 Lakhs) under lien for guarantee given by banks to various Government Authorities.			
<b>10 OTHER NON CURRENT ASSETS</b>			
Unsecure, considered good			
Capital Advances	781.59	803.79	796.63
<b>Total</b>	<b>781.59</b>	<b>803.79</b>	<b>796.63</b>
<b>11 INVENTORIES</b>			
Raw Materials	101.56	59.69	87.37
Finished Goods	22.54	22.86	199.31
Stock-in-trade	61.13	510.71	6.49
Work In Progress/Semi finished goods	-	-	373.31
Store, Spares and Scrap	0.61	0.34	0.46
<b>Total</b>	<b>185.83</b>	<b>593.61</b>	<b>666.94</b>
The mode of valuation of inventories has been stated in note no. 2.2 (i)			
<b>12 TRADE RECEIVABLES</b>			
Unsecured, considered good	47,154.54	47,000.31	47,935.12
<b>Total</b>	<b>47,154.54</b>	<b>47,000.31</b>	<b>47,935.12</b>
<b>13 CASH AND CASH EQUIVALENT</b>			
Balance with Banks - Current Accounts	59.33	115.99	153.42
Fixed deposits maturing within three months	-	-	3.75
Cash in hand	188.82	184.48	196.60
<b>Total</b>	<b>248.15</b>	<b>300.47</b>	<b>353.77</b>
For the purpose of statement of cash flows, Cash & Cash Equivalent comprise of following			
Cash and Cash Equivalent as per balance sheet	248.15	300.47	353.77
Bank Overdraft and Overdraft in Current Account (refer Note 23)	(365.78)	(371.11)	(537.34)
	<b>(117.63)</b>	<b>(70.64)</b>	<b>(183.57)</b>
<b>14 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENT</b>			
Term deposit maturing after three months but before twelve months *	-	19.67	37.38
Unpaid dividend account	21.14	29.08	37.40
<b>Total</b>	<b>21.14</b>	<b>48.74</b>	<b>74.78</b>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	(₹ in Lakhs) As at 1 <sup>st</sup> April, 2016
<b>15 CURRENT LOANS</b>			
Unsecured, considered good Amount recoverable in cash or in kind or for value to be received			
To Related Party	236.29	267.99	152.77
To Others	102.18	102.18	45.74
<b>Total</b>	<b>338.47</b>	<b>370.17</b>	<b>198.52</b>
<b>16 OTHER CURRENT FINANCIAL ASSETS</b>			
Advance to employees (Unsecured)	17.94	40.39	46.81
Interest Accrued	0.36	1.75	4.27
<b>Total</b>	<b>18.29</b>	<b>42.13</b>	<b>51.09</b>
<b>17 CURRENT TAX (NET)</b>			
Advance Income Tax	0.62	5.50	117.09
<b>Total</b>	<b>0.62</b>	<b>5.50</b>	<b>117.09</b>
<b>18 OTHER CURRENT ASSETS</b>			
Unsecured, Considered good			
Prepaid Expenses	6.35	7.04	11.92
Balance with Govt. Authorities	284.58	225.80	96.26
Advances Paid to Suppliers for Goods/Services	314.94	229.27	180.43
Others	36.90	36.57	0.57
<b>Total</b>	<b>642.78</b>	<b>498.67</b>	<b>289.18</b>
<b>19 EQUITY SHARE CAPITAL</b>			
<b>Authorised</b>			
Equity Shares 30000000 of ₹ 10/- each (Previous year 30000000 of ₹ 10/- each)	3,000.00	3,000.00	3,000.00
<b>Issued, Subscribed and Paid-Up</b>			
Equity Shares 13559800 of ₹ 10/- each (Previous year 13559800 of ₹ 10/- each)	1,355.98	1,355.98	1,355.98
<b>Total</b>	<b>1,355.98</b>	<b>1,355.98</b>	<b>1,355.98</b>

**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 held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their shareholding.

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

Equity Shares	As at 31 <sup>st</sup> March, 2018		As at 31 <sup>st</sup> March, 2017		As at 1 <sup>st</sup> April, 2016	
	Number	Amount	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	13559800	1,355.98	13559800	1,355.98	13559800	1,355.98
Shares Issued during the year	-	-	-	-	-	-
Shares bought back during the year	-	-	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>13559800</b>	<b>1,355.98</b>	<b>13559800</b>	<b>1,355.98</b>	<b>13559800</b>	<b>1,355.98</b>



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

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

Name of Shareholder	As at 31 <sup>st</sup> March, 2018		As at 31 <sup>st</sup> March, 2017		As at 1 <sup>st</sup> April, 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Kanwar Deep Singh	1257020	9.27%	1257020	9.27%	1257020	9.27%
KDS Corporation Pvt Ltd	3059000	22.56%	3059000	22.56%	3059000	22.56%
Davos International Fund	746000	5.50%	746000	5.50%	746000	5.50%

(₹ in Lakhs)

**20 OTHER EQUITY**
**Capital Redemption Reserve**

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Balance Brought Forward	5,184.19	5,184.05
Add: Transfer from Statement of Retained Earnings	-	0.14
	<u>5,184.19</u>	<u>5,184.19</u>

**Preference Shares Redemption Reserve**

Balance Brought Forward	18.30	18.38
Add: Transfer from Statement of Retained Earnings	-	1.20
Less: Utilized for the Redemption of Preference Shares	-	(1.28)
	<u>18.30</u>	<u>18.30</u>

**Retained Earnings**

Balance Brought Forward	(14,877.82)	(4,167.16)
Add: Loss for the Year	(1,644.23)	(10,709.33)
Less: Transfer to Capital Redemption Reserve	-	(0.14)
Less: Transfer to Preference Share Redemption Reserve	-	(1.20)
	<u>(16,522.05)</u>	<u>(14,877.82)</u>
<b>Total</b>	<u>(11,319.56)</u>	<u>(9,675.33)</u>

(₹ in Lakhs)

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2016
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**21 NON- CURRENT BORROWINGS**
**Secured**
**Term Loans From Bank**

Punjab National Bank	624.99	728.44	962.35
Less : Current Maturities	(325.00)	(128.44)	(375.00)
	<u>299.99</u>	<u>600.00</u>	<u>587.35</u>
Vehicle Loans from Banks			
Vehicle Loan	2.78	9.22	14.86
Less : Current Maturities	(2.78)	(7.92)	(7.93)
	<u>-</u>	<u>1.30</u>	<u>6.92</u>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	(₹ in Lakhs) As at 1 <sup>st</sup> April, 2016
<b>Unsecured</b>			
Inter Corporate Deposits			
From Subsidiary	4.90	4.90	-
From Others	74,162.14	72,868.04	71,310.70
	<u>74,167.03</u>	<u>72,872.93</u>	<u>71,310.70</u>
<b>Redeemable preference shares (Unsecured)</b>			
Redeemable Preference Shares 31718 of ₹ 100/- Each (Previous year 31718 and as on 1 <sup>st</sup> April, 2018, 31,860 of ₹ 100/-Each)	31.72	31.72	31.86
	<u>31.72</u>	<u>31.72</u>	<u>31.86</u>
<b>Total</b>	<u>74,498.74</u>	<u>73,505.95</u>	<u>71,936.84</u>

**Details of continuing default as on 31<sup>st</sup> March, 2018 in repayment of loans and interest: (₹ in Lakhs)**

Name of Bank - Type of Loan	Sanction Amount	Default amount as on 31/03/18	Default cleared Amount	Default cleared date	Default outstanding as on 21/05/18
Punjab National Bank - Term Loan	2,100.00	34.05	34.05	26-Apr-18	-

**Note**
**Term Loans From Bank**

Punjab National Bank

Punjab National Bank: Secured Loan of ₹ 624.99 Lakhs (Previous Year ₹ 728.44 Lakhs and as on 1<sup>st</sup> April, 2018 ₹ 587.35 secured through exclusive Charge on Fixed Assets Block, situated at F-5, Kishangarh Rajiv Gandhi I.T. Park, Chandigarh.

The loan has been guaranteed by Mr. Kanwar Deep Singh in the capacity of the Director till 31<sup>st</sup> August, 2012 and thereafter being the Promoter of the Company. Term Loan carries interest at base rate + 4% and is repayable in 84 monthly installment of ₹ 25 Lakhs each, commencing from 30<sup>th</sup> April, 2013.

**Vehicle Loans from Bank:**

Vehicle Loans of ₹ 2.77 Lakhs (Previous Year ₹ 9.22 Lakhs and as on 1<sup>st</sup> April, 2018 ₹ 14.86 Lakhs are Secured against hypothecation of vehicles. 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.

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	(₹ in Lakhs) As at 1 <sup>st</sup> April, 2016
The details given below are gross of debt origination cost.			
The table below summarises the maturity profile of the Company's borrowings based on contractual undiscounted payments.			
Within One Year	327.78	136.36	382.93
Between One and Five Years	299.99	601.30	594.28
<b>Total</b>	<u>627.77</u>	<u>737.66</u>	<u>977.21</u>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**
**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 ₹ 4.89 Lakhs (Previous Year ₹ 4.49 Lakhs), ₹ 5,580.16 Lakhs (Previous Year ₹ 4,338.20 Lakhs) and ₹ 68,581.98 Lakhs (Previous year ₹ 68,529.82 Lakhs) respectively. 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 ₹ 5,000.00 Lakhs, 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.

**Redeemable Preference Shares**

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

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	(₹ in Lakhs) As at 1 <sup>st</sup> April, 2016
<b>22 OTHER NON CURRENT FINANCIAL LIABILITIES</b>			
Security Deposits Received	368.22	413.65	475.99
<b>Total</b>	<b>368.22</b>	<b>413.65</b>	<b>475.99</b>
<b>23 LONG-TERM PROVISIONS</b>			
<b>Provision for Employees Benefits</b>			
Gratuity	52.20	109.55	132.59
<b>Total</b>	<b>52.20</b>	<b>109.55</b>	<b>132.59</b>
<b>24 DEFERRED TAX LIABILITY (NET)</b>			
<b>Deferred Tax Liability Arising on</b>			
Difference Between Book and Tax Depreciation	725.48	697.53	805.11
<b>Deferred Tax Assets Arising on</b>			
Provision of Gratuity and Bonus	24.71	56.52	64.28
Actuarial Net Loss/(Gain) on Remeasurement of Defined Benefit Plans	12.78	7.86	-
<b>Total</b>	<b>688.00</b>	<b>633.15</b>	<b>740.83</b>
<b>25 CURRENT BORROWINGS</b>			
<b>Secured</b>			
Bank of India (Cash Credit Limit)*	361.41	350.00	350.00
<b>Unsecured</b>			
Overdraft in Current Account	4.37	21.11	187.34
<b>Total</b>	<b>365.78</b>	<b>371.11</b>	<b>537.34</b>

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

Working Capital facility of ₹ 350 Lakhs (Previous Year ₹ 350 Lakhs) secured against hypothecation of stocks and book debt of the company's unit located at Chambaghat, Solan (Himachal Pradesh). It is further collaterally secured by Land and Building, other structures (erected or to be erected) and other immovable properties of the Unit situated at Chambaghat, Solan.

The loan has been guaranteed by Mr. Kanwar Deep Singh in the capacity of the Director till 31<sup>st</sup> August, 2012 and thereafter being the Promoter of the Company.

\* Cash credit balance of Bank of India reflecting excess amount of ₹ 1141 Lakhs than the allowed cash credit limit of ₹ 350 Lakhs. The excess amount reflecting above is not an overutilization or default but only due to cheques issued to parties in the month of March, 2018.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	(₹ in Lakhs) As at 1 <sup>st</sup> April, 2016
<b>26 TRADE PAYABLE</b>			
Total Outstanding Dues of Micro Enterprises and Small Enterprises	-	-	-
Total Outstanding Dues of Creditors Other than Micro Enterprises and Small Enterprises	13,332.35	13,702.31	13,668.44
<b>Total</b>	<b>13,332.35</b>	<b>13,702.31</b>	<b>13,668.44</b>
<b>27 OTHER CURRENT FINANCIAL LIABILITIES</b>			
<b>Current maturities of long-term borrowings</b>			
Term Loan	325.00	128.44	375.00
Vehicle Loan	2.78	7.92	7.93
Interest Accrued and Due on Borrowings	9.05	8.28	48.74
Liabilities for Capital Goods	20.49	17.15	2.15
Advance Received *	1,168.24	1,229.49	1,229.49
Unclaimed Dividend ***	21.14	29.08	37.40
Other Liabilities	1,004.28	1,298.54	727.40
<b>Total</b>	<b>2,550.98</b>	<b>2,718.90</b>	<b>2,428.11</b>

\* Refer Note No. 60

\*\*\* A sum of ₹ 21.14 Lakhs (Previous year 29.07 Lakhs and as on 1<sup>st</sup> April, 2016, ₹ 37.40 Lakhs is lying as unclaimed dividend in separate accounts with HDFC Bank and YES Bank, Chandigarh.

<b>28 OTHER CURRENT LIABILITIES</b>			
Statutory Dues Payable	57.10	38.62	20.90
Revenue Received in Advance	128.86	58.44	36.84
Others	150.51	185.98	195.76
<b>Total</b>	<b>336.47</b>	<b>283.04</b>	<b>253.50</b>
<b>29 SHORT-TERM PROVISIONS</b>			
<b>Provision for Employee Benefits</b>			
Gratuity	3.60	6.20	10.48
Bonus	-	69.18	23.85
<b>Total</b>	<b>3.60</b>	<b>75.37</b>	<b>34.33</b>

	For the year ending 31 <sup>st</sup> March, 2018	(₹ in Lakhs) For the year ending 31 <sup>st</sup> March, 2017
<b>30 REVENUE FROM OPERATION</b>		
Sale of Products (Including Excise Duty)	2,660.01	2,416.50
<b>Total</b>	<b>2,660.01</b>	<b>2,416.50</b>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

	For the year ending 31 <sup>st</sup> March, 2018	(₹ in Lakhs) For the year ending 31 <sup>st</sup> March, 2017
<b>31 OTHER INCOME</b>		
Interest	5.75	10.49
Dividend	0.03	-
Other Income	24.57	65.34
Excess Provision Written Back	7.63	-
<b>Other Non-operative Income</b>		
Net Gain arising on Financial assets Measured at FVTPL	-	1.81
Gain on sale of financial assets measured at FVTPL	0.39	-
Profit on Sale of Property, Plant and Equipment	37.28	214.64
Net Gain on foreign currency transactions and translation	107.73	-
<b>Total</b>	<b>183.38</b>	<b>292.28</b>
<b>32 COST OF MATERIAL CONSUMED</b>		
Opening Stock	59.69	87.37
Add : Purchases	551.28	417.10
	610.98	504.47
Less : Closing Stock	(101.56)	(59.69)
<b>Cost of Material Consumed</b>	<b>509.42</b>	<b>444.78</b>
<b>33 PURCHASE OF STOCK IN TRADE</b>		
Purchase of Stock in Trade	945.09	1,403.56
<b>Total</b>	<b>945.09</b>	<b>1,403.56</b>
<b>34 CHANGE IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE, WORK-IN-PROGRESS AND SCRAP</b>		
<b>Opening Stock</b>		
Finished goods	22.86	199.31
Stock-in-trade	510.71	6.49
Work in Progress	-	373.31
Scrap	0.34	0.46
	533.92	579.57
<b>Closing Stock</b>		
Finished goods	22.54	22.86
Stock-in-trade	61.13	510.71
Work in Progress	-	-
Scrap	0.61	0.34
	84.27	533.92
<b>(Increase)/Decrease in Change in Inventories of Finished Goods, Stock-in-trade, Work-in-Progress and Scrap</b>	<b>449.65</b>	<b>45.65</b>
<b>35 EMPLOYEES BENEFIT EXPENSES</b>		
Salaries and Wages including Bonus, Gratuity ,Welfare Expenses	880.55	1,366.73
Employer's Contribution towards Provident and other Funds	67.28	96.47
Staff Welfare	7.90	11.06
<b>Total</b>	<b>955.74</b>	<b>1,474.27</b>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

	(₹ in Lakhs)	
	For the year ending 31 <sup>st</sup> March, 2018	For the year ending 31 <sup>st</sup> March, 2017
<b>36 FINANCE COST</b>		
Interest Expenses	171.53	225.65
<b>Total</b>	<b>171.53</b>	<b>225.65</b>
<b>37 DEPRECIATION AND AMORTISATION EXPENSES</b>		
Depreciation on Property, Plant and Equipment	557.47	577.16
Amortization on Intangible Assets	218.74	218.70
<b>Total</b>	<b>776.21</b>	<b>795.86</b>
<b>38 OTHER EXPENSES</b>		
Consumable, Stores and Other Direct Expenses	41.43	163.94
Power and Fuel Expenses	67.92	72.36
Rent	42.52	57.37
Postage and Courier	10.27	5.36
Repair and Maintenance	22.80	17.84
Travelling Expenses	17.83	43.98
Fee and Taxes	8.13	7.86
Insurance Charges	9.19	13.59
Telephone, Internet and Communication Charges	21.73	35.02
Vehicle Running and Maintenance	51.57	51.77
Director Sitting Fees	1.10	1.10
Misc. and General Expenses	117.26	129.88
Selling and Marketing Expenses	197.57	304.41
Advertisement and Publicity	10.08	5.38
Printing and Stationery	9.85	19.09
Auditor's Remuneration	-	-
Statutory Audit Fee	13.06	15.02
Tax Audit Fee	2.18	2.50
For Others	3.77	5.63
Cost Auditor's Remuneration	-	-
Audit Fee	0.80	1.44
Legal and Professional Charges	56.88	93.79
Business Promotion / Entertainment Expenses	39.51	140.88
Net Loss on foreign currency transactions and translation	-	783.35
<b>Total</b>	<b>745.43</b>	<b>1,971.57</b>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**
**39. Income Tax Expenses**
**(a) Income tax expense recognised in Statement of profit and loss (₹ in Lakhs)**

Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
<b>Current Tax</b>		
In respect of the current year	-	-
<b>Deferred Tax</b>		
In respect of the current year	42.07	(115.54)
<b>Total income tax expense/(income) recognised in statement of profit and loss</b>	<b>42.07</b>	<b>(115.54)</b>

**(b) Income Tax on Other Comprehensive Income (₹ in Lakhs)**

Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
<b>Deferred Tax</b>		
Re-measurement of Defined Benefit Obligations	12.78	7.86
<b>Total income tax expense recognised in other comprehensive income</b>	<b>12.78</b>	<b>7.86</b>

**40. Earnings Per Share (EPS)**

Basic and diluted earnings/(loss) per share

Basic and diluted earnings/(loss) per share is calculated by dividing the profit/(loss) during the year attributable to equity shareholders of the Company by the weighted number of equity shares outstanding during the year.

Particulars	Units	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
Profit/(loss) after tax attributable to equity Shareholders	₹ Lakhs	(1,680.60)	(10,731.98)
Weighted average number of equity shares outstanding during the year (Basic)	Number	13559800	13559800
Weighted average number of equity shares outstanding during the year (Diluted)	Number	13559800	13559800
Nominal value of Equity Shares		10/-	10/-
<b>Earnings Per Share</b>			
Basic EPS	₹	(12.39)	(79.15)
Diluted EPS	₹	(12.39)	(79.15)

**41. Employee Benefits:**

The details of various employee benefits provided to employees are as under:

**A. Defined Contribution plans:**

Contribution to defined contribution plans charged off for the year is as under: (₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
Company's Contribution to Provident Fund (Including admin. exp.)	51.10	71.25
Company's Contribution to Employees State Insurance	16.00	15.39
Company's Contribution to Employees Welfare Fund	0.18	0.19

**B. Defined Benefit Plans:**

In accordance with the Payment of Gratuity Act, 1972, the Company provides for gratuity, as defined benefit plan. The gratuity plan provides for a lump sum payment to the employees at the time of separation from the service on completion of vested year of employment i.e. five years. 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	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
<b>Change in present value of defined benefit obligation during the year</b>		
Present value of obligation as at the beginning of the period	115.75	143.07
Interest Cost	7.70	9.67
Current Service Cost	8.34	14.33
Benefits Paid	(26.84)	(20.81)
Total Acturial (Gain)/Loss on obligation	(49.14)	(30.51)
Present value of obligation as at the end of the period	55.80	115.75
Current portion	3.60	6.20
Non-current portion	52.20	109.55
<b>Change in fair value of plan assets during the year</b>		
Fair value of plan assets at the beginning of the period	-	-
Expected interest income	-	-
Employer contribution	26.84	20.81
Benefits Paid	(26.84)	(20.81)
Actuarial (Gain)/Loss for the year on asset	-	-
Fair value of plan assets at the end of the period	-	-
<b>Net asset/(liability) recognised in the balance sheet</b>		
Present value of obligation at the end	55.80	115.75
Fair value of plan asset	-	-
Unfunded Liability/provision in the balance sheet	55.80	115.75
<b>Expenses Recognised in the statement of profit or loss during the year</b>		
Service cost	8.34	14.33
Net interest cost	7.70	9.67
Total expenses recognised in employee benefit expenses	16.04	24.00
<b>Recognised in other comprehensive income for the year</b>		
Net cumulative unrecognised actuarial (gain)/loss opening	(30.51)	-
Actuarial (gain)/loss for the year of PBO	(49.14)	(30.51)
Actuarial (gain)/loss for the year on asset	-	-
Unrecognised actuarial (gain)/loss at the end of the year	(79.65)	(30.51)
<b>Maturity profile of defined benefit obligation</b>		
Within the next 12 months (next annual reporting period)	3.80	3.60
Year II	4.01	3.55
Year III	3.70	3.03
Year IV	4.19	3.19
Year V	4.37	3.10
Next 5 Year Payouts (6-10 years)	21.96	21.90
Payouts above 10 Years	80.37	26.43



Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
<b>Quantitative sensitivity analysis for significant assumptions is as below</b>		
(a) Impact of changes in discount rate		
Present value of obligation at the end of the period	55.80	115.75
Impact due to increase of 1%	(4.47)	(7.94)
Impact due to Decrease of 1%	5.12	9.17
(b) Impact of changes in salary increase		
Present value of obligation at the end of the period	55.80	115.75
Impact due to increase of 1%	4.97	8.49
Impact due to Decrease of 1%	(4.40)	(7.71)
Sensitivities due to morality & withdrawal are not material & hence the impact of changes not calculated.		
Sensitivities as to rate inflation, rate of increase of pension in payment, rate of increase of pension before retirement & life expectancy are not applicable being a lumpsum benefit on retirement.		
<b>Actuarial assumptions</b>		
Discount rate	7.52%	7.29%
Future salary in increase	5.00%	5.00%
Retirement age (years)	58 Years	58 Years
Mortality rates inclusive of provision for disability	100% of IALM (2006-08)	100% of IALM (2006-08)

**Note**

- (i) The actuarial valuation of the present valuation of defined benefit obligation were carried out as at 31<sup>st</sup> March, 2018. The present value of defined benefit obligation and the related current service cost, were measured using the projected unit credit method.
- (ii) Discount rate is based on the prevailing market yields of Indian Government Securities as at the balance sheet date for the estimated term of obligation.
- (iii) The salary escalation rate is arrived after taking into consideration the seniority, the promotion and other relevant factors, such as, demand and supply in employment market.

**42. Segment Reporting**

## Operating Segments

- Agri Business; and
- Pharma, Chemical & Minerals

## Identification of Segments

The chief operational decision maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss of the segment and is measured consistently with profit or loss in the financial statements. Operating segments have been identified on the basis of the nature of products.

## Segment revenue and results

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure (net of unallocable income).

## Segment assets and liabilities

Assets used by the operating segment and mainly consist of property plant and equipment, trade receivable, cash and cash equivalents and inventories. Segment Liabilities include trade payables and other liabilities. Common assets and liabilities which cannot be allocated to any of the segments are shown as a part of unallocable assets/liabilities.

(₹ in Lakhs)

Particulars	Agri Business	Pharma, Chemical & Minerals	Unallocated	Total
Revenue from external customers	757.28	1,902.73	-	2,660.01
Inter-segment revenue	-	-	-	-
<b>Total Revenue</b>	<b>757.28</b>	<b>1,902.73</b>	<b>-</b>	<b>2,660.01</b>
<b>Segment result</b>				
Operating Profit/(Loss)	(160.62)	(1,453.18)	-	(1613.80)
Finance costs	-	-	171.53	171.53
Other income	-	-	(75.65)	(75.65)
Non-operating expense	-	-	-	-
Exceptional items	-	-	(71.14)	(71.14)
<b>Loss Before Tax</b>	<b>(160.62)</b>	<b>(1,453.18)</b>	<b>(24.74)</b>	<b>(1638.52)</b>
Provision for Deferred Tax			42.07	42.07
Previous year Taxes	-	-	-	-
<b>Loss After Tax</b>	<b>(551.63)</b>	<b>(1,453.18)</b>	<b>(66.81)</b>	<b>(1,680.59)</b>
<b>Other Information</b>				
Segment Assets	964.98	1,997.22	79,270.56	82,232.76
Segment Liabilities	152.62	1,428.94	90,614.78	92,196.34
<b>Fixed Assets</b> (Including Capital Work in Progress)	<b>599.79</b>	<b>1,256.09</b>	<b>13,508.31</b>	<b>15,364.19</b>

**43. Financial instruments – Fair values and risk management**
**A. Financial instruments – by category and fair values hierarchy**

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy.

(₹ in Lakhs)

Categories of financial instruments	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2016
<b>Financial assets</b>			
• <b>Financial assets at fair value through profit or loss</b>			
- <b>Non-Current</b>			
Investments	0.25	12.03	10.22
• <b>Financial assets at cost</b>			
- <b>Non-Current</b>			
Investments	16,865.33	17,066.93	24,295.61
Loans	405.33	387.54	2.30
Others	206.27	201.11	218.87
- <b>Current</b>			
Trade receivables	47,154.54	47,000.31	47,935.12
Cash and bank balances	269.29	349.21	428.55
Loans	338.47	370.17	198.52
Other financial assets	18.29	42.13	51.09
<b>Total</b>	<b>65,257.77</b>	<b>65,429.43</b>	<b>73,140.28</b>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

(₹ in Lakhs)

Categories of financial instruments	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2016
<b>• Financial liabilities at cost</b>			
- <b>Non-Current</b>			
Borrowings	74,498.74	73,505.95	71,936.84
Other financial liabilities	368.22	413.65	475.99
- <b>Current</b>			
Borrowings	365.78	371.11	537.34
Trade payables	13,332.35	13,702.31	13,668.44
Other financial liabilities	2,550.98	2,718.90	2,428.11
<b>Total</b>	<b>91,116.07</b>	<b>90,711.92</b>	<b>89,046.72</b>

The Company has classified its financial instruments into three levels in order to provide an indication about the reliability of the inputs used in determining fair values.

(₹ in Lakhs)

Particulars	Carrying amount As at 1-April-2016	Fair Value		
		Level 1	Level 2	Level 3
<b>Financial Assets at fair value through profit or loss</b>				
<b>• Non-Current</b>				
- Investments in equity instruments	0.25	-	-	0.25
- Investments in mutual funds	9.97	9.97	-	-

(₹ in Lakhs)

Particulars	Carrying amount As at 31-03-2017	Fair Value		
		Level 1	Level 2	Level 3
<b>Financial Assets at fair value through profit or loss</b>				
<b>• Non-Current</b>				
- Investments in equity instruments	0.25	-	-	0.25
- Investments in mutual funds	11.78	11.78	-	-

(₹ in Lakhs)

Particulars	Carrying amount As at 31-03-2018	Fair Value		
		Level 1	Level 2	Level 3
<b>Financial Assets at fair value through profit or loss</b>				
<b>• Non-Current</b>				
- Investments in equity instruments	0.25	-	-	0.25
- Investments in mutual funds	-	-	-	-

**B. Financial Risk Management**

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**
**Credit risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with credit worthy counterparties as a means of mitigating the risk of financial loss from defaults. The Company's exposure and wherever appropriate, the credit ratings of its counterparties are continuously monitored and spread amongst various counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management of the Company. Financial instruments that are subject to concentrations of credit risk, principally consist of balance with banks, investments in debt instruments/bonds, trade receivables, loans and advances and derivative financial instruments. None of the financial instruments of the Company result in material concentrations of credit risks.

Balances with banks were not past due or impaired as at the year end. In other financial assets that are not past dues and not impaired, there were no indication of default in repayment as at the year end.

The age analysis of trade receivables as of the balance sheet date have been considered from the due date and is as reflected below.

(₹ in Lakhs)

Particulars	As on 31 <sup>st</sup> March, 2018	As on 31 <sup>st</sup> March, 2017	As on 1 <sup>st</sup> April, 2016
0-180 days past due	196.95	267.98	279.47
More than 180 days	46,984.27	46,732.33	47,655.64

**Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are fallen due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company believes that its liquidity position, including total cash and cash equivalent and bank balances other than cash and cash equivalent of ₹ 269.29 Lakhs as at 31<sup>st</sup> March 2018 (31<sup>st</sup> March 2017 ₹ 349.21 Lakhs, 1<sup>st</sup> April 2016 ₹ 428.55 lakh), and anticipated future internally generated funds from operations will enable it to meet its future known obligations in the ordinary course of business. However, if a liquidity needs were to arise, the Company believes it has access to financing arrangements, value of unencumbered assets, which should enable it to meet its ongoing capital, operating, and other liquidity requirements. The Company will continue to consider various borrowing or leasing options to maximize liquidity and supplement cash requirements as necessary.

**Maturity profile of financial liabilities**

The table below provides details regarding the contractual maturities of significant financial liabilities as of 31<sup>st</sup> March, 2018:

(₹ in Lakhs)

Particulars	Carrying Amount	On Demand	Less than 1 year	Above 1 years
Interest bearing borrowings	989.18	361.41	327.78	299.99
Non-interest bearing borrowings	74,203.12	74,203.12	-	-
Security Deposits Received	368.22	-	-	368.22
Trade Payable	13,332.35	-	13,332.35	-
Other Financial Liabilities	2,223.20	-	2,223.20	-

The table below provides details regarding the contractual maturities of significant financial liabilities as of 31<sup>st</sup> March, 2017:

(₹ in Lakhs)

Particulars	Carrying Amount	On Demand	Less than 1 year	1-5 years
Interest bearing borrowings	1,087.66	350.00	136.36	601.30
Non-interest bearing borrowings	72,925.76	72,925.76	-	-
Security Deposits Received	413.65	-	-	413.65
Trade Payable	13,702.31	-	13,702.31	-
Other Financial Liabilities	2,582.54	-	2,582.54	-

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

The table below provides details regarding the contractual maturities of significant financial liabilities as of 1<sup>st</sup> April, 2016:

(₹ in Lakhs)

Particulars	Carrying Amount	On Demand	Less than 1 year	1-5 years
Interest bearing borrowings	1,327.21	350.00	382.93	594.28
Non-interest bearing borrowings	71,529.90	71,529.90	-	-
Security Deposits Received	475.99	-	-	475.99
Trade Payable	13,668.44	-	13,668.44	-
Other Financial Liabilities	2,045.18	-	2,045.18	-

**Market risk**

Market risk is the risk of loss of future earnings, fair value or future cash flows arising out of change in the price of a financial instrument. These include change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

The Company manages market risk through a risk management committee engaged in, inter alia, evaluation and identification of risk factors with the object of governing/mitigating them according to Company's objectives and declared policies in specific context of impact thereof on various segments of financial instruments. The Board provides oversight and reviews the Risk management policy on a quarterly basis.

**a) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to balance the Company's position with regards to interest income and interest expense and to manage the interest rate risk, treasury performs a comprehensive interest rate risk management.

The Company is not exposed to significant interest rate risk as at the respective reporting dates.

**b) Foreign currency risk management**

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts. The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

USD \$ Millions

Foreign currency exposure	As At 31 <sup>st</sup> March, 2018	As At 31 <sup>st</sup> March, 2017	As At 31 <sup>st</sup> March, 2016
Trade Receivables	71.40	71.40	71.40
Trade Payable	18.98	18.98	18.98

**c) Foreign currency sensitivity**

The following table details the Company's sensitivity to a 5% increase and decrease in the ₹ against the relevant foreign currencies. (+)(-) 5% is the sensitivity rate used when reporting foreign currency risk internally to Key Management Personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the ₹ strengthens (+)(-)5% against the relevant currency. For a 5% weakening of the ₹ against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be positive or negative.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2018		As at 31 <sup>st</sup> March, 2017		As at 31 <sup>st</sup> March, 2016	
	5% Increase	5% Decrease	5% Increase	5% Decrease	5% Increase	5% Decrease
Trade Receivables	2,322.14	(2,322.14)	2,314.80	(2,314.80)	2,368.15	(2,368.15)
Trade Payable	(617.24)	617.24	(615.29)	615.29	(629.47)	629.47
Net Impact on profit or loss as at the end of the reporting Period	1,704.90	(1,704.90)	1,699.51	(1,699.51)	1,738.68	(1,738.68)
Impact on total equity as at the end of the reporting Period	1,261.62	(1,261.62)	1,261.89	(1,261.89)	1,201.43	(1,201.43)

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year/ in future years.

**44. Related Party Disclosures:**

In accordance with the Indian Accounting Standard 24 (IndAS 24) on related party disclosure, the related party including key management personnel, where control exists or where significant influence exists and with whom transactions have taken place, are mentioned below:

**Key Managerial Personnel**

1 Mr. Vinay Singh (CS)	till 9 <sup>th</sup> March, 2018
2 Ms. Ambika Chowdhary (ID)	w.e.f. 26 <sup>th</sup> July, 2017
3 Mr. Bikram Bhattacharya (CFO)	till 10 <sup>th</sup> August, 2017
4 Mr. Bikram Bhattacharya (WTD)	w.e.f. 10 <sup>th</sup> August, 2017
5 Mr. Debashish Basu (CFO)	w.e.f. 11 <sup>th</sup> August, 2017 to 2 <sup>nd</sup> September, 2017
6 Mr. Tanveer Gill (ID)	till 6 <sup>th</sup> June, 2017
7 Mr. Pavan Kumar Verma (WTD)	till 15 <sup>th</sup> September, 2017
8 Prof. Maria Fernandes (ID)	Throughout the year
9 Mr. Vinay Kumar Mittal (Director)	Throughout the year
10 Mr. Gurprit Singh (CFO)	w.e.f. 3 <sup>rd</sup> September, 2017 to 9 <sup>th</sup> November, 2017
11 Mr. Dinesh Kumar (CFO)	w.e.f. 9 <sup>th</sup> November, 2017

**Subsidiary**

1 Alchemist Infrastructures Private Limited	2 Alchemist Hospitality Group Limited
2 Alchemist Enterprise Pte Limited, Singapore (Ceased to exist during the year)	4 Alchemist Healthcare Limited

**Associates**

- 1 ROC Foods Limited (Formerly known as 'Alchemist Foods Limited')
- 2 Alchemist Medisphere Limited

**Joint Venture**

- 1 Alchemist Township India Limited

**Other related parties**

- 1 A 1 News Network Private Limited
- 2 Alchemist Airways Private Limited
- 3 Alchemist F & B Limited
- 4 Alchemist Hospitals Limited
- 5 Alchemist Hotels & Resorts Limited
- 6 Alchemist Life Sciences Limited
- 7 Alchemist Media Limited
- 8 Alchemist Realty Limited
- 9 Alchemist Touchnology Limited
- 10 Alchemist Universe of Education Limited
- 11 Black Cats Protections Private Limited
- 12 Eco Breaking Technologies India Private Limited
- 13 Jass Developers Private Limited
- 14 KDS Corporation Private Limited
- 15 Optimum Constructors And Developers Limited
- 16 Pinkcassia Hotels & Resorts Private Limited
- 17 Royal Building and Infrastructures Private Limited
- 18 Technology Parks Limited
- 19 Kandaghat Developers Private Limited

(₹ in Lakhs)

Sr. No.	Transaction's	Subsidiary		Key Managerial Personnel (KMP) & their relatives		Associates		Joint Venture		Others		
		2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18
<b>1</b>	<b>Remuneration</b>											
	Mr. Pavan Kumar Verma (WTD)	-	-	14.76	32.20	-	-	-	-	-	-	-
	Mr. Bikram Bhattacharya(CFO)	-	-	9.62	26.09	-	-	-	-	-	-	-
	Mr. Bikram Bhattacharya(WTD)	-	-	18.53	-	-	-	-	-	-	-	-
	Mr. Vimal Sharma (CS)	-	-	-	2.04	-	-	-	-	-	-	-
	Mr. Vinay Singh (CS)	-	-	2.64	2.00	-	-	-	-	-	-	-
	Mr. Gurprit Singh (CFO)	-	-	0.66	-	-	-	-	-	-	-	-
	Mr. Dinesh Kumar (CFO)	-	-	4.26	-	-	-	-	-	-	-	-
	Mr. Debashish Basu (CFO)	-	-	0.46	-	-	-	-	-	-	-	-
<b>2</b>	<b>Sitting fees to Directors</b>											
	Mr. Tanveer Gill	-	-	0.15	0.55	-	-	-	-	-	-	-
	Prof. Maria Fernandes	-	-	0.55	0.60	-	-	-	-	-	-	-
	Ms. Ambika Chowdhary	-	-	0.40	-	-	-	-	-	-	-	-
<b>3</b>	<b>Inter Corporate Loans Given- Paid/(Repaid)</b>											
	Alchemist Infrastructures Private Limited	-	(0.55)	-	-	-	-	-	-	-	-	-
	Alchemist Hospitality Group Limited	-	0.17	-	-	-	-	-	-	-	-	-
	ROC Foods Limited	-	-	-	-	17.77	385.61	-	-	-	-	-
	Alchemist Realty Limited	-	-	-	-	-	-	-	-	(13.91)	204.27	-
	Alchemist Touchnology Limited	-	-	-	-	-	-	-	-	(5.38)	17.87	-
	Eco Breaking Technologies India Private Limited	-	-	-	-	-	-	-	-	2.75	14.08	-
	Alchemist Hotels & Resort Limited	-	-	-	-	-	-	-	-	(1.99)	1.99	-
<b>4</b>	<b>Inter Corporate Loan Taken- Received/(Repaid)</b>											
	Alchemist Healthcare Limited	(0.10)	4.90	-	-	-	-	-	-	-	-	-
	KDS Corporation Private Limited	-	-	-	-	-	-	-	-	1,241.95	1,337.51	-
	Technology Parks Limited	-	-	-	-	-	-	-	-	52.15	219.83	-
	Alchemist Hospitals Limited	-	-	-	-	-	-	-	-	4.00	0.33	-
	Alchemist Township India Limited	-	-	-	-	-	-	(61.25)	-	-	-	-

(₹ in Lakhs)

Sr. No.	Transaction's	Subsidiary		Key Managerial Personnel (KMP) & their relatives		Associates		Joint Venture		Others		
		2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18
<b>5</b>	<b>Expenses incurred on their behalf</b>											
	Jass Developers Private Limited	-	-	-	-	-	-	-	-	-	0.02	
	Alchemist Airways Private Limited	-	-	-	-	-	-	-	-	-	0.00	
	Alchemist Life Sciences Limited	-	-	-	-	-	-	-	-	-	0.64	
	A1 News Network Private Limited	-	-	-	-	-	-	-	-	-	1.08	
	Black Cats Protection Private Limited	-	-	-	-	-	-	-	-	-	1.24	
	ROC Foods Limited	-	-	-	-	28.83	-	-	-	-	0.03	
	Alchemist Infrastructures Private Limited	0.01	-	-	-	-	-	-	-	-	-	
	Alchemist Hospitality Group Limited	0.01	-	-	-	-	-	-	-	-	-	
	Optimum Constructors & Developers Limited	-	-	-	-	-	-	-	-	-	0.07	
<b>6</b>	<b>Sale of Goods</b>											
	Alchemist Hospitals Limited	-	-	-	-	-	-	-	-	-	1.35	
	ROC Foods Limited	-	-	-	-	0.03	-	-	-	-	-	
<b>7</b>	<b>Investments made</b>											
	Alchemist Healthcare Limited	-	2.55	-	-	-	-	-	-	-	-	
<b>8</b>	<b>Investments sold</b>											
	ROC Foods Limited	-	-	-	-	-	7,049.43	-	-	-	-	
	Dooteriah and Kalej Valley Tea Estate Private Limited	-	-	-	-	-	-	-	-	-	181.80	
	Alchemist Enterprises Pte. Limited (WOS)	252.99	-	-	-	-	-	-	-	-	-	
<b>9</b>	<b>Services Received</b>											
	Black Cats Protection Private Limited	-	-	-	-	-	-	-	-	-	7.00	
<b>10</b>	<b>Rent Paid</b>											
	Jass Developers Private Limited	-	-	-	-	-	-	-	-	-	17.39	
											3.78	



**Balance outstanding at the year end** (₹ in Lakhs)

Sr. No.	Transaction's	Subsidiary		Associates		Joint Venture		Others	
		2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
<b>1</b>	<b>Inter Corporate Loans- Given</b>								
	Alchemist Infrastructures Private Limited	1.02	1.02	-	-	-	-	-	-
	Alchemist Hospitality Group Limited	0.91	0.91	-	-	-	-	-	-
	ROC Foods Limited	-	-	403.39	385.61	-	-	-	-
	Alchemist Realty Limited	-	-	-	-	-	-	190.35	204.27
	Alchemist Touchnolgy Limited	-	-	-	-	-	-	13.98	19.36
	Eco Breaking Technologies India Private Limited	-	-	-	-	-	-	17.02	14.27
	Alchemist Hotels & Resorts Limited	-	-	-	-	-	-	-	1.99
<b>2</b>	<b>Inter Corporate Loan- Received</b>								
	Alchemist Healthcare Limited	4.80	4.90	-	-	-	-	-	-
	KDS Corporation Private Limited	-	-	-	-	-	-	5,580.16	4,338.21
	Technology Parks Limited	-	-	-	-	-	-	68,581.98	68,529.83
<b>3</b>	<b>Investments</b>								
	Alchemist Enterprises Pre. Limited	-	252.99	-	-	-	-	-	-
	Alchemist Infrastructures Private Limited	1.00	1.00	-	-	-	-	-	-
	Alchemist Hospitality Group Limited	3.74	3.74	-	-	-	-	-	-
	Alchemist Healthcare Limited	2.55	2.55	-	-	-	-	-	-
	ROC Foods Limited	-	-	16,855.79	16,855.79	-	-	-	-
	Alchemist Medisphere Limited	-	-	2.25	2.25	-	-	-	-
<b>4</b>	<b>Trade Receivables</b>								
	ROC Foods Limited	-	-	7.69	7.69	-	-	-	-
	Alchemist Hotels & Resorts Limited	-	-	-	-	-	-	-	0.79
	Kandaghat Developers Private Limited	-	-	-	-	-	-	0.50	0.50
	Alchemist Life Sciences Limited	-	-	-	-	-	-	121.82	121.11
<b>5</b>	<b>Trade Payables</b>								
	Alchemist Hospitals Limited	-	-	-	-	-	-	0.80	0.67
	Dooteriah & Kalej Valley Tea Estate Private Limited	-	-	-	-	-	-	10.96	10.96
	Jass Developers Private Limited	-	-	-	-	-	-	18.46	1.10
	Black Cats Protections Private Limited	-	-	-	-	-	-	11.54	4.54
<b>6</b>	<b>Security received</b>								
	A1 News Network Private Limited	-	-	-	-	-	-	3.00	3.00

(₹ in Lakhs)

Sr. No.	Transaction's	Subsidiary		Associates		Joint Venture		Others	
		2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
7	<b>Amount recoverable/(payable)</b>								
	Alchemist Universe of Education Limited	-	-	-	-	-	-	22.92	22.92
	Alchemist F & B Limited	-	-	-	-	-	-	1.74	2.46
	Alchemist Airways Private Limited	-	-	-	-	-	-	1.74	1.74
	Alchemist Hospitals Limited	-	-	-	-	-	-	(2.74)	1.26
	Alchemist Life Sciences Limited	-	-	-	-	-	-	(0.43)	(0.36)
	Alchemist Media Limited	-	-	-	-	-	-	0.08	0.08
	A1 News Network Private Limited	-	-	-	-	-	-	1.62	1.62
	Pinkcassia Hotels & Resorts Pvt. Ltd.	-	-	-	-	-	-	0.50	0.50
	Royal Building and Infrastructures Pvt. Ltd.	-	-	-	-	-	-	0.10	0.10
	Alchemist Healthcare Limited	0.10	-	-	-	-	-	-	-
	Alchemist Infrastructures Private Limited	0.01	-	-	-	-	-	-	-
	Alchemist Hospitality Group Limited	0.01	-	-	-	-	-	-	-
	Optimum Constructors & Developers limited	-	-	-	-	-	-	0.07	-
8	<b>Advance from joint venturer</b>								
	Alchemist Township India Limited	-	-	-	-	1,168.24	1,229.49	-	-

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**
**45. Contingent Liabilities and Commitments**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2016
<b>a. Contingent liabilities</b>			
Corporate Guarantees	2,230.83	2,230.83	2,230.83
Disputed demand with statutory authorities (Net of amounts deposited under protest)	446.75	110.42	110.42
Claims Against the company not acknowledged as debts	24.38	5.08	149.73
<b>b. Commitments</b>			
Estimated amount of Contract remaining to be executed on capital account and not provide for (Net of Advances)	Nil	Nil	Nil

**46. Detail of raw material and components consumed**

(₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
Raw Material Consumed	509.42	444.78
Consumables, Store and Spares Consumed	41.43	163.94
	<b>550.85</b>	<b>608.72</b>

**47. Imported and Indigenous consumed**

Particulars	For the year ended 31 <sup>st</sup> March, 2018		For the year ended 31 <sup>st</sup> March, 2017	
	₹ Lakhs	Percentage	₹ Lakhs	Percentage
Imported raw materials consumed	Nil	Nil	Nil	Nil
Indigenous raw materials consumed	509.42	100%	444.78	100%
Imported Consumables, Store and Spares Consumed	Nil	Nil	Nil	Nil
Indigenous Consumables, Store and Spares Consumed	41.43	100%	163.94	100%

48. The Company extends credit from time to time as per market practices. In respect of export receivables amounting to ₹ 46,442.79 Lakhs, credit was extended for export sales in the normal course of the business, however it apparently got stuck. The Company has initiated legal recourse against the defaulting customers and is regularly following up on the same. The management is confident of recovering all such dues and hence no provision is considered necessary against these receivables.
49. The pharma division of the Company through an agreement executed on 29<sup>th</sup> March, 2017, effective from 1<sup>st</sup> April, 2017 has appointed a franchise M/s Wellchem Healthcare LLP for its entire generic medicines business. As per the agreement the franchise is required to coordinate the sales, marketing and distribution activities of the entire range of generic medicines and the Company will be earning a fixed margin of 5% on the procurement cost.
50. The pharma division of the Company was engaged in a legal suit with its national carrying and forwarding agency, Bestime Trading Company Private Limited, which has now been resolved and an amicable settlement has been reached. The settlement is forming part of the order dated 23<sup>rd</sup> March, 2018, passed by the Honorable High Court of Delhi. As per the terms of settlement, the Company is required to pay an amount of ₹ 45 Lakhs in nine monthly installments of ₹ 5 Lakhs each during the financial year 2018-19, against the total commission, interest and other expenses payable amounting to ₹ 51.96 Lakhs as on the date of the settlement. Further, the Company is required to continue paying ₹ 2.50 Lakhs monthly as commission and interest @ 8% per annum on security of ₹ 220 Lakhs, to be paid half yearly by the Company. This arrangement will continue for a period of one year i.e. till 31<sup>st</sup> March, 2019 and thereafter, the Company shall refund the security amount within 90 days i.e. by 30<sup>th</sup> June, failing which the Company would be required to pay an interest @ 12% per annum for the period of delay beyond 30<sup>th</sup> June, 2018. Further, the Company has created a mortgage of the Company's land at Himachal Pradesh in favour of its National C&F.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

51. The pharma division of the Company has adjusted trade payables amounting to ₹ 1,095.98 Lakhs by way of a book entry on account of direct payment to them by some trade receivables or by making direct payment to the suppliers of the supplier from whom the Company is getting the products manufactured as per the Company's specification. Such adjustments is only in the case of the franchise arrangement as disclosed in Note No. 49 to the standalone financial statements and in case of a third party manufacturer.
52. In the opinion of the management, the assets are of the value stated, if realized in the ordinary course of business. Out of the Other Non Current Assets as shown in Note No. 10, Company is pursuing legal action in Honorable Kolkata High Court against Medisphere Marketing Limited for recovery of the amount of ₹ 459.80 Lakhs outstanding in its books. Further, in Trade Receivables as shown in Note 12, the Company is pursuing legal action on account of cheque being dishonored, against 60 parties for an amount of ₹ 70.20 Lakhs. The Company is hopeful of recovering the above amounts and hence no provision is considered necessary.
53. Exceptional items include gain of ₹ 71.14 Lakhs accruing to the Company on account of closure of wholly owned foreign subsidiary "Alchemist Enterprise (s) PTE Limited".
54. Common Expenses relating to Head Office and other administrative office have been allocated to various divisions on the following basis.
- |                     |                              |
|---------------------|------------------------------|
| (i) Financial Cost  | Capital Employed             |
| (ii) Other Expenses | Sales/Reasonable Estimations |
55. During the year Nil (Previous year 142) preference shares were redeemed and as per provisions of the Companies Act, 1956 a sum of Nil (Previous Year ₹ 0.14 Lakhs) has been transferred to Capital Redemption Reserve out of Statement of Profit & Loss. Further a sum of ₹ Nil (Previous Year ₹ 1.20 Lakhs) has been transferred from Statement of Profit & Loss A/c to Preference Shares redemption reserve on account of premium amount of preference shares redeemed.
56. **Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**
- 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 relating to Micro, Small and Medium Enterprises. The Company has not received full information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (Act) and hence disclosure required under Section 22 of the Act has not been given.
57. The balances of majority of the Trade Receivables, Trade Payables, and Loan 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.
58. **Disclosure as per Indian Accounting Standard - 19 (Ind As 19) on 'Leases'**
- 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.
59. With respect to the steel division of the Company, the Commissioner, Central Excise, Chandigarh, had proposed the classification of Poultry Keeping Machinery under Chapter 73 of the Central Excise Tariff Act, 1985 and had demanded the duty of ₹ 173.55 Lakhs plus interest and penalty by invoking the extended period of limitation for 5 years. However, the Company had 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 already paid the duty of ₹ 63.13 Lakhs against the above demand as 'Duty Paid Under Protest'. Also the additional amount paid subsequent to the demand and till 31<sup>st</sup> March, 2013 was deposited under protest. Therefore the total duty of ₹ 92.29 Lakhs already paid was shown as 'Amount recoverable in cash or in kind' in the standalone financial statements under the head Current Loan under Note No. 8. The balance amount of ₹ 110.42 Lakhs pending payable against the demand was shown as a contingent Liability.
- This matter was pending with CESTAT and during the year 2017-18, the CESTAT has given a decision in the favor of the Company and the revenue authorities have also not gone into appeal against the order and hence the balance demand of ₹ 110.42 Lakhs is no more reflected as a contingent liability in the standalone financial statements. With regard to the duty paid under protest, the Company had approached the revenue authorities for refund of the said amount, however, the same has been denied, against which the Company has gone into an appeal with CESTAT. Accordingly, total duty of ₹ 92.29 Lakhs continues to reflect as 'Amount recoverable in cash or in kind' in the standalone financial statements under the head Current Loan under Note No. 8.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**
**60. Financial reporting of interest in Joint Venture – Indian Accounting Standard 111 (Ind AS 111)**

Advance received include ₹ 1168.24 Lakhs (previous year ₹ 1,229.49 Lakhs) as advance received against joint development agreement entered into by the Company on 13<sup>th</sup> June, 2013 and addendum dated 12<sup>th</sup> 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.

61. 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. Assets purchased up to 31<sup>st</sup> March, 2010 have been reflected as purchased on 1<sup>st</sup> April, 2010. Thereafter, assets have been reflected at the date on they were purchased. As on 31<sup>st</sup> March, 2018, the net block of the assets purchased prior to 1<sup>st</sup> April, 2010 is only 3% of the total overall net block. Hence, the impact of the same on depreciation for the year 2017-18 is not likely to be material.
62. Cash in hand includes cash amounting to ₹ 180.54 Lakhs 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.
63. The accumulated losses of the Company had exceeded its net worth. The Company's operations were adversely affected in earlier financial years due to sluggish market demand, working capital getting stuck in trade receivables and loss making manufacturing activity of the pharmaceutical unit. The Company has initiated legal recourse against the defaulting customers and is regularly following up on the same and the Company during the last year has even closed down its loss making pharmaceutical manufacturing. The units of the Company now continue to operate at satisfactory capacity utilization levels and are generating positive Earnings before Interest Depreciation Tax and Amortization (EBIDTA). With strong management focus on strategic initiatives for cost rationalization, optimum product mix and efficient plant operations, the management believes that accumulated losses would reasonably be paired, in due course. The financial statements, as such have been prepared on a going concern basis.
64. An unclaimed dividend pertaining to dividend declared for the year 2008-09 amounting to ₹ 7.94 Lakhs (Previous Year ₹ 8.33 Lakhs) was transferred to investor education and protection fund during the year 2017-18.

**65. Explanation of transition to Ind AS**

As stated in Note 2 (a), these are the Company's first financial statements prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015.

For periods up to and including the year ended 31<sup>st</sup> March 2017, the Company has prepared its financial statements in accordance with "Previous GAAP", including accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended). The effective date for Company's Ind AS opening balance sheet is 1<sup>st</sup> April, 2016 (the date of transition to Ind AS).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on or after 31<sup>st</sup> March 2018, together with the comparative period data as at and for the year ended 31<sup>st</sup> March 2017, as described in the summary of significant accounting policies.

**Effect of Ind AS Adoption on the balance sheet as at 1<sup>st</sup> April, 2016 and 31<sup>st</sup> March, 2017 (₹ in Lakhs)**

Particulars	Note	As at 1 <sup>st</sup> April 2016			As at 31 <sup>st</sup> March 2017		
		Previous GAAP*	Adjustments	Ind AS	Previous GAAP*	Adjustments	Ind AS
<b>ASSETS</b>							
<b>Non - Current Assets</b>							
Property, Plant and Equipment		15,847.23	-	15,847.23	14,818.78	-	14,818.78
Capital Work-in-progress		181.09	-	181.09	-	-	-
Other Intangible Assets		1,560.82	-	1,560.82	1,343.91	-	1,343.91
<b>Financial assets</b>							
Investments	(a) & (b)	24,358.08	(52.26)	24,305.82	17,123.57	(44.62)	17,078.95
Loans	(d)	2.30	-	2.30	1.93	385.61	387.54
Others	(d)	241.27	(22.40)	218.87	230.22	(29.11)	201.11
Other Non-current Assets		796.63	-	796.63	803.79	-	803.79
<b>Total Non - Current Assets</b>		<b>42,987.42</b>	<b>(74.66)</b>	<b>42,912.76</b>	<b>34,322.20</b>	<b>311.88</b>	<b>34,634.08</b>

Particulars	Note	As at 1 <sup>st</sup> April 2016			As at 31 <sup>st</sup> March 2017		
		Previous GAAP*	Adjustments	Ind AS	Previous GAAP*	Adjustments	Ind AS
<b>Current assets</b>							
Inventories		666.94	-	666.94	593.61	-	593.61
<b>Financial Assets</b>		-					
Trade Receivables		47,935.12	-	47,935.12	47,000.31	-	47,000.31
Cash and Cash Equivalents	(d)	166.43	187.34	353.77	300.47	-	300.47
Bank Balances	(d)	56.65	18.13	74.78	19.64	29.11	48.75
Loans	(d)	198.52	-	198.52	755.79	(385.61)	370.18
Others	(d)	46.81	4.27	51.08	42.13	-	42.13
Current Tax Assets (Net)		117.09	-	117.09	5.50	-	5.50
Other Current Assets		289.18	-	289.18	498.67	-	498.67
		<b>49,476.74</b>	<b>209.74</b>	<b>49,686.48</b>	<b>49,216.12</b>	<b>(356.50)</b>	<b>48,859.62</b>
<b>Total Assets</b>		<b>92,464.15</b>	<b>135.08</b>	<b>92,599.24</b>	<b>83,538.32</b>	<b>(44.62)</b>	<b>83,493.70</b>
<b>Equity and Liabilities</b>							
<b>Equity</b>							
Equity Share Capital		1,355.98	-	1,355.98	1,355.98	-	1,355.98
Other Equity	(a), (b), & (c)	1,143.97	(108.68)	1,035.29	(9,583.11)	(92.22)	(9,675.33)
<b>Total Equity</b>		<b>2,499.95</b>	<b>(108.68)</b>	<b>2,391.27</b>	<b>(8,227.13)</b>	<b>(92.22)</b>	<b>(8,319.35)</b>
<b>Liabilities</b>							
<b>Non - Current liabilities</b>							
<b>Financial liabilities</b>							
Borrowings		71,936.84	-	71,936.84	73,505.95	-	73,505.95
Other Financial Liabilities		475.99	-	475.99	413.65	-	413.65
Provisions		132.59	-	132.59	109.55	-	109.55
Deferred Tax Liabilities (Net)		740.83	-	740.83	633.15	-	633.15
<b>Total Non - Current Liabilities</b>		<b>73,286.25</b>	<b>-</b>	<b>73,286.25</b>	<b>74,662.30</b>	<b>-</b>	<b>74,662.30</b>
<b>Current Liabilities</b>							
<b>Financial Liabilities</b>							
Borrowings	(d)	350.00	187.34	537.34	371.11	-	371.11
Trade Payables		13,668.44	-	13,668.44	13,702.31	-	13,702.31
Other Financial Liabilities	(b) & (c)	2,371.68	56.43	2,428.11	2,671.30	47.61	2,718.91
Other Current Liabilities		253.50	-	253.50	283.04	-	283.04
Provisions		34.33	-	34.33	75.37	-	75.37
<b>Total Current Liabilities</b>		<b>16,677.95</b>	<b>243.77</b>	<b>16,921.72</b>	<b>17,103.13</b>	<b>47.61</b>	<b>17,150.74</b>
<b>Total Equity and Liabilities</b>		<b>92,464.15</b>	<b>135.09</b>	<b>92,599.24</b>	<b>83,538.30</b>	<b>(44.61)</b>	<b>83,493.69</b>

\* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**
**Reconciliation of total equity as at 1<sup>st</sup> April 2016 and 31<sup>st</sup> March 2017**
**(₹ in Lakhs)**

Particulars	As at 1 <sup>st</sup> April, 2016	As at 31 <sup>st</sup> March, 2017
<b>Equity as per previous GAAP</b>	2,499.95	(8,227.13)
Add: Adjustments		
Recognition of net gain arising on financial assets measured at FVTPL	4.97	6.78
	<b>4.97</b>	<b>6.78</b>
Less: Adjustments		
De-recognition of Foreign Currency Translation Reserve	38.52	32.69
Prior period errors corrected by restating the opening balances	75.13	66.31
	<b>113.65</b>	<b>99.00</b>
<b>Retained Earnings as per Ind AS</b>	<b>2,391.27</b>	<b>(8,319.35)</b>

**Effect of Ind AS adoption on the statement of Profit and Loss account for the year ended 31<sup>st</sup> March 2017**
**(₹ in Lakhs)**

Particulars	Note	Previous GAAP*	Adjustments	Ind AS
<b>Income</b>				
Revenue from operations	(h)	2,371.71	44.80	2,416.51
Other income	(e) & (i)	296.97	(4.70)	292.27
<b>Total Income</b>		<b>2,668.68</b>	<b>40.10</b>	<b>2,708.78</b>
<b>Expenses</b>				
Cost of Material Consumed		444.78	-	444.78
Purchase of Stock in Trade		1,403.56	-	1,403.56
Change in Inventories of Finished Goods, Stock-in-trade, Work-in-Progress and Scrap		45.65	-	45.65
Employees Benefit Expenses	(f) & (i)	1,449.62	24.65	1,474.27
Finance Cost	(g)	230.29	(4.64)	225.65
Depreciation and Amortization Expenses		795.86	-	795.86
Other Expenses	(f), (g) & (h)	1,931.62	39.96	1,971.58
<b>Total Expenses</b>		<b>6,301.38</b>	<b>59.97</b>	<b>6,361.35</b>
<b>Loss Before Exceptional Items and Taxes</b>		<b>(3,632.70)</b>	<b>(19.87)</b>	<b>(3,652.57)</b>
Exceptional Items		7,194.95	-	7,194.95
Loss before Tax		<b>(10,827.65)</b>	<b>(19.87)</b>	<b>(10,847.52)</b>
<b>Tax expense</b>				
Current Tax		-	-	-
Deferred tax Benefit	(i)	(107.68)	(7.86)	(115.54)
<b>Total Tax Expenses</b>		<b>(107.68)</b>	<b>(7.86)</b>	<b>(115.54)</b>
<b>Loss for the year</b>		<b>(10,719.97)</b>	<b>7.86</b>	<b>(10,731.98)</b>
<b>Other Comprehensive Income</b>				
Remeasurement of post employment benefit obligation	(i) & (j)	-	30.51	30.51
Total Other Comprehensive Income	(i) & (j)	-	(7.86)	(7.86)
<b>Total Other Comprehensive Income</b>		<b>-</b>	<b>22.65</b>	<b>22.65</b>
<b>Total Comprehensive Income for the Year</b>		<b>(10,719.97)</b>	<b>30.51</b>	<b>(10,709.33)</b>

\* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**
**Reconciliation of total comprehensive income for the year ended 31<sup>st</sup> March 2017**
**(₹ in Lakhs)**

Particulars	For the year ended 31 <sup>st</sup> March 2017
Loss after tax as per previous GAAP	(10,719.97)
Add: Adjustments	
Impact of Measuring investment at fair value through profit or loss (FVTPL)	1.81
Prior period errors corrections	75.13
	<b>76.94</b>
Less: Adjustments	
Prior period errors corrected by restating the opening balances	66.31
Reclassification of Actuarial(Gain)/Loss in respect of defined benefit plan to "Other Comprehensive Income"	30.51
	<b>96.82</b>
<b>Total</b>	<b>(19.88)</b>
Tax adjustments	(7.86)
Profit after tax as per Ind AS	(10,731.99)
Other comprehensive income (Net of Tax)	22.65
<b>Total comprehensive income as per Ind AS</b>	<b>(10,709.34)</b>

**Cash flow statements**

There were no significant reconciliation items between cash flow prepared under Indian GAAP and those prepared under Ind AS.

**Note to the reconciliation - Balance Sheet**
**(₹ in Lakhs)**

Impact under IND As on account of	Note	Impact	As At 1 <sup>st</sup> April, 2016	As At 31 <sup>st</sup> March, 2017
<b>Impact of Measuring investments at fair value through profit &amp; Loss (FVTPL)</b>	(a)			
Investment Non Current		Increase	4.97	6.78
Retained Earning		Increase	4.97	6.78
<b>Impact of Measuring investments at fair value at cost</b>	(b)			
Non Current Investment		Decrease	57.22	51.39
Retained Earning		Decrease	38.52	32.69
Other Current Financial Liabilities		Decrease	18.70	18.70
<b>Impact of prior period errors corrections</b>	(c)			
Retained Earning		Decrease	75.13	66.31
Other Current Financial Liabilities		Increase	75.13	66.31
<b>Impact of reclassification of financial assets</b>	(d)			
Other Non - Current Financial Assets		Decrease	22.40	29.11
Cash and Cash Equivalents		Increase	187.34	-
Current Bank Deposits		Increase	18.13	29.11
Current Borrowings		Decrease	187.34	-
Other Current Financial Assets		Increase	4.27	-
Loans Non Current		Increase	-	385.61
Loans Current		Decrease	-	385.61



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**
**Note to the reconciliation - Statement of Profit and Loss**
**(₹ in Lakhs)**

Impact under IND As on account of	Note	Impact	For the Year Ended 31 <sup>st</sup> March , 2017
<b>Impact of Measuring investments at fair value through profit &amp; Loss (FVTPL)</b>	(e)		
Other Income			
Net gain arising on financial assets measured at FVTPL		Increase	1.81
<b>Impact of prior period errors corrections</b>	(f)		
Employee benefit expenses		Increase	0.65
Other Expenses		Decrease	9.48
<b>Impact of finance cost corrections</b>	(g)		
Finance Cost		Decrease	4.64
Other Expenses - Misc. and General Expenses		Increase	4.64
<b>Excise duty on sale of products to be presented separately on the face of the statement of profit &amp; loss as opposed to netting it off from revenue from operation under Indian GAAP</b>	(h)		
Revenue from Operation		Increase	44.80
Other Expenses - Excise Duty on sale of products		Increase	44.80
<b>Actuarial gains &amp; losses to be recognized in other comprehensive income instead of the statement of profit &amp; loss</b>	(i)		
Other Income		Decrease	6.51
Employee Benefit Expenses		Increase	24.00
Tax Expenses		Decrease	7.86
<b>On other comprehensive income</b>	(j)		
Remesurement of Net Defined Liability/Asset (Net of tax)		Increase	16.15

for **Anu and Associates**  
Chartered Accountants  
Firm Registration No.: 019624N

for and on behalf of the Board of Directors

Sd/-  
**CA. Parveen Kumar**  
(Partner)  
Membership No.: 531655

Sd/-  
**Hemant Kumar Mangal**  
(Company Secretary)

Sd/-  
**Dinesh Kumar**  
(Chief Financial Officer)

Sd/-  
**Bikram Bhattacharya**  
(Whole Time Director)  
DIN: 03595530

Sd/-  
**Vinay Kumar Mittal**  
(Director)  
DIN: 00287042

**Place:** New Delhi  
**Date:** 21<sup>st</sup> May, 2018

**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 Parent"), its subsidiaries and its associates (together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity, and a summary of the significant accounting policies and other explanatory information for the year then ended (hereinafter referred to as "the consolidated financial statements").

**Management's Responsibility for the Consolidated Financial Statements**

The Parent's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and statement of changes in equity of the Group including its Associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act. The respective Board of Directors of the Companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

**Auditor's Responsibility**

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Parent'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 Parent'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 associate, ROC Foods Limited (formerly Known as Alchemist Foods Limited) is still under compilation. Accordingly, the same is not forming part of the consolidated financial results.***
- b. Attention is invited to Note No. 48 to the consolidated financial statements which states that "The Parent extends credit from time to time as per market practices. In respect of export receivables amounting to ₹ 46,442.79 lakhs, credit was extended for export sales in the normal course of the business, however it apparently got stuck. The Parent has initiated legal recourse against the defaulting customers and is regularly following up on the same. The management of the Parent is confident of recovering all such dues and hence no provision is considered necessary against these receivables".

***Such export receivables are outstanding for more than three years as at the year end date, however, no provision is made against such doubtful trade receivables.***

***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 31<sup>st</sup> March, 2018, and its consolidated loss, total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

**Emphasis of Matters**

- a. Attention is invited to Note No. 63 to the consolidated financial statements which states that “The accumulated losses of the Parent had exceeded its net worth. The Parent’s operations were adversely affected in earlier financial years due to sluggish market demand, working capital getting stuck in trade receivables and loss making manufacturing activity of the pharmaceutical unit. The Parent has initiated legal recourse against the defaulting customers and is regularly following up on the same and the Parent during the last year has even closed down its loss making pharmaceutical manufacturing. The units of the Parent now continue to operate at satisfactory capacity utilization levels and are generating positive Earnings before Interest Depreciation Tax and Amortization (EBIDTA). With strong management focus on strategic initiatives for cost rationalization, optimum product mix and efficient plant operations, the management believes that accumulated losses would reasonably be paired, in due course. The standalone financial statements of the Parent, as such have been prepared on a going concern basis”.
- b. Attention is invited to Note No. 61 to the consolidated financial statements which states that “In respect of the parent, 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. Assets purchased up to 31<sup>st</sup> March, 2010 have been reflected as purchased on 1<sup>st</sup> April, 2010. Thereafter, assets have been reflected at the date on which they were purchased. As on 31<sup>st</sup> March, 2018, the net block of the assets purchased prior to 1<sup>st</sup> April, 2010 is only 3% of the total overall net block. Hence, the impact of the same on depreciation for the year 2017-18 is not likely to be material”.
- c. Attention is invited to Note No. 52 to the consolidated financial statements which states that “In the opinion of the management of the Parent, the assets are of the value stated, if realized in the ordinary course of business.  
Out of the Other Non Current Assets as shown in Note No. 10, Parent is pursuing legal action in Honorable Kolkata High Court against Medisphere Marketing Limited for recovery of the amount of ₹ 459.80 lakhs outstanding in its books.  
Further, in trade receivables as shown in Note 12, the Parent is pursuing legal action on account of cheque being dishonored, against 60 parties for an amount of ₹ 70.20 lakhs”.
- d. Attention is invited to Note No. 57 to the consolidated financial statements which states that “The balances of majority of the Trade Receivables, Trade Payables and Loan made and received, are subject to confirmation and as such there balances are reflected in the Consolidated Balance Sheet as appearing in the books, pending reconciliation, the net effect is unascertainable”.
- e. Attention is invited to Note No. 50 to the consolidated financial statements which states that “The pharma division of the Parent was engaged in a legal suit with its national carrying and forwarding agency, Bestime Trading Company Private Limited, which has now been resolved and an amicable settlement has been reached. The settlement is forming part of the order dated 23<sup>rd</sup> March, 2018, passed by the Honorable High Court of Delhi. As per the terms of settlement, the Parent is required to pay an amount of ₹ 45 lakhs in nine monthly installments of ₹ 5 lakhs each during the financial year 2018-19, against the total commission, interest and other expenses payable amounting to ₹ 51.96 lakhs as on the date of the settlement. Further, the Parent is required to continue paying ₹ 2.50 lakhs monthly as commission and interest @ 8% per annum on security of ₹ 220 lakhs, to be paid half yearly by the Parent. This arrangement will continue for a period of one year i.e. till 31<sup>st</sup> March, 2019 and thereafter, the Parent shall refund the security amount within 90 days i.e. by 30<sup>th</sup> June, failing which the Parent would be required to pay an interest @ 12% per annum for the period of delay beyond 30<sup>th</sup> June, 2018. Further, the Parent has created a mortgage of the Parent’s land at Himachal Pradesh in favor of its National C&F”.
- f. Attention is invited to Note No. 51 to the consolidated financial statements which states that “The pharma division of the Parent has adjusted trade payables amounting to ₹ 1,095.98 lakhs by way of a book entry on account of direct payment to them by some trade receivables or by making direct payment to the suppliers of the supplier from whom the Parent is getting the products manufactured as per the Parent’s specification. Such adjustments is only in the case of the franchise arrangement as disclosed in note no. 49 to the consolidated financial statements and in case of a third party manufacturer”.

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 Hospitality Group Limited, Alchemist Healthcare Limited, Subsidiaries and Alchemist Medisphere Limited, Associate, 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 Associates and our report in terms of subsections (3) of Section 143 of the Act, in so far as it relates to the aforesaid Subsidiaries and Associates, is based solely on the reports of the other auditors.

- b. Financial statements of Alchemist Infrastructures Private Limited included in the consolidated financial statements for the year ended March 31, 2018 have been approved by the Board of Directors, furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and our report in terms of subsections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on these board approved financial statements.

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

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

1. As required by Section 143(3) of the Act, we report that:
- (a) We and the other auditor whose report we have relied upon, have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Group so far as it appears from our examination of those books.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - (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 Parent as on 31<sup>st</sup> March, 2018 taken on record by the Board of Directors of the Parent and the report of the auditors who are appointed under Section 139 of the Act, of its Subsidiaries and Associate, none of the Directors is disqualified as on 31<sup>st</sup> March, 2018 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.45 to the consolidated financial statements.
    - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.

*for Anu and Associates*  
Chartered Accountants  
Firm's Registration Number: 019624N

**Sd/-**  
**CA. Parveen Kumar**  
*Partner*

Membership Number: 531655

**Place:** New Delhi  
**Date:** 21<sup>st</sup> May, 2018

**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 Parent"), its Subsidiaries and its Associates (together referred to as "the Group") as of and for the year ended 31<sup>st</sup> March 2018, we were engaged to audit the internal financial controls over financial reporting of the Parent, its Subsidiary Companies and Associate, which are incorporated in India, as of that date.

**Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Parent, its Subsidiary Companies and Associates, incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Parent, its Subsidiary Companies and Associate, 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 ICAI. 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 Parent's, its Subsidiary Companies and Associate, 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 Parent, its Subsidiary Companies and Associate, 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 31<sup>st</sup> March, 2018, 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 ICAI.

**Other Matters**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to Subsidiary Companies and Associate Company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matters.

*for Anu and Associates*  
Chartered Accountants  
Firm's Registration Number: 019624N

**Sd/-**  
**CA. Parveen Kumar**  
*Partner*  
Membership Number: 531655

**Place:** New Delhi  
**Date:** 21<sup>st</sup> May, 2018

# ALCHEMIST LIMITED

## CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2018

PARTICULARS	NOTE	(₹ in Lakhs)		
		As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2016
<b>Assets</b>				
<b>Non - Current Assets</b>				
Property, Plant and Equipment	4	14,239.02	14,818.78	15,847.23
Capital Work-in-progress	5	-	-	181.09
Other Intangible Assets	6	1,125.17	1,343.91	1,560.82
<b>Financial Assets</b>				
Investments	7	16,860.62	17,073.83	24,302.81
Loans	8	403.39	385.61	-
Others	9	206.27	201.11	218.87
Other Non-current Assets	10	781.59	803.79	796.63
<b>Total Non - Current Assets</b>		<b>33,616.05</b>	<b>34,627.02</b>	<b>42,907.44</b>
<b>Current Assets</b>				
Inventories	11	185.83	593.61	666.94
<b>Financial Assets</b>				
Trade Receivables	12	47,154.54	47,000.31	47,935.12
Cash and Cash Equivalents	13	253.68	305.98	359.75
Bank Balances	14	21.14	48.74	74.78
Loans	15	338.47	370.17	198.52
Others	16	18.29	42.13	51.09
Current Tax Assets (Net)	17	0.62	5.50	117.09
Other Current Assets	18	642.78	498.67	289.18
<b>Total Current Assets</b>		<b>48,615.35</b>	<b>48,865.12</b>	<b>49,692.45</b>
<b>Total Assets</b>		<b>82,231.39</b>	<b>83,492.15</b>	<b>92,599.89</b>
<b>Equity and Liabilities</b>				
<b>Equity</b>				
Equity Share Capital	19	1,355.98	1,355.98	1,355.98
Other Equity	20	(11,320.38)	(9,675.21)	1,035.47
<b>Total Equity</b>		<b>(9,964.40)</b>	<b>(8,319.23)</b>	<b>2,391.45</b>
Non- Controlling Interest		2.13	2.33	0.01
<b>Liabilities</b>				
<b>Non - Current Liabilities</b>				
<b>Financial Liabilities</b>				
Borrowings	21	74,494.79	73,501.05	71,936.84
Other Financial Liabilities	22	368.22	413.65	475.99
Provisions	23	52.20	109.55	132.59
Deferred Tax Liabilities (Net)	24	688.00	633.15	740.83
<b>Total Non - Current Liabilities</b>		<b>75,603.22</b>	<b>74,657.41</b>	<b>73,286.25</b>
<b>Current liabilities</b>				
<b>Financial Liabilities</b>				
Borrowings	25	365.78	371.11	537.34
Trade payables	26	13,332.81	13,702.31	13,668.44
Other financial liabilities	27	2,551.80	2,719.82	2,428.57
Other current liabilities	28	336.47	283.04	253.50
Provisions	29	3.60	75.37	34.33
<b>Total Current Liabilities</b>		<b>16,590.45</b>	<b>17,151.64</b>	<b>16,922.18</b>
<b>Total Equity and Liabilities</b>		<b>82,231.39</b>	<b>83,492.15</b>	<b>92,599.89</b>

Significant Accounting Policies and Notes to the Consolidated Financial Statement 1-66

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

for Anu and Associates

for and on behalf of the Board of Directors

Chartered Accountants  
Firm Registration No.: 019624N

Sd/-  
**CA. Parveen Kumar**  
(Partner)  
Membership No.: 531655

Sd/-  
**Hemant Kumar Mangal**  
(Company Secretary)

Sd/-  
**Dinesh Kumar**  
(Chief Financial Officer)

Sd/-  
**Bikram Bhattacharya**  
(Whole Time Director)  
DIN: 03595530

Sd/-  
**Vinay Kumar Mittal**  
(Director)  
DIN: 00287042

Place: New Delhi  
Date: 21<sup>st</sup> May, 2018

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDING 31<sup>ST</sup> MARCH, 2018**

Particulars	Note	(₹ in Lakhs)	
		For the year ending 31 <sup>st</sup> March, 2018	For the year ending 31 <sup>st</sup> March, 2017
<b>INCOME</b>			
Revenue from Operations	30	2,660.01	2,416.50
Other Income	31	183.38	292.28
<b>Total Income</b>		<b>2,843.40</b>	<b>2,708.78</b>
<b>EXPENSES</b>			
Cost of Material Consumed	32	509.42	444.78
Purchase of Stock in Trade	33	945.09	1,403.56
Change in Inventories of Finished Goods, Stock-in-trade, Work-in-Progress and Scrap	34	449.65	45.65
Employees Benefit Expenses	35	955.74	1,474.27
Finance Cost	36	171.53	225.65
Depreciation and Amortization Expenses	37	776.21	795.86
Other Expenses	38	746.74	1,972.23
<b>Total Expenses</b>		<b>4,554.37</b>	<b>6,362.00</b>
<b>Loss Before Exceptional Items and Taxes</b>		<b>(1,710.98)</b>	<b>(3,653.22)</b>
Exceptional Items		(71.14)	7,194.95
Share in Loss of Associate		(0.17)	(0.44)
Loss Before Tax		<b>(1,639.67)</b>	<b>(10,847.73)</b>
<b>Tax Expenses</b>	39		
Current Tax		-	-
Deferred Tax Charge/(Benefit)		42.07	(115.54)
<b>Total Tax Expenses</b>		<b>42.07</b>	<b>(115.54)</b>
<b>Loss for the Year</b>		<b>(1,681.73)</b>	<b>(10,732.20)</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss		49.14	30.51
Income Tax relating to items that will not be reclassified to profit or loss		(12.78)	(7.86)
<b>Total Other Comprehensive Income for the year</b>		<b>36.37</b>	<b>22.65</b>
<b>Total Comprehensive Income for the year</b>		<b>(1,645.37)</b>	<b>(10,709.54)</b>
<b>Loss for the Year Attributed to</b>			
Owners of the Parent		(1,681.53)	(10,732.06)
Non-Controlling Interests		(0.20)	(0.14)
<b>Other Comprehensive Income for the Year Attributable to</b>			
Owners of the Parent		36.37	22.65
Non-Controlling Interests		-	-
<b>Earning Per Shares (EPS)</b> <b>(Equity shares, Par value ₹ 10/- each)</b>			
Basic and Diluted			
Basic EPS	40	(12.40)	(79.15)
Diluted EPS	40	(12.40)	(79.15)

**Significant Accounting Policies and Notes to the Consolidated Financial Statement** 1-66

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

for Anu and Associates

for and on behalf of the Board of Directors

Chartered Accountants  
Firm Registration No.: 019624N

Sd/-  
**CA. Parveen Kumar**  
(Partner)  
Membership No.: 531655

Sd/-  
**Hemant Kumar Mangal**  
(Company Secretary)

Sd/-  
**Dinesh Kumar**  
(Chief Financial Officer)

Sd/-  
**Bikram Bhattacharya**  
(Whole Time Director)  
DIN: 03595530

Sd/-  
**Vinay Kumar Mittal**  
(Director)  
DIN: 00287042

**Place:** New Delhi  
**Date:** 21<sup>st</sup> May, 2018



**CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDING 31<sup>ST</sup> MARCH, 2018**

Particular	(₹ in Lakhs)	
	For the year ending 31 <sup>st</sup> March, 2018	For the year ending 31 <sup>st</sup> March, 2017
<b>A. Cash Flow from Operating Activities</b>		
Loss for the year	(1,681.73)	(10,732.20)
Adjustments for		
Share in Loss of Associate	(0.17)	(0.44)
Depreciation and Amortization	776.21	795.86
Loss/(Profit) on Financial Assets Measured at FVTPL	-	(1.81)
Loss/ (Profit) on Property, Plant and Equipment Sold/Discarded	(37.28)	(51.23)
Loss/(Profit) on Sale of Financial Assets Measured at Cost	(71.14)	6,850.44
Loss/(Profit) on Sale of Financial Assets Measured at FVTPL	(0.39)	-
Other Exceptional Items	-	181.09
Finance Cost	171.53	225.65
Interest Income	(5.75)	(10.49)
Dividend	(0.03)	-
Tax Expenses	42.07	(115.54)
Operating Profit Before Working Changes in Working Capital	<b>(806.69)</b>	<b>(2,858.65)</b>
Adjustments for changes in working capital		
Trade Receivable	(154.23)	934.80
Trade Payable	(369.50)	33.87
Inventories	407.78	73.33
Provisions	(79.98)	48.51
Other Financial and Non-Financial Assets	(62.01)	(213.84)
Other Financial and Non-Financial Liabilities	(352.20)	545.48
Cash Generated from operations	(1,416.83)	(1,436.50)
Income Tax Paid	(0.62)	(5.50)
<b>Net Cash Flow from/ (used in) Operating Activities (A)</b>	<b><u>(1,417.44)</u></b>	<b><u>(1,442.00)</u></b>
<b>B. Cash Flow from Investing Activities</b>		
Capital Expenditure on Property, Plant & Equipment and Intangible Assets including Capital Advances	21.57	(11.04)
Proceeds from Sale of Property, Plant & Equipment	60.20	504.60
Proceeds from Sale of Investment in Equity Instruments Carried at Cost	272.74	380.79
Proceeds from Sale of Investment Carried at Fair Value through Profit and Loss (FVTPL)	12.17	-
Proceeds/(Payment) from Loan to Associates	(17.77)	(385.61)
Interest Received	7.14	13.01
Dividend Received	0.03	-
<b>Net Cash Flow from/ (used in) Investing Activities (B)</b>	<b><u>356.08</u></b>	<b><u>501.75</u></b>
<b>C. Cash Flow from Financing Activities</b>		
Redemption of Preference Shares including Premium	-	(1.42)
Proceeds/(Repayment) of Borrowings	1,185.16	1,317.78
Proceeds from issuance of equity shares to non-controlling interest	-	2.45
Interest Paid	(170.76)	(266.10)
<b>Net Cash Generated from Financing Activities (C)</b>	<b><u>1,014.39</u></b>	<b><u>1,052.71</u></b>
Net Increase/(Decrease) in Cash and Cash Equivalents During the Year (A+B+C)	(46.97)	112.47
Add: Cash and Cash Equivalents as at the Beginning of the Year	(65.13)	(177.59)
Cash and Cash Equivalents as at the end of the Year (refer Note 13)	<b>(112.10)</b>	<b>(65.13)</b>

**Significant Accounting Policies and Notes to the Financial Statements**

This is the Consolidated Statement of Cash Flow referred to in our report of even date.

for Anu and Associates

for and on behalf of the Board of Directors

Chartered Accountants

Firm Registration No.: 019624N

Sd/-

CA. Parveen Kumar

(Partner)

Membership No.: 531655

Sd/-

Hemant Kumar Mangal

(Company Secretary)

Sd/-

Dinesh Kumar

(Chief Financial Officer)

Sd/-

Bikram Bhattacharya

(Whole Time Director)

DIN: 03595530

Sd/-

Vinay Kumar Mittal

(Director)

DIN: 00287042

Place: New Delhi

Date: 21<sup>st</sup> May, 2018

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDING 31<sup>ST</sup> MARCH, 2018**

(₹ in Lakhs)

**A. EQUITY SHARE CAPITAL**

Particular	Number of Shares	Amount
Balance as on 1 <sup>st</sup> April, 2016	1355.98	1,355.98
Changes in equity share capital during the year	-	-
Issue of equity shares	-	-
<b>Balance as on 31<sup>st</sup> March, 2017</b>	<b>1355.98</b>	<b>1,355.98</b>
Changes in equity share capital during the year	-	-
Issue of equity shares	-	-
<b>Balance as on 31<sup>st</sup> March, 2018</b>	<b>1355.98</b>	<b>1,355.98</b>

**B. OTHER EQUITY**

Particular	Other equity - Reserves and Surplus			
	Preference Shares Redemption Reserve	Capital Redemption Reserve	Retained earnings	Total
Balance as on 1 <sup>st</sup> April, 2016	0.00	0.05	(0.04)	0.01
Loss for the year	-	-	(10,732.06)	(10,732.06)
Other comprehensive income/(expense) for the year	-	-	22.65	22.65
Transfer to Capital Redemption Reserve	-	-	-	-
Transfer to Preference Share Redemption Reserve	0.00	-	(0.00)	-
Utilized for the Redemption of Preference Shares	(0.00)	-	-	(0.00)
<b>Balance as on 31<sup>st</sup> March, 2017</b>	<b>0.00</b>	<b>0.05</b>	<b>(10,709.45)</b>	<b>(10,709.39)</b>
Loss for the year	-	-	(1,681.53)	(1,681.53)
Other comprehensive income/(expense) for the year	-	-	36.37	36.37
<b>Balance as on 31<sup>st</sup> March, 2018</b>	<b>0.00</b>	<b>0.05</b>	<b>(12,354.61)</b>	<b>(12,354.56)</b>

This is the Consolidated Statement of Changes in Equity referred to in our report of even date.

for Anu and Associates

 Chartered Accountants  
 Firm Registration No.: 019624N

for and on behalf of the Board of Directors

 Sd/-  
**CA. Parveen Kumar**  
 (Partner)  
 Membership No.: 531655

 Sd/-  
**Hemant Kumar Mangal**  
 (Company Secretary)

 Sd/-  
**Dinesh Kumar**  
 (Chief Financial Officer)

 Sd/-  
**Bikram Bhattacharya**  
 (Whole Time Director)  
 DIN: 03595530

 Sd/-  
**Vinay Kumar Mittal**  
 (Director)  
 DIN: 00287042

Place: New Delhi

 Date: 21<sup>st</sup> May, 2018

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

**Note 1 Corporate Information**

Alchemist Limited (the 'Company' or 'Parent') is a Public Limited Company domiciled in India and incorporated under the provisions of the Companies Act on 05-07-1988. The Company's equity shares are listed on the bourses of Bombay Stock Exchange Limited (BSE) and National Stock Exchange (NSE).

The Company together with its Subsidiaries (hereinafter referred to as 'the Group') has presence in India. The principal activities of the Group and Associates are engaged in the business of Agri comprising largely floriculture Steel and Chemicals pharma division comprising the manufacturing and trading.

**Note 2 Summary of Significant Accounting Policies**

**2.1 Basis of Preparation and Presentations**

**a) Statement of Compliance**

The Group and Associates has adopted Indian Accounting Standards (Ind AS) with effect from 1<sup>st</sup> April, 2017, with transition date of 1<sup>st</sup> April, 2016, pursuant to notification issued by Ministry of Corporate Affairs dated 16<sup>th</sup> February, 2015, notifying the Companies (Indian Accounting Standards) Rules, 2015. Accordingly, the financial statements comply with Ind AS as prescribed under Section 133 of the Companies Act, 2013 (the "Act"), read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, relevant provisions of the Act and other accounting principles generally accepted in India.

The financial statements of the Group and Associates upto and for the year ended 31<sup>st</sup> March, 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended), as notified under Section 133 of the Act and other relevant provision of the Act ("previous GAAP").

The financial statements for the year ended 31<sup>st</sup> March 2018 are the first financial statements of the Group prepared under Ind AS. Certain of the Group's Ind AS accounting policies used in the opening balance sheet differed from its previous GAAP policies applied as at March 31, 2016, and accordingly adjustments were made to restate the opening balances as per Ind AS. The resulting adjustments arose from events and transactions before the date of transition to Ind AS. Therefore, as required by Ind AS 101, those adjustments were recognized directly through retained earnings as at April 1, 2016.

An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Group is included in Note 66.

**b) Functional and presentation currency**

The management has determined the currency of the primary economic environment in which the Group and associates operates i.e., functional currency, to be 'Indian Rupees' [INR (₹)]. The financial statements are presented in INR (₹) which is Group's and associates' functional and presentational currency.

**c) Basis of measurement**

The financial statements have been prepared on the historical cost basis except for the following items

Items	Measurement Basis
Certain financial assets and liabilities	Fair value
Net defined benefit (asset)/liability	Fair value of plan assets less present value of defined benefit obligations

**d) Critical accounting estimates and judgements**

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

**Judgements**

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

Note 3 (n) - whether the Group and associates acts as a principal rather than as an agent in a transaction;

Note 3 (p) - leases: whether an arrangement contains a lease;

Note 3 (p) - lease classification; and

Note 3 (d) and 42 - classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding.

#### Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31<sup>st</sup> March, 2017 is included in the following notes:

Note 3 (k) - measurement of defined benefit obligations and plan assets: key actuarial assumptions;

Note 3 (g) - measurement of useful lives and residual values to property, plant and equipment;

Note 3 (h) - measurement of useful lives of intangible assets;

Note 3 (l) - measurement of fair value of freehold land as at transition date;

Note 3 (r) - recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used and MAT credit entitlement.

#### e) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its Subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a Subsidiary begins when the Company obtains control over the Subsidiary and ceases when the Company loses control of the Subsidiary. Specifically, income and expenses of a Subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control the Subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of Subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Following Subsidiary Companies have been considered in the preparation of the consolidated financial statements:

Name of entity	Relationship	Country of Incorporation	Ownership held by	% of Holding and voting power either directly or indirectly through Subsidiary as at		
				31st March, 2018	31st March, 2017	1st April, 2016
Alchemist Hospitality Group Limited	Subsidiary	India	Company	74.88%	74.88%	74.88%
Alchemist Infrastructures Private Limited	Subsidiary	India	Company	100%	100%	100%
Alchemist Healthcare Limited	Subsidiary	India	Company	51%	51%	51%

**f) Investments in Associates**

An Associate is an entity over which the investor has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies.

An investment in an Associate is accounted for using the equity method from the date on which the investee becomes an Associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

After application of the equity method of accounting, the Group determines whether there is any objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Group's investment in an associate.

When the Group reduces its ownership interest in an associate but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

Following Associate Companies have been considered in the preparation of the consolidated Financial Statements:

Name of entity	Relationship	Country of Incorporation	Ownership held by	% of Holding and voting power either directly or indirectly through Associate/Subsidiary as at		
				31st March, 2018	31st March, 2017	1st April, 2016
Alchemist Medisphere Limited	Associate	India	Company	44.99%	44.99%	44.99%

**Note 3 Summary of Significant Accounting Policies**

The accounting policies set out below have been applied consistently to all periods presented in these financial statements and in preparing the opening Ind AS Balance Sheet as at 1<sup>st</sup> April, 2016 for the purposes of the transition to Ind AS.

**a) Current and non-current classification**

All assets and liabilities are classified into current and non-current.

**Assets**

An asset is classified as current when it satisfies any of the following criteria:

- It is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is expected to be realised within 12 months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

**Liabilities**

A liability is classified as current when it satisfies any of the following criteria:

- It is expected to be settled in the Group's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is due to be settled within 12 months after the reporting date; or
- The Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include the current portion of financial liabilities some part of which may be noncurrent. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

#### Operating cycle

The operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. Based on the nature of operations and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Group has ascertained its operating cycle being a period of 12 months for the purpose of classification of assets and liabilities as current and non-current.

#### **b) Foreign currency transactions and translations**

Monetary and non-monetary transactions in foreign currencies are initially recorded in the functional currency of the Group at the exchange rates at the dates of the transactions or at an average rate if the average rate approximates the actual rate at the date of the transaction. Monetary foreign currency assets and liabilities remaining unsettled on reporting date are translated at the rates of exchange prevailing on reporting date. Gains/(losses) arising on account of realisation/settlement of foreign exchange transactions and on translation of monetary foreign currency assets and liabilities are recognised in the statement of profit and loss.

#### **c) Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either

In the principal market for the asset or liability, or

In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to/by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole

Level 1 – Quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

#### **d) Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

##### **i. Financial assets**

###### Recognition and initial measurement

All financial assets are initially recognised when the Group becomes a party to the contractual provisions of the instrument. All financial assets are initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

###### Classification and subsequent measurement

###### Classification

For the purpose of subsequent measurement, the Group classifies financial assets in following categories:

- Financial assets at amortised cost;
- Financial assets at Fair Value Through Profit or Loss (FVTPL)

A financial asset being 'debt instrument' is measured at the amortised cost if both of the following conditions are met

- The financial asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and

- The contractual terms of the financial asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

A financial asset being equity instrument is measured at FVTPL.

All financial assets not classified as measured at amortised cost are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Subsequent measurement

Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest income and impairment are recognised in the statement of profit and loss.

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest income, are recognised in the statement of profit and loss.

Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. Any gain or loss on derecognition is recognised in the statement of profit and loss.

Impairment

The Group recognizes loss allowances using the Expected Credit Loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition, in which case those financial assets are measured at lifetime ECL. The changes (incremental or reversal) in loss allowance computed using ECL model, is recognised as an impairment gain or loss in the statement of profit and loss.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the counterparty does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

## ii. Financial liabilities

Recognition and initial measurement

All financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument. All financial liabilities are initially measured at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are attributable to the liability.

Classification and subsequent measurement

Financial liabilities are classified as measured at amortised cost.

Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense are recognised in the statement of profit and loss. Any gain or loss on derecognition is also recognised in the statement of profit and loss.

Derecognition

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the statement of profit and loss.

## iii. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and

only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

**e) Equity share capital**

Proceeds from issuance of ordinary shares are recognised as equity share capital in equity. Incremental costs directly attributable to the issuance of new equity shares are recognized as a deduction from equity, net of any tax effects.

**f) Cash and cash equivalents**

Cash and cash equivalents include cash in hand, bank balances and any deposits with original maturities of three months or less (that are readily convertible to known amounts of cash and cash equivalents and subject to an insignificant risk of changes in value). However, for the purpose of the statement of cash flows, in addition to above items, any bank overdrafts/cash credits that are integral part of the Group's cash management, are also included as a component of cash and cash equivalents.

**g) Property, plant and equipment**

Recognition and measurement

An item is recognised as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Group and its cost can be measured reliably. PPE are initially recognized at cost. The initial cost of PPE comprises its purchase price (including non-refundable duties and taxes but excluding any trade discounts and rebates), and any directly attributable cost of bringing the asset to its working condition and location for its intended use. In case of multiple element contracts whereby the vendor supplies PPE as well as other components, PPE is recorded on the basis of relative fair values.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent to initial recognition, PPE are stated at cost less accumulated depreciation and any impairment losses. When significant parts of property, plant and equipment are required to be replaced in regular intervals, the Group recognises such parts as separate component of assets. When an item of PPE is replaced, then its carrying amount is de-recognised from the balance sheet and cost of the new item of PPE is recognised. Further, in case the replaced part was not being depreciated separately, the cost of the replacement is used as an indication to determine the cost of the replaced part at the time it was acquired.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

The expenditures that are incurred after the item of PPE has been put to use, such as repairs and maintenance, are normally charged to the statement of profit and loss in the period in which such costs are incurred. However, in situations where the said expenditure can be measured reliably, and is probable that future economic benefits associated with it will flow to the Group, it is included in the asset's carrying value or as a separate asset, as appropriate.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the Straight-Line Method (SLM). The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Depreciation is charged on a pro-rata basis at the straight line method over estimated economic useful lives of its property, plant and equipment generally in accordance with that provided in the Schedule II to the Act other than sapling which are depreciated over a period of 7 years with nil residual value.

**Transition to Ind AS**

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1<sup>st</sup> April, 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit and loss within other gains/(losses).



Capital work-in-progress includes assets under construction and cost attributable to construction of assets not ready for use before the year end.

**h) Intangible assets**

Recognition and measurement

Intangible assets are recognised if it is probable that the future economic benefits attributable to the assets will flow to the enterprise and cost of the asset can be measured reliably in accordance with the notified Indian Accounting Standard – 38 on 'Intangible Assets'.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its intangible assets recognised as at 1<sup>st</sup> April, 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Amortisation

- a. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired;
- b. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period;
- c. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.
  1. Computer Software  
Softwares are amortised over the period of license, generally not exceeding ten years.
  2. Research & Development  
Research & Development are amortised over the period of ten years.
  3. Pan India Distribution Network  
Pan India Distribution Network are amortised over the period of ten years.

**i) Inventories**

Raw materials and packing materials are valued at lower of cost and net realisable value after providing for obsolescence, if any. Cost is determined on the first-in-first-out (FIFO) method. Obsolete/ non-moving inventories are valued at net realisable value.

Inventory costs include purchase price, freight inward, transit insurance charges and non-refundable taxes. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Work-in-process, stores, spares and consumables, stock-in-trade and finished goods are valued at lower of cost and net realisable value.

**j) Impairment of non-financial assets**

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use.

Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses, if any, are recognised in statement of profit and loss.

Reversal of impairment losses

Impairment losses are reversed and the carrying value is increased to its revised recoverable amount provided that

this amount does not exceed the carrying value that would have been determined had no impairment loss been recognised for the said asset in previous years.

**k) Impairment of goodwill**

During the year, the Group assessed the goodwill on investment in equity instrument of an Associate Company for impairment testing.

**l) Employee benefits**

The Group's employee benefits mainly include wages, salaries, bonuses, defined contribution to plans, defined benefit plans, compensated absences, deferred compensation and share-based payments. The employee benefits are recognised in the year in which the associated services are rendered by the Group employees.

**i. Short-term obligations**

All employee benefits payable/available within twelve months of rendering the service such as salaries, wages and bonus etc., are classified as short-term employee benefits and are recognised in the statement of profit and loss in the period in which the employee renders the related service.

**ii. Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the statement of profit and loss in the periods during which the related services are rendered by employees. The Group makes specified contributions towards the following schemes:

**Employee Provident Fund**

The Group 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.

**Employee State Insurance**

The Group makes contribution to Employee 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.

**iii. Defined benefit plans**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

**Gratuity**

The Group provides for gratuity, a defined benefit plan (the Gratuity Plan) covering all directly recruited eligible employees. In accordance with the payment of Gratuity Act, 1972, the Gratuity plan provides a lump sum payment to vested employees on retirement, death, incapacitation or termination of employment.

The calculation of defined benefit obligation is performed annually by a qualified actuary separately for each plan using the projected unit credit method, which recognises each year of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit, are recognised immediately in the balance sheet a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

Re-measurements are not reclassified to the statement of profit and loss in subsequent periods.

The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the statement of profit and loss.

**m) Provisions**

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event,

it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If, the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**n) Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. Information on contingent liabilities is disclosed in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote.

**o) Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received/receivable net of trade discounts, VAT or service tax, GST.

The Group assesses its revenue arrangements against specific criteria, i.e., whether it has exposure to the significant risks and rewards associated with the sale of goods or the rendering of services, in order to determine if it is acting as a principal or as an agent.

**Sale of Products**

Revenue from the sale of goods is recognised when the goods are dispatched and titles have passed, at which time all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**Interest income**

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on, time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

**Dividend income**

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

**p) Government grants**

Government Grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit and loss accounts over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual installments. When loans or similar assistance are provided by the government or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant.

**q) Leases**

- i. Determining whether an arrangement contains a lease

The determination of whether an arrangement is, or contains, a lease is based on the substance of an arrangement at inception date: whether fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration

required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values.

ii. Where the Group is the lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Leases of property, plant and equipment where the Group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leased assets are depreciated on WDV method over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated on WDV method over the shorter of the estimated useful life of the asset or the lease term.

iii. Where the Group is the lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of the asset are classified as operating leases. Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

**r) Borrowing costs**

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs (for general and specific borrowings) directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time (qualifying assets) to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

**s) Income tax**

Income tax expense comprises current and deferred tax. It is recognised in statement of profit and loss, except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

**Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

**Deferred tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on reversal of temporary differences. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Minimum Alternative Tax ('MAT') expense under the provisions of the Income Tax Act, 1961 is recognised as an asset when it is probable that future economic benefit associated with it in the form of adjustment of future income tax liability, will flow to the Group and the asset can be measured reliably. MAT credit entitlement is set off to the extent allowed in the year in which the Group becomes liable to pay income taxes at the enacted tax rates. MAT credit entitlement is reviewed at each reporting date and is written down to reflect the amount that is reasonably certain to be set off in future years against the future income tax liability. MAT Credit Entitlement has been presented as Deferred Tax in Balance Sheet.

**t) Earnings per share**

The Group presents basic and diluted earnings per share (EPS) data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the period.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

**u) Segment reporting**

Information reported to the Board of Directors who is Chief Operating Decision Maker (CODM) for the purposes of resources allocation and assessment of segment performance focuses on the types of services provided. The Board of Directors of the Group have chosen to organise the Group around the different services being provided. Operating segments have been aggregated based on similar risk and reward and on fulfilment of other aggregation criteria.

CODM has identified primary segment which consists of 'Agri Business', and 'Pharma, Chemical and Minerals'.

The following specific accounting policies have been followed for segment reporting:

- i. Segment revenue includes sales and other income directly identifiable with the segment including intersegment revenue;
- ii. Expenses that are directly identifiable with the segments are considered for determining the segment results. Expenses which relate to the Group as a whole and not allocable to segments are included under unallocable expenditure;
- iii. Income which relates to the Group as a whole and not allocable to segments is included in unallocable income; and
- iv. Segment assets and liabilities include those directly identifiable with the respective segments. Un-allocable corporate assets and liabilities represent the assets and liabilities that relate to the Group as a whole and not allocable to any segment.

# ALCHEMIST LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

## 4 PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

PARTICULARS	GROSS BLOCK				DEPRECIATION				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	
Land	1,759.77	204.73	-	1,555.04	-	-	-	-	1,555.04	
Building	415.82	-	-	415.82	235.79	-	6.62	242.41	173.42	
Building other than Factory Building	10,783.27	-	-	10,783.27	213.09	-	170.62	383.70	10,399.57	
Plant & Machinery	2,066.94	436.41	0.49	1,631.02	663.98	187.76	85.25	561.47	1,069.55	
Electric Installation	600.60	-	-	600.60	71.00	-	57.01	128.01	472.59	
Bearer Plants	1,255.26	-	-	1,255.26	1,220.58	-	2.62	1,223.20	32.06	
Furniture & Fixtures	1,084.50	-	-	1,084.50	215.75	-	96.57	312.32	772.18	
Vehicles	1,197.22	-	0.20	1,197.42	871.00	-	97.29	968.29	229.13	
Office Equipment's	240.22	-	0.14	240.36	149.50	-	32.04	181.54	58.82	
Servers and Networks	46.32	-	-	46.32	20.63	-	7.31	27.94	18.37	
Computer & Peripherals	495.76	-	1.26	497.01	437.12	-	21.84	458.96	38.05	
<b>Total</b>	<b>19,945.67</b>	<b>641.14</b>	<b>2.09</b>	<b>19,306.62</b>	<b>4,098.44</b>	<b>187.76</b>	<b>577.16</b>	<b>4,487.84</b>	<b>14,818.78</b>	

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 1-Apr-17	SALE/ ADJUSTMENTS	ADDITIONS/ CAPITALISED	AS AT 31-Mar-18	AS AT 1-Apr-17	ON SALE/ ADJUSTMENTS	FOR THE YEAR	AS AT 31-Mar-18	AS AT 31-Mar-18	
Land	1,555.04	-	-	1,555.04	-	-	-	-	1,555.04	
Building	415.82	-	-	415.82	242.41	-	6.62	249.02	166.80	
Building other than Factory Building	10,783.27	-	-	10,783.27	383.70	-	170.62	554.32	10,228.95	
Plant and Machinery	1,631.02	-	-	1,631.02	561.47	-	83.14	644.62	986.41	
Electric Installation	600.60	-	-	600.60	128.01	-	57.01	185.02	415.58	
Bearer Plants	1,255.26	-	-	1,255.26	1,223.20	-	2.50	1,225.70	29.56	
Furniture & Fixtures	1,084.50	-	-	1,084.50	312.32	-	96.57	408.88	675.62	
Vehicles	1,197.42	123.22	-	1,074.19	968.29	100.31	94.42	962.40	111.79	
Office Equipment's	240.36	-	0.40	240.76	181.54	-	26.74	208.28	32.48	
Servers and Networks	46.32	-	-	46.32	27.94	-	7.31	35.25	11.06	
Computer & Peripherals	497.01	-	0.22	497.24	458.96	-	12.55	471.51	25.73	
<b>Total</b>	<b>19,306.62</b>	<b>123.22</b>	<b>0.63</b>	<b>19,184.02</b>	<b>4,487.84</b>	<b>100.31</b>	<b>557.47</b>	<b>4,945.00</b>	<b>14,239.02</b>	

## 5 CAPITAL WORK-IN-PROGRESS

(₹ in Lakhs)

PARTICULARS	GROSS BLOCK				DEPRECIATION				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	
Capital Work in Progress	181.09	181.09	-	-	-	-	-	-	-	
<b>Total</b>	<b>181.09</b>	<b>181.09</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 1-APR-17	SALE/ ADJUSTMENTS	ADDITIONS/ CAPITALISED	AS AT 31-MAR-18	AS AT 1-APR-17	ON SALE/ ADJUSTMENTS	FOR THE YEAR	AS AT 31-MAR-18	AS AT 31-MAR-18	
Capital Work in Progress	-	-	-	-	-	-	-	-	-	
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	

## 6 OTHER INTANGIBLE ASSETS

(₹ in Lakhs)

PARTICULARS	GROSS BLOCK				DEPRECIATION				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	
Computer Software	190.48	-	1.79	192.27	55.68	-	19.18	74.86	117.41	
Research & Developments	992.64	-	-	992.64	472.18	-	86.36	558.55	434.09	
Pan India Distribution Network	1,132.50	-	-	1,132.50	226.93	-	113.16	340.09	792.41	
<b>Total</b>	<b>2,315.61</b>	<b>-</b>	<b>1.79</b>	<b>2,317.41</b>	<b>754.80</b>	<b>-</b>	<b>218.70</b>	<b>973.50</b>	<b>1,343.91</b>	

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

(₹ in Lakhs)

PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	AS AT 1-Apr-17	SALE/ ADJUSTMENTS	ADDITIONS/ CAPITALISED	AS AT 31-Mar-18	AS AT 1-Apr-17	ON SALE/ ADJUSTMENTS	FOR THE YEAR	AS AT 31-Mar-18	AS AT 31-Mar-18
Computer Software	192.27	-	-	192.27	74.86	-	19.22	94.08	98.19
Research & Developments	992.64	-	-	992.64	558.55	-	86.36	644.91	347.73
Pan India Distribution Network	1,132.50	-	-	1,132.50	340.09	-	113.16	453.25	679.25
<b>Total</b>	<b>2,317.41</b>	<b>-</b>	<b>-</b>	<b>2,317.41</b>	<b>973.50</b>	<b>-</b>	<b>218.74</b>	<b>1,192.24</b>	<b>1,125.17</b>

(₹ in Lakhs)

	<u>As at 31<sup>st</sup> March, 2018</u>	<u>As at 31<sup>st</sup> March, 2017</u>	<u>As at 1<sup>st</sup> April, 2016</u>
<b>7 NON CURRENT INVESTMENT</b>			
<b>Category-wise investments</b>			
Investment in equity instruments	2,960.41	3,161.84	10,392.63
Investment in preference share	13,900.21	13,900.21	13,900.21
Investment in mutual funds	-	11.78	9.97
<b>Investment in equity instruments carried at cost</b>			
<b>Unquoted</b>			
<b>Investment in Subsidiaries</b>			
<b>Alchemist Enterprises Pte Ltd</b>	-	201.60	201.60
Current year equity shares NIL, (Previous Year 501000 shares and as on 1 <sup>st</sup> April, 2016 501000 shares) of SGD \$ 1/- Each			
	-	201.60	201.60
<b>Investment in equity instruments carried at cost</b>			
<b>Unquoted</b>			
<b>Investment in Associates</b>			
<b>ROC Foods Limited</b>	2,955.57	2,955.57	10,005.00
(Formerly Known as 'Alchemist Foods Limited') Current year equity shares 2955573, (Previous Year 2955573 shares and as on 1 <sup>st</sup> April, 2016 10050000 shares) of ₹ 10/- Each			
<b>Dooteriah and Kalej Valley Tea Estates Private Limited</b>	-	-	181.80
Current year equity shares NIL, (Previous Year Nil shares and as on 1 <sup>st</sup> April, 2016 36000 shares) ₹ 100/- Each			
<b>Alchemist Medisphere Limited</b>	2.25	2.25	2.25
Current year equity shares 22500, (Previous Year 22500 shares and as on 1 <sup>st</sup> April, 2016 22500 shares) ₹ 10/- Each			
Add: Goodwill	0.58	0.58	0.58
Add: Group's share of loss	1.75	1.59	1.15
	2,960.16	2,959.99	10,190.78
<b>Other Investment (Equity) carried at fair value through Profit and Loss (FVTPL)</b>			
<b>Unquoted</b>			
<b>Shivalik Solid Waste Management Limited</b>	0.25	0.25	0.25
Current year equity shares 2500, (Previous Year 2500 shares and as on 1 <sup>st</sup> April, 2016 2500 shares) of ₹ 10/- Each			
	0.25	0.25	0.25

(₹ in Lakhs)

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2016
<b>Other Investment in Associates (Preference shares) carried at cost</b>			
<b>Unquoted</b>			
<b>ROC Food Limited*</b>	13,900.21	13,900.21	13,900.21
(Formerly Known as 'Alchemist Foods Limited') Current year preference shares 28350424, (Previous Year 28350424 shares and as on 1 <sup>st</sup> April, 2016 28350424 shares) of ₹ 10/- Each			
	<u>13,900.21</u>	<u>13,900.21</u>	<u>13,900.21</u>
<b>Investment carried at fair value through Profit and Loss (FVTPL)</b>			
<b>Quoted</b>			
<b>Non Trade Investment-Quoted</b>			
<b>Mutual Fund</b>			
<b>Religare Business Leader Fund</b>	-	11.78	9.97
Current year units Nil, (Previous Year 50000 units and as on 1 <sup>st</sup> April, 2016 50000 units) of ₹ 10/- Each			
	<u>-</u>	<u>11.78</u>	<u>9.97</u>
<b>Total</b>	<b><u>16,860.62</u></b>	<b><u>17,073.83</u></b>	<b><u>24,302.81</u></b>
Aggregate value of quoted investments	-	11.78	9.97
Aggregate value of unquoted investments	16,860.62	17,062.05	24,292.84
<b>Total</b>	<b><u>16,860.62</u></b>	<b><u>17,073.83</u></b>	<b><u>24,302.81</u></b>

\*Alchemist Limited's loan to ROC Foods Limited (Formerly known as 'Alchemist Foods Limited') amounting to ₹ 13900.21 Lakhs was converted into 28350424 preference shares of face value of ₹ 10/- each issued at a premium of ₹ 39.03 during the financial year 2015-16.

**8 NON CURRENT FINANCIAL ASSETS - LOANS**
**Loan to Associates (Unsecured, considered good)**

 ROC Foods Limited Formerly known as  
(Alchemist Foods Limited)

	403.39	385.61	-
<b>Total</b>	<b><u>403.39</u></b>	<b><u>385.61</u></b>	<b><u>-</u></b>

**9 OTHER NON CURRENT FINANCIAL ASSETS**

Unsecure, considered good	125.79	125.00	131.31
Security Deposit	80.48	76.11	87.55
Fixed Deposits maturing after 12 months *			
<b>Total</b>	<b><u>206.27</u></b>	<b><u>201.11</u></b>	<b><u>218.87</u></b>

\* Including deposit of ₹ 68.64 Lakhs (Previous Year ₹ 75.03 Lakhs and as on 1<sup>st</sup> April, 2016 ₹ 35.99 Lakhs) under lien for guarantee given by banks to various Government Authorities.

**10 OTHER NON CURRENT ASSETS**

Unsecure, considered good			
Capital Advances	781.59	803.79	796.63
<b>Total</b>	<b><u>781.59</u></b>	<b><u>803.79</u></b>	<b><u>796.63</u></b>



**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

(₹ in Lakhs)

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2016
<b>11 INVENTORIES</b>			
Raw Materials	101.56	59.69	87.37
Finished Goods	22.54	22.86	199.31
Stock-in-trade	61.13	510.71	6.49
Work In Progress/Semi finished goods	-	-	373.31
Store, Spares and Scrap	0.61	0.34	0.46
<b>Total</b>	<b>185.83</b>	<b>593.61</b>	<b>666.94</b>
The mode of valuation of inventories has been stated in Note No. 3.2 (i)			
<b>12 TRADE RECEIVABLES</b>			
Unsecured, considered good	47,154.54	47,000.31	47,935.12
<b>Total</b>	<b>47,154.54</b>	<b>47,000.31</b>	<b>47,935.12</b>
<b>13 CASH AND CASH EQUIVALENT</b>			
Balance with Banks - Current Accounts			
Fixed deposits maturing within three months	60.85	117.49	154.85
Cheque in Hand	-	-	3.75
Cash in hand	192.83	188.49	201.15
<b>Total</b>	<b>253.68</b>	<b>305.98</b>	<b>359.75</b>
For the purpose of statement of cash flows, Cash & Cash Equivalent comprise of following			
Cash and Cash Equivalent as per balance sheet	253.68	305.98	359.75
Bank overdraft (refer Note 23)	(365.78)	(371.11)	(537.34)
	<b>(112.10)</b>	<b>(65.13)</b>	<b>(177.59)</b>
<b>14 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENT</b>			
Term deposit maturing after three months but before twelve months *	-	19.67	37.38
Unpaid dividend account	21.14	29.08	37.40
<b>Total</b>	<b>21.14</b>	<b>48.74</b>	<b>74.78</b>
<b>15 CURRENT LOANS</b>			
Unsecured, considered good			
Amount recoverable in cash or in kind or for value to be received			
To Related Party	236.29	267.99	152.77
To Others	102.18	102.18	45.74
<b>Total</b>	<b>338.47</b>	<b>370.17</b>	<b>198.52</b>
<b>16 OTHER CURRENT FINANCIAL ASSETS</b>			
Advance to employees (Unsecured)	17.94	40.39	46.81
Interest Accrued	0.36	1.75	4.27
<b>Total</b>	<b>18.29</b>	<b>42.13</b>	<b>51.09</b>

	(₹ in Lakhs)		
	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2016
<b>17 CURRENT TAX (NET)</b>			
Advance Income Tax	0.62	5.50	117.09
<b>Total</b>	<b>0.62</b>	<b>5.50</b>	<b>117.09</b>
<b>18 OTHER CURRENT ASSETS</b>			
Unsecured, Considered good			
Prepaid Expenses	6.35	7.04	0.57
Balance with Govt. Authorities	284.58	225.80	96.26
Advances Paid to Suppliers for Goods/Services	314.94	229.27	180.43
Others	36.90	36.57	11.92
<b>Total</b>	<b>642.78</b>	<b>498.67</b>	<b>289.18</b>
<b>19 EQUITY SHARE CAPITAL</b>			
<b>Authorised</b>			
Equity Shares 30000000 of ₹ 10/- each (Previous year 30000000 of ₹ 10/- each)	3,000.00	3,000.00	3,000.00
<b>Issued, Subscribed and Paid-Up</b>			
Equity Shares 13559800 of ₹ 10/- each (Previous year 13559800 of ₹ 10/- each)	1,355.98	1,355.98	1,355.98
<b>Total</b>	<b>1,355.98</b>	<b>1,355.98</b>	<b>1,355.98</b>

**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 held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their shareholding.

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

Equity Shares	As at 31 <sup>st</sup> March, 2018		As at 31 <sup>st</sup> March, 2017		As at 1 <sup>st</sup> April, 2016	
	Number	Amount	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	13559800	1,355.98	13559800	1,355.98	13559800	1,355.98
Shares Issued during the year	-	-	-	-	-	-
Shares bought back during the year	-	-	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>13559800</b>	<b>1,355.98</b>	<b>13559800</b>	<b>1,355.98</b>	<b>13559800</b>	<b>1,355.98</b>

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

Name of Shareholder	As at 31 <sup>st</sup> March, 2018		As at 31 <sup>st</sup> March, 2017		As at 1 <sup>st</sup> April, 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Kanwar Deep Singh	1257020	9.27%	1257020	9.27%	1257020	9.27%
KDS Corporation Pvt Ltd	3059000	22.56%	3059000	22.56%	3059000	22.56%
Davos International Fund	746000	5.50%	746000	5.50%	746000	5.50%

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
(₹ in Lakhs)		
<b>20 OTHER EQUITY</b>		
<b>Capital Redemption Reserve</b>		
Balance Brought Forward	5,184.19	5,184.05
Add: Transfer from Statement of Retained Earnings	-	0.14
	<u>5,184.19</u>	<u>5,184.19</u>
<b>Preference Shares Redemption Reserve</b>		
Balance Brought Forward	18.30	18.38
Add: Transfer from Statement of Retained Earnings	-	1.20
Less: Utilized for the Redemption of Preference Shares	-	(1.28)
	<u>18.30</u>	<u>18.30</u>
<b>Retained Earnings</b>		
Balance Brought Forward	(14,877.71)	(4,166.97)
Add: Loss for the Year	(1,645.17)	(10,709.41)
Less: Transfer to Capital Redemption Reserve	-	(0.14)
Less: Transfer to Preference Share Redemption Reserve	-	(1.20)
	<u>(16,522.88)</u>	<u>(14,877.71)</u>
<b>Total</b>	<u>(11,320.38)</u>	<u>(9,675.21)</u>

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2016
(₹ in Lakhs)			
<b>21 NON CURRENT BORROWINGS</b>			
<b>Secured</b>			
<b>Term Loans From Bank</b>			
Punjab National Bank	624.99	728.44	962.35
Less : Current Maturities	(325.00)	(128.44)	(375.00)
	<u>299.99</u>	<u>600.00</u>	<u>587.35</u>
<b>Vehicle Loans from Banks</b>			
Vehicle Loan	2.78	9.22	14.86
Less : Current Maturities	(2.78)	(7.92)	(7.93)
	<u>-</u>	<u>1.30</u>	<u>6.92</u>
<b>Unsecured</b>			
Inter Corporate Deposits			
From Others	74,163.09	72,868.04	71,310.70
	<u>74,163.09</u>	<u>72,868.04</u>	<u>71,310.70</u>
<b>Redeemable preference shares (Unsecured)</b>			
Redeemable Preference Shares 31718 of ₹ 100/- Each (Previous year 31718 and as on 1 <sup>st</sup> April, 2018 31,860 of ₹ 100/- Each)	31.72	31.72	31.86
<b>Total</b>	<u>74,494.79</u>	<u>73,501.05</u>	<u>71,936.84</u>

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**
**Details of continuing default as on 31<sup>st</sup> March, 2018 in repayment of loans and interest:**

Name of Bank - Type of Loan	Sanction Amount	Default amount as on 31/03/18	Default cleared Amount	Default cleared date	Default outstanding as on 21/05/18
Punjab National Bank - Term Loan	2,100.00	34.05	34.05	26-Apr-18	-

**Note**
**Term Loans From Bank**

Punjab National Bank

Punjab National Bank: Secured Loan of ₹ 624.99 Lakhs (Previous Year ₹ 728.44 Lakhs and as on 1<sup>st</sup> April, 2018 ₹ 587.35 secured through exclusive Charge on Fixed Assets Block, situated at F-5, Kishangarh Rajiv Gandhi I.T. Park, Chandigarh.

The loan has been guaranteed by Mr. Kanwar Deep Singh in the capacity of the Director till 31<sup>st</sup> August, 2012 and thereafter being the Promoter of the Company. Term Loan carries interest at base rate + 4% and is repayable in 84 monthly installment of ₹ 25 Lakhs each, commencing from 30<sup>th</sup> April, 2013.

**Vehicle Loans from Bank:**

Vehicle Loans of ₹ 2.77 Lakhs (Previous Year ₹ 9.22 Lakhs and as on 1<sup>st</sup> April, 2018 ₹ 14.86 Lakhs are Secured against hypothecation of vehicles. 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.

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2016
(₹ in Lakhs)			
The details given below are gross of debt origination cost.			
The table below summarizes the maturity profile of the Company's borrowings based on contractual undiscounted payments.			
Within One Year	327.78	136.36	382.93
Between One and Five Years	299.99	601.30	594.28
<b>Total</b>	<b>627.77</b>	<b>737.66</b>	<b>977.21</b>

**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 ₹ 5,580.16 Lakhs (Previous Year ₹ 4,338.20 Lakhs) and ₹ 68,581.98 Lakhs (Previous year ₹ 68,529.82 Lakhs) respectively. The terms of repayment with respect to loan from KDS Corporation Private Limited have not been defined and is repayable on the mutual agreement of both the parties involved, hence terms are not prejudicial to the interest of the Company. Loan from Technology Park Limited is repayable on service of a minimum notice of 12 months by the lender for a repayment in excess of ₹ 5,000.00 Lakhs, 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.

**Redeemable Preference Shares**

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

**22 OTHER NON CURRENT FINANCIAL LIABILITIES**

Security Deposits Received	368.22	413.65	475.99
<b>Total</b>	<b>368.22</b>	<b>413.65</b>	<b>475.99</b>

**23 LONG-TERM PROVISIONS**
**Provision for Employees Benefits**

Gratuity	52.20	109.55	132.59
<b>Total</b>	<b>52.20</b>	<b>109.55</b>	<b>132.59</b>

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

	(₹ in Lakhs)		
	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2016
<b>24 DEFERRED TAX LIABILITY (NET)</b>			
<b>Deferred Tax Liability Arising on</b>			
Difference Between Book and Tax Depreciation	725.48	697.53	805.11
<b>Deferred Tax Assets Arising on</b>			
Provision of Gratuity and Bonus	24.71	56.52	64.28
Actuarial Net Loss/(Gain) on Remeasurement of Defined Benefit Plans	12.78	7.86	-
<b>Total</b>	<b>688.00</b>	<b>633.15</b>	<b>740.83</b>
<b>25 CURRENT BORROWINGS</b>			
<b>Secured</b>			
Bank of India (Cash Credit Limit)*	361.41	350.00	350.00
<b>Unsecured</b>			
Overdraft in Current Account	4.37	21.11	187.34
<b>Total</b>	<b>365.78</b>	<b>371.11</b>	<b>537.34</b>
<b>Loan Repayable on demand, from Banks</b>			
<b>Bank of India:</b>			
Working Capital facility of ₹ 350 Lakhs (Previous Year ₹ 350 Lakhs) secured against hypothecation of stocks and book debt of the Company's unit located at Chambaghat, Solan (Himachal Pradesh). It is further collaterally secured by Land and Building, other structures (erected or to be erected) and other immovable properties of the Unit situated at Chambaghat, Solan.			
The loan has been guaranteed by Mr. Kanwar Deep Singh in the capacity of the director till 31st August, 2012 and thereafter being the promoter of the Company.			
* Cash credit balance of Bank of India reflecting excess amount of ₹ 11.41 Lakhs than the allowed cash credit limit of ₹ 350 Lakhs. The excess amount reflecting above is not an overutilization or default but only due to cheques issued to parties in the month of March, 2018			
<b>26 TRADE PAYABLE</b>			
Total Outstanding Dues of Micro Enterprises and Small Enterprises	-	-	-
Total Outstanding Dues of Creditors Other Than Micro Enterprises and Small Enterprises	13,332.81	13,702.31	13,668.44
<b>Total</b>	<b>13,332.81</b>	<b>13,702.31</b>	<b>13,668.44</b>
<b>27 OTHER CURRENT FINANCIAL LIABILITIES</b>			
<b>Current maturities of long-term borrowings</b>			
Term Loan	325.00	128.44	375.00
Vehicle Loan	2.78	7.92	7.93
Interest Accrued and Due on Borrowings	9.05	8.28	48.74
Liabilities for Capital Goods	0.00	17.15	0.00
Advance Received *	1,168.24	1,229.49	1,229.49
Unclaimed Dividend ***	21.14	29.08	37.40
Other Liabilities	1,025.59	1,299.46	730.01
<b>Total</b>	<b>2,551.80</b>	<b>2,719.82</b>	<b>2,428.57</b>

\* Refer Note No. 60

\*\*\* A sum of ₹ 21.14 Lakhs (Previous year 29.07 Lakhs and as on 1<sup>st</sup> April, 2016, ₹ 37.40 Lakhs is lying as unclaimed dividend in separate accounts with HDFC Bank and YES Bank, Chandigarh.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

	(₹ in Lakhs)		
	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2016
<b>28 OTHER CURRENT LIABILITIES</b>			
Statutory Dues Payable	57.10	38.62	20.90
Revenue Received in Advance	128.86	58.44	36.84
Others	150.51	185.98	195.76
<b>Total</b>	<b>336.47</b>	<b>283.04</b>	<b>253.50</b>
<b>29 SHORT-TERM PROVISIONS</b>			
<b>Provision for Employee Benefits</b>			
Gratuity	3.60	6.20	10.48
Bonus	-	69.18	23.85
<b>Total</b>	<b>3.60</b>	<b>75.37</b>	<b>34.33</b>
			(₹ in Lakhs)
		For the year ending 31 <sup>st</sup> March, 2018	For the year ending 31 <sup>st</sup> March, 2017
<b>30 REVENUE FROM OPERATION</b>			
Sale of Products (Including Excise Duty)		2,660.01	2,416.50
<b>Total</b>		<b>2,660.01</b>	<b>2,416.50</b>
<b>31 OTHER INCOME</b>			
Interest		5.75	10.49
Dividend		0.03	0.00
Other Income		24.57	65.34
Excess Provision Written Back		7.63	0.00
<b>Other Non-operative Income</b>			
Gain on sale of financial assets measured at FVTPL		0.00	1.81
Net Gain arising on Financial assets Measured at FVTPL		0.39	0.00
Profit on Sale of Property, Plant and Equipment		37.28	214.64
Net Gain on foreign currency transactions and translation		107.73	0.00
<b>Total</b>		<b>183.38</b>	<b>292.28</b>
<b>32 COST OF MATERIAL CONSUMED</b>			
Opening Stock		59.69	87.37
Add : Purchases		551.28	417.10
		610.98	504.47
Less : Closing Stock		(101.56)	(59.69)
<b>Cost of Material Consumed</b>		<b>509.42</b>	<b>444.78</b>
<b>33 PURCHASE OF STOCK IN TRADE</b>			
Purchase of Stock in Trade		945.09	1,403.56
<b>Total</b>		<b>945.09</b>	<b>1,403.56</b>

	For the year ending 31 <sup>st</sup> March, 2018	(₹ in Lakhs) For the year ending 31 <sup>st</sup> March, 2017
<b>34 CHANGE IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE, WORK-IN-PROGRESS AND SCRAP</b>		
<b>Opening Stock</b>		
Finished goods	22.86	199.31
Stock-in-trade	510.71	6.49
Work in Progress	-	373.31
Scrap	0.34	0.46
	<u>533.92</u>	<u>579.57</u>
<b>Closing Stock</b>		
Finished goods	22.54	22.86
Stock-in-trade	61.13	510.71
Work in Progress	-	-
Scrap	0.61	0.34
	<u>84.27</u>	<u>533.92</u>
<b>(Increase) / Decrease in Change in Inventories of Finished Goods, Stock-in-trade, Work-in-Progress and Scrap</b>	<u>449.65</u>	<u>45.65</u>
<b>35 EMPLOYEES BENEFIT EXPENSES</b>		
Salaries and Wages including Bonus, Gratuity, Welfare Expenses	880.55	1,366.73
Employer's Contribution towards Provident and other Funds	67.28	96.47
Staff Welfare	7.90	11.06
<b>Total</b>	<u>955.74</u>	<u>1,474.27</u>
<b>36 FINANCE COST</b>		
Interest Expenses	171.53	225.65
<b>Total</b>	<u>171.53</u>	<u>225.65</u>
<b>37 DEPRECIATION AND AMORTIZATION EXPENSES</b>		
Depreciation on Property, Plant and Equipment	557.47	577.16
Amortization on Intangible Assets	218.74	218.70
<b>Total</b>	<u>776.21</u>	<u>795.86</u>

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

	For the year ending 31 <sup>st</sup> March, 2018	(₹ in Lakhs) For the year ending 31 <sup>st</sup> March, 2017
<b>38 OTHER EXPENSES</b>		
Consumable, Stores and Other Direct Expenses	41.43	163.94
Power and Fuel Expenses	67.92	72.36
Rent	42.52	57.37
Postage and Courier	10.27	5.36
Repair and Maintenance	22.80	17.84
Travelling Expenses	17.83	43.98
Fee and Taxes	8.16	7.86
Insurance Charges	9.19	13.59
Telephone, Internet and Communication Charges	21.73	35.02
Vehicle Running and Maintenance	51.57	51.77
Director Sitting Fees	1.10	1.10
Misc. and General Expenses	117.70	129.90
Selling and Marketing Expenses	197.57	304.41
Advertisement and Publicity	10.08	5.38
Printing and Stationery	9.85	19.09
Auditor's Remuneration	-	-
Statutory Audit Fee	13.72	15.65
Tax Audit Fee	2.18	2.50
For Others	3.77	5.63
Cost Auditor's Remuneration	-	-
Audit Fee	0.80	1.44
Legal and Professional Charges	56.98	93.79
Business Promotion / Entertainment Expenses	39.58	140.88
Net Loss on foreign currency transactions and translation	-	783.35
<b>Total</b>	<b>746.74</b>	<b>1,972.23</b>



**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**
**39. Income Tax Expenses**
**(a) Income tax expense recognised in Statement of profit and loss (₹ in Lakhs)**

Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
<b>Current Tax</b>		
In respect of the current year	-	-
<b>Deferred Tax</b>		
In respect of the current year	42.07	(115.54)
<b>Total income tax expense/ (income) recognised in statement of profit and loss</b>	<b>42.07</b>	<b>(115.54)</b>

**(b) Income Tax on Other Comprehensive Income (₹ in Lakhs)**

Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
<b>Deferred Tax Benefit</b>		
Arising on income and expenses recognised in other comprehensive income		
Re-measurement of Defined Benefit Obligations	12.78	7.86
<b>Total income tax expense recognised in other comprehensive income</b>	<b>12.78</b>	<b>7.86</b>

**40. Earnings Per Share (EPS)**

Basic and diluted earnings/(loss) per share

Basic and diluted earnings/(loss) per share is calculated by dividing the profit/(loss) during the year attributable to equity shareholders of the Parent by the weighted number of equity shares outstanding during the year.

Particulars	Units	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
Profit/(loss) after tax attributable to equity shareholders	₹ Lakhs	1,681.53	10,732.05
Weighted average number of equity shares outstanding during the year (Basic)	Number	13559800	13559800
Weighted average number of equity shares outstanding during the year (Diluted)	Number	13559800	13559800
Nominal value of Equity Shares	₹	10/-	10/-
<b>Earning Per Share</b>	₹		
Basic EPS		(12.40)	(79.15)
Diluted EPS		(12.40)	(79.15)

**41. Employee Benefits:**

The details of various employee benefits provided to employees are as under:

**A. Defined Contribution plans:**

Contribution to defined contribution plans charged off for the year is as under: (₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
Parent's Contribution to Provident Fund (Including admin. exp.)	51.10	71.25
Parent's Contribution to Employees State Insurance	16.00	15.39
Parent's Contribution to Employees Welfare Fund	0.18	0.19

**B. Defined Benefit Plans:**

In accordance with the Payment of Gratuity Act, 1972, the Parent provides for gratuity, as defined benefit plan. The gratuity plan provides for a lump sum payment to the employees at the time of separation from the service on completion of vested year of employment i.e. five years. 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	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
<b>Change in present value of defined benefit obligation during the year</b>		
Present value of obligation as at the beginning of the period	115.75	143.07
Interest Cost	7.70	9.67
Current Service Cost	8.34	14.33
Benefits Paid	(26.84)	(20.81)
Total Actuarial (Gain)/Loss on obligation	(49.14)	(30.51)
Present value of obligation as at the end of the period	55.80	115.75
Current portion	3.60	6.20
Non-current portion	52.20	109.55
<b>Change in fair value of plan assets during the year</b>		
Fair value of plan assets at the beginning of the period	-	-
Expected interest income	-	-
Employer contribution	26.84	20.81
Benefits Paid	(26.84)	(20.81)
Actuarial (Gain)/Loss for the year on asset	-	-
Fair value of plan assets at the end of the period	-	-
<b>Net asset/(liability) recognised in the balance sheet</b>		
Present value of obligation at the end	55.80	115.75
Fair value of plan asset	-	-
Unfunded Liability/provision in the balance sheet	55.80	115.75
<b>Expenses Recognised in the statement of profit or loss during the year</b>		
Service cost	8.34	14.33
Net interest cost	7.70	9.67
Total expenses recognised in employee benefit expenses	16.04	24.00
<b>Recognised in other comprehensive income for the year</b>		
Net cumulative unrecognised actuarial (gain)/loss opening	(30.51)	-
Actuarial (gain)/loss for the year of PBO	(49.14)	(30.51)
Actuarial (gain)/loss for the year on asset	-	-
Unrecognised actuarial (gain)/loss at the end of the year	(79.65)	(30.51)
<b>Maturity profile of defined benefit obligation</b>		
Within the next 12 months (next annual reporting period)	3.80	3.60
Year II	4.01	3.55
Year III	3.70	3.03
Year IV	4.19	3.19
Year V	4.37	3.10
Next 5 Year Payouts (6-10 years)	21.96	21.90
Payouts above 10 Years	80.37	26.43

Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
<b>Quantitative sensitivity analysis for significant assumptions is as below</b>		
(a) Impact of changes in discount rate		
Present value of obligation at the end of the period	55.80	115.75
Impact due to increase of 1%	(4.47)	(7.94)
Impact due to Decrease of 1%	5.12	9.17
(b) Impact of changes in salary increase		
Present value of obligation at the end of the period	55.80	115.75
Impact due to increase of 1%	4.97	8.49
Impact due to Decrease of 1%	(4.40)	(7.71)
Sensitivities due to morality & withdrawal are not material & hence the impact of changes not calculated.		
Sensitivities as to rate inflation, rate of increase of pension in payment, rate of increase of pension before retirement & life expectancy are not applicable being a lumpsum benefit on retirement.		
<b>Actuarial assumptions</b>		
Discount rate	7.52%	7.29%
Future salary in increase	5.00%	5.00%
Retirement age (years)	58 Years	58 Years
Mortality rates inclusive of provision for disability	100% of IALM (2006-08)	100% of IALM (2006-08)

**Note**

- (i) The actuarial valuation of the present valuation of defined benefit obligation were carried out as at 31<sup>st</sup> March, 2018. The present value of defined benefit obligation and the related current service cost, were measured using the projected unit credit method.
- (ii) Discount rate is based on the prevailing market yields of Indian Government Securities as at the balance sheet date for the estimated term of obligation.
- (iii) The salary escalation rate is arrived after taking into consideration the seniority, the promotion and other relevant factors, such, as, demand and supply in employment market.

**42. Segment Reporting**
**Operating Segments**

- Agri Business; and
- Pharma, Chemical & Minerals

**Identification of Segments**

The chief operational decision maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss of the segment and is measured consistently with profit or loss in the financial statements. Operating segments have been identified on the basis of the nature of products.

**Segment revenue and results**

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure (net of unallocable income).

**Segment assets and liabilities**

Assets used by the operating segment and mainly consist of property plant and equipment, trade receivable, cash and cash equivalents and inventories. Segment Liabilities include trade payables and other liabilities. Common assets and liabilities which cannot be allocated to any of the segments are shown as a part of unallocable assets/liabilities.

(₹ in Lakhs)

Particulars	Agri Business	Pharma, Chemical & Minerals	Unallocated	Total
Revenue from external customers	757.28	1,902.73	-	2,660.01
Inter-segment revenue	-	-	-	-
<b>Total Revenue</b>	<b>757.28</b>	<b>1,902.73</b>	<b>-</b>	<b>2,660.01</b>
<b>Segment result</b>				
Operating Profit/(Loss)	(160.62)	(1,453.18)	-	(1613.80)
Finance costs	-	-	171.53	171.53
Other income	-	-	75.65	75.65
Non-operating expense	-	-	-	-
Exceptional items	-	-	(71.14)	(71.14)
Unallocated expense of subsidiary	-	-	1.31	1.31
Share of loss in Associates	-	-	(0.17)	(0.17)
<b>Loss Before Tax</b>	<b>(160.62)</b>	<b>(1,453.18)</b>	<b>(25.88)</b>	<b>(1639.67)</b>
Provision for Deferred Tax			42.07	42.07
Previous year Taxes	-	-	-	-
<b>Loss After Tax</b>	<b>(160.62)</b>	<b>(1,453.18)</b>	<b>(66.81)</b>	<b>(1,681.73)</b>
<b>Other Information:</b>				
Segment Assets	964.98	1,997.22	79,269.19	82,231.39
Segment Liabilities	152.62	1,428.94	90,612.11	92,193.67
<b>Fixed Assets</b>				
(Including Capital Work in Progress)	<b>599.79</b>	<b>1,256.09</b>	<b>13,508.31</b>	<b>15,364.19</b>

**43. Financial instruments – Fair values and risk management**
**A. Financial instruments – by category and fair values hierarchy**

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy.

(₹ in Lakhs)

Categories of financial instruments	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2016
<b>Financial assets</b>			
• <b>Financial assets at fair value through profit or loss</b>			
- <b>Non-Current</b>			
Investments	0.25	12.03	10.22
• <b>Financial assets at cost</b>			
- <b>Non-Current</b>			
Investments	16,865.33	17,061.80	24,292.59
Loans	403.39	385.61	
Others	206.27	201.11	218.87
- <b>Current</b>			
Trade receivables	47,154.54	47,000.31	47,935.12
Cash and bank balances	274.82	354.72	434.53
Loans	338.47	370.17	198.52
Other financial assets	18.29	42.13	51.09
<b>Total</b>	<b>65,261.36</b>	<b>65,427.88</b>	<b>73,140.94</b>

(₹ in Lakhs)

Categories of financial instruments	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2016
<b>• Financial liabilities at cost</b>			
<b>- Non-Current</b>			
Borrowings	74,494.79	73,501.05	71,936.84
Other financial liabilities	368.22	413.65	475.99
<b>- Current</b>			
Borrowings	365.78	371.11	537.34
Trade payables	13,332.35	13,702.31	13,668.44
Other financial liabilities	2,550.98	2,718.90	2,428.11
<b>Total</b>	<b>91,112.12</b>	<b>90,707.02</b>	<b>89,046.72</b>

The Company has classified its financial instruments into three levels in order to provide an indication about the reliability of the inputs used in determining fair values.

(₹ in Lakhs)

Particulars	Carrying amount As at 1-April-2016	Fair Value		
		Level 1	Level 2	Level 3
<b>Financial Assets at fair value through profit or loss</b>				
<b>• Non-Current</b>				
- Investments in equity instruments	0.25	-	-	0.25
- Investments in mutual funds	9.97	9.97	-	-

(₹ in Lakhs)

Particulars	Carrying amount As at 31-03-2017	Fair Value		
		Level 1	Level 2	Level 3
<b>Financial Assets at fair value through profit or loss</b>				
<b>• Non-Current</b>				
- Investments in equity instruments	0.25	-	-	0.25
- Investments in mutual funds	11.78	11.78	-	-

(₹ in Lakhs)

Particulars	Carrying amount As at 31-03-2018	Fair Value		
		Level 1	Level 2	Level 3
<b>Financial Assets at fair value through profit or loss</b>				
<b>• Non-Current</b>				
- Investments in equity instruments	0.25	-	-	0.25
- Investments in mutual funds	-	-	-	-

#### A. Financial Risk Management

The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**
**Credit risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Group's exposure and wherever appropriate, the credit ratings of its counterparties are continuously monitored and spread amongst various counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management of the Group. Financial instruments that are subject to concentrations of credit risk, principally consist of balance with banks, investments in debt instruments/bonds, trade receivables, loans and advances and derivative financial instruments. None of the financial instruments of the Group result in material concentrations of credit risks.

Balances with banks were not past due or impaired as at the year end. In other financial assets that are not past dues and not impaired, there were no indication of default in repayment as at the year end.

The age analysis of trade receivables as of the balance sheet date have been considered from the due date and is as reflected below.

(₹ in Lakhs)

Particulars	As on 31 <sup>st</sup> March, 2018	As on 31 <sup>st</sup> March, 2017	As on 1 <sup>st</sup> April, 2016
0-180 days past due	196.95	267.98	279.47
More than 180 days	46,984.27	46,732.33	47,655.64

**Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are fallen due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group believes that its liquidity position, including total cash and cash equivalent and bank balances other than cash and cash equivalent of ₹ 274.82 Lakhs as at 31<sup>st</sup> March 2018 (31<sup>st</sup> March 2017 ₹ 354.72 Lakhs, 1<sup>st</sup> April 2016 ₹ 434.53 lakh), anticipated future internally generated funds from operations, and its fully available, revolving undrawn credit facility will enable it to meet its future known obligations in the ordinary course of business. However, if a liquidity needs were to arise, the Group believes it has access to financing arrangements, value of unencumbered assets, which should enable it to meet its ongoing capital, operating, and other liquidity requirements. The Group will continue to consider various borrowing or leasing options to maximize liquidity and supplement cash requirements as necessary.

**Maturity profile of financial liabilities**

The table below provides details regarding the contractual maturities of significant financial liabilities as of 31<sup>st</sup> March, 2018:

(₹ in Lakhs)

Particulars	Carrying Amount	On Demand	Less than 1 year	Above 1 years
Interest bearing borrowings	989.18	361.41	327.78	299.99
Non-interest bearing borrowings	74,199.17	74,199.17	-	-
Security Deposits Received	368.22	-	-	368.22
Trade Payable	13,332.81	-	13,332.81	-
Other Financial Liabilities	2,224.02	-	2,224.02	-

The table below provides details regarding the contractual maturities of significant financial liabilities as of 31<sup>st</sup> March, 2017:

(₹ in Lakhs)

Particulars	Carrying Amount	On Demand	Less than 1 year	1-5 years
Interest bearing borrowings	1,087.66	350.00	136.36	601.30
Non-interest bearing borrowings	72,920.86	72,920.86	-	-
Security Deposits Received	413.65	-	-	413.65
Trade Payable	13,702.31	-	13,702.31	-
Other Financial Liabilities	2,583.46	-	2,583.46	-

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

The table below provides details regarding the contractual maturities of significant financial liabilities as of 1<sup>st</sup> April, 2016:

(₹ in Lakhs)

Particulars	Carrying Amount	On Demand	Less than 1 year	1-5 years
Interest bearing borrowings	1,327.21	350.00	382.93	594.28
Non-interest bearing borrowings	71,529.90	71,529.90	-	-
Security Deposits Received	475.99	-	-	475.99
Trade Payable	13,668.44	-	13,668.44	-
Other Financial Liabilities	2,045.64	-	2,045.64	-

**Market risk**

Market risk is the risk of loss of future earnings, fair value or future cash flows arising out of change in the price of a financial instrument. These include change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

The Group manages market risk through a risk management committee engaged in, inter alia, evaluation and identification of risk factors with the object of governing/mitigating them according to Group's objectives and declared policies in specific context of impact thereof on various segments of financial instruments. The Board provides oversight and reviews the Risk management policy on a quarterly basis.

**a) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to balance the Group's position with regards to interest income and interest expense and to manage the interest rate risk, treasury performs a comprehensive interest rate risk management.

The Group is not exposed to significant interest rate risk as at the respective reporting dates.

**b) Foreign currency risk management**

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts. The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

USD \$ Millions

Foreign currency exposure	As At 31 <sup>st</sup> March, 2018	As At 31 <sup>st</sup> March, 2017	As At 31 <sup>st</sup> March, 2016
Trade Receivables	71.40	71.40	71.40
Trade Payable	18.98	18.98	18.98

**c) Foreign currency sensitivity**

The following table details the Group's sensitivity to a 5% increase and decrease in the ₹ against the relevant foreign currencies. (+)(-) 5% is the sensitivity rate used when reporting foreign currency risk internally to Key Management Personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the ₹ strengthens (+)(-)5% against the relevant currency. For a 5% weakening of the ₹ against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be positive or negative.

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2018		As at 31 <sup>st</sup> March, 2017		As at 31 <sup>st</sup> March, 2016	
	5% Increase	5% Decrease	5% Increase	5% Decrease	5% Increase	5% Decrease
Trade Receivables	2,322.14	(2,322.14)	2,314.80	(2,314.80)	2,368.15	(2,368.15)
Trade Payable	(617.24)	617.24	(615.29)	615.29	(629.47)	629.47
Net Impact on profit or loss as at the end of the reporting Period	1,704.90	(1,704.90)	1,699.51	(1,699.51)	1,738.68	(1,738.68)
Impact on total equity as at the end of the reporting period	1,261.62	(1,261.62)	1,261.89	(1,261.89)	1,201.43	(1,201.43)

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year/ in future years.

**44. Related Party Disclosures:**

In accordance with the Indian Accounting Standard 24 (Ind AS 24) on related party disclosure, the related party where control exists or where significant influence exists and with whom transactions have taken place are as below:

**Key Managerial Personnel**

- |                                      |  |
|--------------------------------------|--|
| 1. Mr. Vinay Singh (CS)              | till 9 <sup>th</sup> March, 2018   |
| 2. Ms. Ambika Chowdhary (ID)         | w.e.f. 26 <sup>th</sup> July, 2017                                       |
| 3. Mr. Bikram Bhattacharya (CFO)     | till 10 <sup>th</sup> August, 2017                                       |
| 4. Mr. Bikram Bhattacharya (WTD)     | w.e.f. 10 <sup>th</sup> August, 2017                                     |
| 5. Mr. Debashish Basu (CFO)          | w.e.f. 11 <sup>th</sup> August, 2017 to 2 <sup>nd</sup> September, 2017  |
| 6. Mr. Tanveer Gill (ID)             | till 6 <sup>th</sup> June, 2017  |
| 7. Mr. Pavan Kumar Verma (WTD)       | till 15 <sup>th</sup> September, 2017                                    |
| 8. Prof. Maria Fernandes (ID)        |  |
| 9. Mr. Vinay Kumar Mittal (Director) |  |
| 10. Mr. Gurprit Singh (CFO)          | w.e.f. 3 <sup>rd</sup> September, 2017 to 9 <sup>th</sup> November, 2017 |
| 11. Mr. Dinesh Kumar (CFO)           | w.e.f. 9 <sup>th</sup> November, 2017                                    |

**Associates (Not Consolidated):**

- ROC Foods Limited (Formerly known as 'Alchemist Foods Limited')

**Joint Venture**

- Alchemist Township India Limited

**Other related parties**

- |  |   |
|--|---|
| 1. A 1 News Network Private Limited                    | 2. Alchemist Airways Private Limited                |
| 3. Alchemist F & B Limited                             | 4. Alchemist Hospitals Limited                      |
| 5. Alchemist Hotels & Resorts Limited                  | 6. Alchemist Life Sciences Limited                  |
| 7. Alchemist Media Limited                             | 8. Alchemist Realty Limited                         |
| 9. Alchemist Touchnology Limited                       | 10. Alchemist Universe of Education Limited         |
| 11. Black Cats Protections Private Limited             | 12. Eco Breaking Technologies India Private Limited |
| 13. Jass Developers Private Limited                    | 14. KDS Corporation Private Limited                 |
| 15. Optimum Constructors And Developers Limited        | 16. Pinkcassia Hotels & Resorts Private Limited     |
| 17. Royal Building and Infrastructures Private Limited | 18. Technology Parks Limited                        |
| 19. Kandaghat Developers Private Limited               |   |



**Detail of related parties transactions** (₹ in Lakhs)

Sr. No.	Transaction's	Key Managerial Personnel (KMP) & their relatives		Associates (Not Consolidated)		Joint Venture		Others	
		2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
<b>1</b>	<b>Remuneration</b>								
	Mr. Pavan Kumar Verma (WTD)	14.76	32.20	-	-	-	-	-	-
	Mr. Bikram Bhattacharya(CFO)	9.62	26.09	-	-	-	-	-	-
	Mr. Bikram Bhattacharya(WTD)	18.53	-	-	-	-	-	-	-
	Mr. Vimal Sharma (CS)	-	2.04	-	-	-	-	-	-
	Mr. Vinay Singh (CS)	2.64	2.00	-	-	-	-	-	-
	Mr. Gurprit Singh Gill (CFO)	0.66	-	-	-	-	-	-	-
	Mr. Dinesh Kumar (CFO)	4.26	-	-	-	-	-	-	-
	Mr. Debashish Basu (CFO)	0.46	-	-	-	-	-	-	-
<b>2</b>	<b>Sitting fees to Directors</b>								
	Mr. Tanveer Gill	0.15	0.55	-	-	-	-	-	-
	Ms. Maria Fernandes	0.55	0.60	-	-	-	-	-	-
	Ms. Ambika Chowdhary	0.40	-	-	-	-	-	-	-
<b>3</b>	<b>Inter Corporate Loans Given- Paid/(Repaid)</b>								
	ROC Foods Limited	-	-	17.77	385.61	-	-	-	-
	Alchemist Realty Limited	-	-	-	-	-	-	(13.91)	204.27
	Alchemist Touchnology Limited	-	-	-	-	-	-	(5.38)	17.87
	Eco Breaking Technologies India Private Limited	-	-	-	-	-	-	2.75	14.08
	Alchemist Hotels & Resort Limited	-	-	-	-	-	-	(1.99)	1.99
<b>4</b>	<b>Inter Corporate Loan Taken- Received/(Repaid)</b>								
	KDS Corporation Private Limited	-	-	-	-	-	-	1,241.95	1,337.51
	Technology Parks Limited	-	-	-	-	-	-	52.15	219.83
	Alchemist Hospitals Limited	-	-	-	-	-	-	4.00	0.33
	Alchemist Township India Limited	-	-	-	-	(61.25)	-	-	-

(₹ in Lakhs)

Sr. No.	Transaction's	Key Managerial Personnel (KMP) & their relatives		Associates (Not Consolidated)		Joint Venture		Others	
		2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
<b>5</b>	<b>Expenses incurred on their behalf</b>								
	Jass Developers Private Limited	-	-	-	-	-	-	0.02	-
	Alchemist Airways Private Limited	-	-	-	-	-	-	0.00	0.77
	Alchemist Life Sciences Limited	-	-	-	-	-	-	0.64	1.08
	A1 News Network Private Limited	-	-	-	-	-	-	-	1.24
	Black Cats Protection Private Limited	-	-	-	-	-	-	-	0.03
	ROC Foods Limited	-	-	28.83	-	-	-	-	-
	Optimum Constructors & Developers Limited	-	-	-	-	-	-	0.07	-
<b>6</b>	<b>Sale of Goods</b>								
	Alchemist Hospitals Limited	-	-	-	-	-	-	1.35	4.57
	ROC Foods Limited	-	-	0.03	-	-	-	-	-
<b>7</b>	<b>Investments sold</b>								
	ROC Foods Limited	-	-	-	7,049.43	-	-	-	-
	Dooteriah and Kalej Valley Tea Estate Private Limited	-	-	-	-	-	-	-	181.80
<b>8</b>	<b>Services Received</b>								
	Black Cats Protection Private Limited	-	-	-	-	-	-	7.00	-
<b>9</b>	<b>Rent Paid</b>								
	Jass Developers Private Limited	-	-	-	-	-	-	17.39	3.78

Sr. No.	Transaction's	Associates (Not Consolidated)		Joint Venture		Others	
		2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
<b>1</b>	<b>Inter Corporate Loans - Given</b>						
	ROC Foods Limited	403.39	385.61	-	-	-	-
	Alchemist Realty Limited	-	-	-	-	190.35	204.27
	Alchemist Touchnology Limited	-	-	-	-	13.98	19.36
	Eco Breaking Technologies India Private Limited	-	-	-	-	17.02	14.27
	Alchemist Hotels & Resorts Limited	-	-	-	-	-	1.99
<b>2</b>	<b>Inter Corporate Loan- Received</b>						
	KDS Corporation Private Limited	-	-	-	-	5,580.16	4,338.21
	Technology Parks Limited	-	-	-	-	68,581.98	68,529.83
<b>3</b>	<b>Investments</b>						
	ROC Foods Limited	16,855.79	16,855.79	-	-	-	-
<b>4</b>	<b>Trade Receivables</b>						
	ROC Foods Limited	7.69	7.69	-	-	-	-
	Alchemist Hotels & Resorts Limited	-	-	-	-	-	0.79
	Kandaghat Developers Private Limited	-	-	-	-	0.50	0.50
	Alchemist Lifesciences Limited	-	-	-	-	121.82	121.11
<b>5</b>	<b>Trade Payables</b>						
	Alchemist Hospitals Limited	-	-	-	-	0.80	0.67
	Dooteriah & Kalej Valley Tea Estate Private Limited	-	-	-	-	10.96	10.96
	Jass Developers Private Limited	-	-	-	-	18.46	1.10
	Black Cats Protections Private Limited	-	-	-	-	11.54	4.54
<b>6</b>	<b>Security received</b>						
	A1 News Network Private Limited	-	-	-	-	3.00	3.00
<b>7</b>	<b>Amount recoverable/(payable)</b>						
	Alchemist Universe of Education Limited	-	-	-	-	22.92	22.92
	Alchemist F & B Limited	-	-	-	-	1.74	2.46
	Alchemist Airways Private Limited	-	-	-	-	1.74	1.74
	Alchemist Hospitals Limited	-	-	-	-	(2.74)	1.26
	Alchemist Life Sciences Limited	-	-	-	-	(0.43)	(0.36)
	Alchemist Media Limited	-	-	-	-	0.08	0.08
	A1 News Network Private Limited	-	-	-	-	1.62	1.62
	Pinkcassia Hotels & Resorts Pvt. Ltd.	-	-	-	-	0.50	0.50
	Royal Building and Infrastructures Pvt. Ltd.	-	-	-	-	0.10	0.10
	Optimum Constructors & Developers Limited	-	-	-	-	0.07	-
<b>8</b>	<b>Advance from joint venturer</b>						
	Alchemist Township India Limited	-	-	1,168.24	1,229.49	-	-

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**
**45. Contingent Liabilities and Commitments**

(₹ in Lakhs)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2016
<b>a. Contingent liabilities</b>			
Corporate Guarantees	2,230.83	2,230.83	2,230.83
Disputed demand with statutory authorities (Net of amounts deposited under protest)	446.75	110.42	110.42
Claims Against the Company not acknowledged as debts	24.38	5.08	149.73
<b>b. Commitments</b>			
Estimated amount of Contract remaining to be executed on capital account and not provide for (Net of Advances)	Nil	Nil	Nil

**46. Detail of raw material and components consumed**

(₹ in Lakhs)

Particulars	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017
Raw Material Consumed	509.42	444.78
Consumables, Store and Spares Consumed	41.43	163.94
	<b>550.85</b>	<b>608.72</b>

**47. Imported and Indigenous consumed**

Particulars	For the year ended 31 <sup>st</sup> March, 2018		For the year ended 31 <sup>st</sup> March, 2017	
	₹ Lakhs	Percentage	₹ Lakhs	Percentage
Imported raw materials consumed	Nil	Nil	Nil	Nil
Indigenous raw materials consumed	509.42	100%	444.78	100%
Imported Consumables, Store and Spares Consumed	Nil	Nil	Nil	Nil
Indigenous Consumables, Store and Spares Consumed	41.43	100%	163.94	100%

48. The Group extends credit from time to time as per market practices. In respect of export receivables amounting to ₹ 46,442.79 Lakhs, credit was extended for export sales in the normal course of the business, however it apparently got stuck. The Group has initiated legal recourse against the defaulting customers and is regularly following up on the same. The management is confident of recovering all such dues and hence no provision is considered necessary against these receivables.
49. The pharma division of the Parent through an agreement executed on 29<sup>th</sup> March, 2017, effective from 1<sup>st</sup> April, 2017 has appointed a franchise Wellchem Healthcare LLP for its entire generic medicines business. As per the agreement the franchise is required to coordinate the sales, marketing and distribution activities of the entire range of generic medicines and the Parent will be earning a fixed margin of 5% on the procurement cost.
50. The pharma division of the Parent was engaged in a legal suit with its national carrying and forwarding agency, Bestime Trading Company Private Limited, which has now been resolved and an amicable settlement has been reached. The settlement is forming part of the order dated 23<sup>rd</sup> March, 2018, passed by the Honorable High Court of Delhi. As per the terms of settlement, the Parent is required to pay an amount of ₹ 45 Lakhs in nine monthly installments of ₹ 5 Lakhs each during the financial year 2018-19, against the total commission, interest and other expenses payable amounting to ₹ 51.96 Lakhs as on the date of the settlement. Further, the Parent is required to continue paying ₹ 2.50 Lakhs monthly as commission and interest @ 8% per annum on security of ₹ 220 Lakhs, to be paid half yearly by the Parent. This arrangement will continue for a period of one year i.e. till 31<sup>st</sup> March, 2019 and thereafter, the Parent shall refund the security amount within 90 days i.e. by 30<sup>th</sup> June, failing which the Parent would be required to pay an interest @ 12% per annum for the period of delay beyond 30<sup>th</sup> June, 2018. Further, the Parent has created a mortgage of the Parent's land at Himachal Pradesh in favour of its National C&F.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

51. The pharma division of the Parent has adjusted trade payables amounting to ₹ 1,095.98 Lakhs by way of a book entry on account of direct payment to them by some trade receivables or by making direct payment to the suppliers of the supplier from whom the Parent is getting the products manufactured as per the Parent's specification. Such adjustments is only in the case of the franchise arrangement as disclosed in Note No. 49 to the standalone financial statements and in case of a third party manufacturer.
52. In the opinion of the management, the assets are of the value stated, if realized in the ordinary course of business. Out of the Other Non Current Assets as shown in Note No. 10, Company is pursuing legal action in Honorable Kolkata High Court against Medisphere Marketing Limited for recovery of the amount of ₹ 459.80 Lakhs outstanding in its books.  
Further, in Trade Receivables as shown in Note 12, the company is pursuing legal action on account of cheque being dishonored, against 60 parties for an amount of ₹ 70.20 Lakhs.  
The Parent is hopeful of recovering the above amounts and hence no provision is considered necessary.
53. Exceptional items include gain of ₹ 71.14 Lakhs accruing to the Parent on account of closure of wholly owned foreign subsidiary "Alchemist Enterprise (s) PTE Limited".
54. Common Expenses relating to Head Office and other administrative office have been allocated to various divisions on the following basis.
- |                     |                              |
|---------------------|------------------------------|
| (i) Financial Cost  | Capital Employed             |
| (ii) Other Expenses | Sales/Reasonable Estimations |
55. During the year Nil (Previous year 142) preference shares were redeemed and as per provisions of the Companies Act, 2013 a sum of Nil (Previous Year ₹ 0.14 Lakhs) has been transferred to Capital Redemption Reserve out of Statement of Profit & Loss. Further a sum of ₹ Nil (Previous Year ₹ 1.20 Lakhs) has been transferred from Statement of Profit & Loss A/c to Preference Shares redemption reserve on account of premium amount of preference shares redeemed.
56. **Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**  
The Group 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 relating to Micro, Small and Medium Enterprises. The Group has not received full information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (Act) and hence disclosure required under Section 22 of the Act has not been given.
57. The balances of majority of the Trade Receivables, Trade Payables, and Loan 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.
58. **Disclosure as per Indian Accounting Standard - 19 (Ind As 19) on 'Leases'**  
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.
59. With respect to the steel division of the Parent, the Commissioner, Central Excise, Chandigarh, had proposed the classification of Poultry Keeping Machinery under Chapter 73 of the Central Excise Tariff Act, 1985 and had demanded the duty of ₹ 173.55 Lakhs plus interest and penalty by invoking the extended period of limitation for 5 years. However, the parent had cleared the goods as Poultry Keeping Machinery classifying the goods at -Nil- rate of duty under Chapter 84 of the CET Act, 1985.  
The parent has already paid the duty of ₹ 63.13 Lakhs against the above demand as 'Duty Paid Under Protest'. Also the additional amount paid subsequent to the demand and till 31<sup>st</sup> March, 2013 was deposited under protest. Therefore the total duty of ₹ 92.29 Lakhs already paid was shown as 'Amount recoverable in cash or in kind' in the financial statements under the head Current Loan under Note No. 8. The balance amount of ₹ 110.42 Lakhs pending payable against the demand was shown as a contingent Liability.  
This matter was pending with CESTAT and during the year 2017-18, the CESTAT has given a decision in the favor of the Parent and the revenue authorities have also not gone into appeal against the order and hence the balance demand of ₹ 110.42 Lakhs is no more reflected as a contingent liability in the financial statements. With regard to the duty paid under protest, the Parent had approached the revenue authorities for refund of the said amount, however, the same has been denied, against which the Parent has gone into an appeal with CESTAT. Accordingly, total duty of ₹ 92.29 Lakhs continues to reflect as 'Amount recoverable in cash or in kind' in the financial statements under the head Current Loan under Note No. 8.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**
**60. Financial reporting of interest in Joint Venture – Indian Accounting Standard 111 (Ind AS 111)**

Advance received include ₹ 1,168.24 Lakhs (previous year ₹ 1,229.49 Lakhs) as advance received against joint development agreement entered into by the Parent on 13<sup>th</sup> June, 2013 and addendum dated 12<sup>th</sup> July, 2013 with Alchemist Township India Limited for joint development of 7.2 acres of land of the Parent situated at Village Dappar and Samlehri.

61. 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. Assets purchased up to 31<sup>st</sup> March, 2010 have been reflected as purchased on 1<sup>st</sup> April, 2010. Thereafter, assets have been reflected at the date on they were purchased. As on 31<sup>st</sup> March, 2018, the net block of the assets purchased prior to 1<sup>st</sup> April, 2010 is only 3% of the total overall net block. Hence, the impact of the same on depreciation for the year 2017-18 is not likely to be material.
62. Cash in hand includes cash amounting to ₹ 180.54 Lakhs 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.
63. The accumulated losses of the group had exceeded its net worth. The Parent's operations were adversely affected in earlier financial years due to sluggish market demand, working capital getting stuck in trade receivables and loss making manufacturing activity of the pharmaceutical unit. The Parent has initiated legal recourse against the defaulting customers and is regularly following up on the same and the Parent during the last year has even closed down its loss making pharmaceutical manufacturing. The units of the Parent now continue to operate at satisfactory capacity utilization levels and are generating positive Earnings before Interest Depreciation Tax and Amortization (EBIDTA). With strong management focus on strategic initiatives for cost rationalization, optimum product mix and efficient plant operations, the management believes that accumulated losses would reasonably be paired, in due course. The financial statements, as such have been prepared on a going concern basis.
64. An unclaimed dividend pertaining to dividend declared for the year 2008-09 amounting to ₹ 7.94 Lakhs (Previous Year ₹ 8.33 Lakhs) was transferred to investor education and protection fund during the year 2017-18.
65. **Additional information as required by paragraph 2 of the general instructions for preparation of consolidated financial statements to schedule III to the Companies Act, 2013:**

(₹ in Lakhs)

	Name of Entity	Net Assets i.e. total asset less total liabilities		Share in Profit/ (Loss)		Share in other comprehensive income		Share in total comprehensive income	
		As % of Consolidated Net Assets	Amount (₹ in Lakhs)	As % of Consolidated Profit or (Loss)	Amount (₹ in Lakhs)	As % of other comprehensive income	Amount (₹ in Lakhs)	As % of total comprehensive income	Amount (₹ in Lakhs)
<b>Parent</b>	Alchemist Limited	99.87%	(9,949.72)	99.91%	(1,680.26)	100.00%	36.37	99.91%	(1,643.70)
<b>Subsidiaries</b>	Alchemist Hospitality Group Limited	-	(0.39)	0.01%	(0.21)	-	-	0.01%	(0.21)
	Alchemist Infrastructures Private Limited	0.03%	(3.14)	0.05%	(0.76)	-	-	0.05%	(0.76)
	Alchemist Healthcare Limited	0.02%	(2.32)	0.01%	(0.13)	-	-	0.01%	(0.13)
	Minority Interests in all subsidiaries	0.02%	(2.13)	0.01%	(0.20)	-	-	0.01%	(0.20)
<b>Associates*</b>	Alchemist Medisphere Limited	0.05%	(4.58)	0.01%	(0.17)	-	-	0.01%	(0.17)
	<b>Total</b>	<b>100.00%</b>	<b>(9,962.28)</b>	<b>100.00%</b>	<b>(1,681.73)</b>	<b>100.00%</b>	<b>36.37</b>	<b>100.00%</b>	<b>(1,645.17)</b>

\*Investments as per Equity method

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**
**66. First-Time Ind AS Adoption Reconciliations**
**Effect of Ind AS Adoption on the balance sheet as at 1<sup>st</sup> April, 2016 and 31<sup>st</sup> March, 2017 (₹ in Lakhs)**

Particulars	Note	As at 1 <sup>st</sup> April 2016			As at 31 <sup>st</sup> March 2017		
		Previous GAAP*	Adjustments	Ind AS	Previous GAAP*	Adjustments	Ind AS
<b>ASSETS</b>							
<b>Non - Current Assets</b>							
Property, Plant and Equipment		15,847.23	-	15,847.23	14,818.78	-	14,818.78
Capital Work-in-progress		181.09	-	181.09	-	-	-
Other Intangible Assets		1,560.82	-	1,560.82	1,343.91	-	1,343.91
<b>Financial assets</b>							
Investments	(a) & (b)	24,355.06	(52.26)	24,302.81	17,118.44	(44.62)	17,073.83
Loans	(d)	-	-	-	0.00	385.61	385.61
Others	(d)	241.27	(22.40)	218.87	230.22	(29.11)	201.11
Other Non-current Assets		796.63	-	796.63	803.79	-	803.79
<b>Total Non - Current Assets</b>		<b>42,982.10</b>	<b>(74.66)</b>	<b>42,907.44</b>	<b>34,315.13</b>	<b>311.89</b>	<b>34,627.02</b>
<b>Current assets</b>							
Inventories		666.94	-	666.94	593.61	-	593.61
<b>Financial Assets</b>							
Trade Receivables		47,935.12	-	47,935.12	47,000.31	-	47,000.31
Cash and Cash Equivalents	(d)	172.41	187.34	359.75	305.98	-	305.98
Bank Balances	(d)	56.65	18.13	74.78	19.64	29.11	48.74
Loans	(d)	198.52	-	198.52	755.79	(385.61)	370.17
Others	(d)	46.81	4.27	51.09	42.13	-	42.13
Current Tax Assets (Net)		117.09	-	117.09	5.50	-	5.50
Other Current Assets		289.18	-	289.18	498.67	-	498.67
		<b>49,482.70</b>	<b>209.75</b>	<b>49,692.45</b>	<b>49,221.63</b>	<b>(356.51)</b>	<b>48,865.12</b>
<b>Total Assets</b>		<b>92,464.81</b>	<b>135.08</b>	<b>92,599.89</b>	<b>83,536.76</b>	<b>(44.62)</b>	<b>83,492.15</b>
<b>Equity and Liabilities</b>							
<b>Equity</b>							
Equity Share Capital		1,355.98	-	1,355.98	1,355.98	-	1,355.98
Other Equity	(a), (b), & (c)	1,144.16	(108.69)	1,035.47	(9,582.99)	(92.22)	(9,675.21)
<b>Total Equity</b>		<b>2,500.14</b>	<b>(108.69)</b>	<b>2,391.45</b>	<b>(8,227.01)</b>	<b>(92.22)</b>	<b>(8,319.23)</b>
<b>Non- Controlling Interest</b>		0.01	-	0.01	2.33	-	2.33
<b>Liabilities</b>							
<b>Non - Current liabilities</b>							
<b>Financial liabilities</b>							
Borrowings		71,936.84	-	71,936.84	73,501.05	-	73,501.05
Other Financial Liabilities		475.99	-	475.99	413.65	-	413.65
Provisions		132.59	-	132.59	109.55	-	109.55
Deferred Tax Liabilities (Net)		740.83	-	740.83	633.15	-	633.15
<b>Total Non - Current Liabilities</b>		<b>73,286.25</b>	<b>-</b>	<b>73,286.25</b>	<b>74,657.41</b>	<b>-</b>	<b>74,657.41</b>
<b>Current Liabilities</b>							
<b>Financial Liabilities</b>							
Borrowings	(d)	350.00	187.34	537.34	371.11	-	371.11
Trade Payables		13,668.44	-	13,668.44	13,702.31	-	13,702.31
Other Financial Liabilities	(b) & (c)	2,372.14	56.43	2,428.57	2,672.21	47.61	2,719.82
Other Current Liabilities		253.50	-	253.50	283.04	-	283.04
Provisions		34.33	-	34.33	75.37	-	75.37
<b>Total Current Liabilities</b>		<b>16,678.40</b>	<b>243.77</b>	<b>16,922.18</b>	<b>17,104.04</b>	<b>47.61</b>	<b>17,151.64</b>
<b>Total Equity and Liabilities</b>		<b>92,464.81</b>	<b>135.08</b>	<b>92,599.89</b>	<b>83,536.77</b>	<b>(44.62)</b>	<b>83,492.15</b>

\* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**
**Reconciliation of total equity as at 1<sup>st</sup> April 2016 and 31<sup>st</sup> March 2017**
**(₹ in Lakhs)**

Particulars	As at 1 <sup>st</sup> April, 2016	As at 31 <sup>st</sup> March, 2017
<b>Equity as per previous GAAP</b>	2,500.14	(8,227.01)
Add: Adjustments		
Recognition of net gain arising on financial assets measured at FVTPL	4.97	6.78
	<b>4.97</b>	<b>6.78</b>
Less: Adjustments		
De-recognition of Foreign Curranty Translation Reserve	38.52	32.69
Prior period errors corrected by restating the opening balances	75.13	66.31
	<b>113.65</b>	<b>99.00</b>
<b>Retained Earnings as per Ind AS</b>	<b>2,391.45</b>	<b>(8,319.23)</b>

**Effect of IND AS adoption on the statement of Profit and Loss account for the year ended 31<sup>st</sup> March 2017**
**(₹ in Lakhs)**

Particulars	Note	Previous GAAP *	Adjustments	Ind AS
<b>Income</b>				
Revenue from operations	(h)	2,371.71	44.80	2,416.50
Other income	(e) & (i)	296.97	(4.70)	292.28
<b>Total Income</b>		<b>2,668.68</b>	<b>40.10</b>	<b>2,708.78</b>
<b>Expenses</b>				
Cost of Material Consumed		444.78	-	444.78
Purchase of Stock in Trade		1,403.56	-	1,403.56
Change in Inventories of Finished Goods, Stock-in-trade, Work-in-Progress and Scrap		45.65	-	45.65
Employees Benefit Expenses	(f) & (i)	1,449.62	24.65	1,474.27
Finance Cost	(g)	230.29	(4.64)	225.65
Depreciation and Amortization Expenses		795.86	-	795.86
Other Expenses	(f), (g) & (h)	1,932.27	39.96	1,972.23
<b>Total Expenses</b>		<b>6,302.03</b>	<b>59.97</b>	<b>6,362.00</b>
<b>Loss Before Exceptional Items and Taxes</b>		<b>(3,633.35)</b>	<b>(19.87)</b>	<b>(3,653.22)</b>
Exceptional Items		7,194.95	-	7,194.95
Share in Loss of Associate		(0.44)	-	(0.44)
Loss before Tax		<b>(10,827.86)</b>	<b>(19.87)</b>	<b>(10,847.73)</b>
<b>Tax expense</b>				
Current Tax		-	-	-
Deferred tax Benefit	(i)	(107.68)	(7.86)	(115.54)
<b>Total Tax Expenses</b>		<b>(107.68)</b>	<b>(7.86)</b>	<b>(115.54)</b>
<b>Loss for the year</b>		<b>(10,720.18)</b>	<b>(12.02)</b>	<b>(10,732.20)</b>
<b>Other Comprehensive Income</b>				
Remeasurement of post employment benefit obligation	(i) & (j)	-	30.51	30.51
Total Other Comprehensive Income	(i) & (j)	-	(7.86)	(7.86)
<b>Total Other Comprehensive Income</b>		<b>-</b>	<b>22.65</b>	<b>22.65</b>
<b>Total Comprehensive Income for the Year</b>		<b>(10,720.18)</b>	<b>10.64</b>	<b>(10,709.54)</b>
<b>Loss for the Year Attributed to</b>				
Owners of The Parent		(10,720.04)	(12.02)	(10,732.06)
Non-Controlling Interests		(0.14)	-	(0.14)
<b>Other Comprehensive Income for the Year Attributable to</b>				
Owners of the Parent		-	22.65	22.65
Non-Controlling Interests		-	-	-

\* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.



**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**
**Reconciliation of total comprehensive income for the year ended 31<sup>st</sup> March 2017**
**(₹ in Lakhs)**

Particulars	For the year ended 31 <sup>st</sup> March 2017
Loss after tax as per previous GAAP	(10,720.18)
Add: Adjustments	
Impact of Measuring investment at fair value through profit or loss (FVTPL)	1.81
Prior period errors corrections	75.13
	<b>76.94</b>
Less: Adjustments	
Prior period errors corrected by restating the opening balances	66.31
Reclassification of Actuarial(Gain)/Loss in respect of defined benefit plan to "Other Comprehensive Income"	30.51
	<b>96.82</b>
<b>Total</b>	<b>(19.87)</b>
Tax adjustments	(7.86)
Profit after tax as per Ind AS	(10,732.20)
Other comprehensive income (Net of Tax)	22.65
<b>Total comprehensive income as per Ind AS</b>	<b>(10,709.54)</b>

**Cash Flow Statements**

There were no significant reconciliation items between cash flow prepared under Indian GAAP and those prepared under Ind AS

**Note to the reconciliation - Balance Sheet**
**(₹ in Lakhs)**

Impact under IND As on account of	Note	Impact	As At 1 <sup>st</sup> April, 2016	As At 31 <sup>st</sup> March, 2017
<b>Impact of Measuring investments at fair value through profit &amp; Loss (FVTPL)</b>	(a)			
Investment Non Current		Increase	4.97	6.78
Retained Earning		Increase	4.97	6.78
<b>Impact of Measuring investments at fair value at cost</b>	(b)			
Non Current Investment		Decrease	57.22	51.39
Retained Earning		Decrease	38.52	32.69
Other Current Financial Liabilities		Decrease	18.70	18.70
<b>Impact of prior period errors corrections</b>	(c)			
Retained Earning		Decrease	75.13	66.31
Other Current Financial Liabilities		Increase	75.13	66.31
<b>Impact of reclassification of financial assets</b>	(d)			
Other Non - Current Financial Assets		Decrease	22.40	29.11
Cash and Cash Equivalents		Increase	187.34	-
Current Bank Deposits		Increase	18.13	29.11
Current Borrowings		Decrease	187.34	-
Other Current Financial Assets		Increase	4.27	-
Loans Non Current		Increase	-	385.61
Loans Current		Decrease	-	385.61

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**
**Note to the reconciliation - Statement of Profit and Loss**
**(₹ in Lakhs)**

Impact under IND As on account of	Note	Impact	For the Year Ended 31 <sup>st</sup> March , 2017
<b>Impact of Measuring investments at fair value through profit &amp; Loss (FVTPL)</b>	(e)		
<b>Other Income</b>			
Net gain arising on financial assets measured at FVTPL		Increase	1.81
<b>Impact of prior period errors corrections</b>	(f)		
Employee benefit expenses		Increase	0.65
Other Expenses		Decrease	9.48
<b>Impact of finance cost corrections</b>	(g)		
Finance Cost		Decrease	4.64
Other Expenses - Misc. and General Expenses		Increase	4.64
<b>Excisae duty on sale of products to be presented sepeately on the face of the statement of profit &amp; loss as opposed to netting it off from revenue fom operation under Indian GAAP</b>	(h)		
Revenue from Operation		Increase	44.80
Other Expenses - Excise Duty on sale of products		Increase	44.80
<b>Acturial gains &amp; losses to be recognized in other comprehensive income instead of the statement of profit &amp; loss</b>	(i)		
Other Income		Decrease	6.51
Employee Benefit Expenses		Increase	24.00
Tax Expenses		Decrease	7.86
<b>On other comprehensive income</b>	(j)		
Remesurement of Net Defined Liability/Asset (Net of tax)		Increase	16.15

*for Anu and Associates*

Chartered Accountants

Firm Registration No.: 019624N

**Sd/-**
**CA. Parveen Kumar**

(Partner)

Membership No.: 531655

**Place:** New Delhi

**Date:** 21<sup>st</sup> May, 2018

*for and on behalf of the Board of Directors*
**Sd/-**
**Hemant Kumar Mangal**

(Company Secretary)

**Sd/-**
**Dinesh Kumar**

(Chief Financial Officer)

**Sd/-**
**Bikram Bhattacharya**

(Whole Time Director)

DIN: 03595530

**Sd/-**
**Vinay Kumar Mittal**

(Director)

DIN: 00287042

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