

# ALCHEMIST

Ref:- ARL/CS/BSE/2018-19/18

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: 532114

**SUB: Submission of 34<sup>th</sup> Annual Report for the Financial Year 2017-18**

Dear Sir/Ma'am,

Please find the enclosed 34<sup>th</sup> Annual Report for the Financial Year 2017-18 of Alchemist Realty Limited.

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

For Alchemist Realty Limited

  
Nidhi Dhawan  
(Company Secretary)

**ALCHEMIST REALTY LIMITED**

CIN : L21100DL1983PLC334800

**Red. Office :** Building No. 23, Nehru Place, New Delhi - 110019, Phone : 011 - 40600800 Fax : 011 - 40600888

**Website :** [www.alchemistrealty.com](http://www.alchemistrealty.com) **E-mail :** [investors.realty@alchemist.co.in](mailto:investors.realty@alchemist.co.in)

**34<sup>th</sup>**  
**ANNUAL REPORT**  
**2017-2018**



**ALCHEMIST REALTY LIMITED**

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**CORPORATE INFORMATION**

**CORPORATE IDENTITY NUMBER (CIN): L21100DL1983PLC334800**

**Board of Directors:**

Mr. Vinay Kumar Mittal	Managing Director
Mr. Ajay Arora	Director
Prof. Maria Fernandes	Independent Director
Ms. Ambika Chowdhary	Independent Director

**Chief Financial Officer:**

Mr. Suresh Bhardwaj

**Registered office:**

Building No. 23, Nehru Place,  
New Delhi -110019  
Tel.-011-40600800  
Fax- 011-40600888

**Statutory Auditors:**

M/s Soin Associates  
Chartered Accountants  
House No. 5431, 1st Floor,  
Sector-38(West),  
Chandigarh-160014

**Secretarial Auditor:**

Mr. Puneet  
Practising Company Secretary

**Company Secretary & Compliance Officer:**

Ms. Nidhi Dhawan

**Bankers:**

HDFC Bank Limited

**Registrar and Share Transfer Agent:**

Alankit Assignments Limited  
1E/13, ALANKIT HEIGHTS  
Jhandewalan Extension  
New Delhi-110055

**DIRECTOR'S REPORT**

**To the Shareholders,**

We are pleased to present the 34<sup>th</sup> Annual Report on the business and operations of the Company along with the Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2018. The financial highlights for the year under review are given below:

**FINANCIAL HIGHLIGHTS:-**

Particulars	Standalone Financials Highlights (₹ in Lakhs)		Consolidate Financials Highlights (₹ in Lakhs)	
	2017-2018	2016-2017	2017-2018	2016-2017
Total Revenue	47.16	(297.63)	49.65	(297.63)
Total Expenditure	338.36	477.98	468.73	642.08
Profit & Loss Before Exceptional item	(291.20)	(775.61)	(419.08)	(939.71)
Exceptional Item	-	-	19.57	-
Profit & Loss Before Tax	(291.20)	(775.61)	(438.65)	(939.71)
Tax Expenses	2.06	2.34	2.06	2.34
Profit & Loss After Tax	(293.26)	(777.94)	(440.71)	(942.04)

**OPERATIONS:-**

The volatility and uncertainty in the economy continued during the year. The real estate market has been among the sectors worst hit by the economic downturn which, coupled with high interest rates in the face of persistent inflation and delays in securing mandatory government approvals, has kept vary homebuyers away for the last couple of years. Due to slow down in the markets across the world, the Standalone net revenue of your Company was ₹ 47.16 lakhs as compared to Loss ₹ 297.63 Lakhs in previous year and has incurred a loss after tax of ₹ 293.26 Lakhs against loss of ₹ 777.94 Lakhs in previous year. Further Consolidate net revenue of your Company was ₹ 49.65 lakhs as compared to loss ₹ 297.63 Lakhs in previous year and has incurred a loss after tax of ₹ 440.71 Lakhs against loss of ₹ 942.04 Lakhs in previous year.

The prospective vision of the Company with the evaluation of the business and operations of the Company are provided in the Report on Management Discussion and Analysis forming part of the Annual Report.

**CHANGE IN NATURE OF BUSINESS, IF ANY:-**

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

**DIVIDEND & TRANSFER OF RESERVE:-**

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. There is no transfer to reserves during the financial year.

**SHARE CAPITAL:-**

The paid up Equity Share Capital as on March 31, 2018, was ₹ 1482.02 Lakhs (i.e. 74101000 equity Shares of ₹ 2 each). During the year under review:

(a) Issue of equity Shares with differential rights	: Nil
(b) Issue of sweat equity shares	: Nil
(c) Issue of employee stock options	: Nil
(d) Provision of money by Company for purchase of its own shares by employees or by trustees for the benefit of employees	: Nil
(e) Debentures	: Nil

**DEPOSITORY SYSTEM:-**

As the members are aware, the Company's equity shares are compulsorily tradable in electronic form. As on March 31, 2018, 74075682 (99.96%) of the Company's total paid-up share capital representing 74101000 shares are in dematerialized form. In view of the numerous advantages offered by the Depository system, members holding shares in physical mode are advised to avail of the facility of dematerialization from either of the depositories.

**LISTING:-**

The Company's shares are listed on the Bombay Stock Exchange Ltd. (BSE) and are actively traded. The Listing Fees for the year 2018-19 has already been paid.

# ALCHEMIST REALTY LIMITED

## **SUBSIDIARY COMPANIES & CONSOLIDATED FINANCIAL STATEMENTS:-**

As on 31<sup>st</sup> March 2018, the Company has one Wholly Owned Subsidiary i.e. Alchemist Hill Resorts Private Limited and one Subsidiary Company i.e. Century 21 Properties India Private Limited.

In accordance with Section 129(3) of the Companies Act, 2013, the Company has prepared a consolidated financial statement of the Company and all its Subsidiary Companies, which is forming part of the Annual Report. Alchemist Hill Resorts Private Limited did not do any commercial activity during the financial year.

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

## **SHIFTING OF REGISTERED OFFICE :**

The Company has made an application to the Hon'ble Regional Director at Mumbai for shifting of its Registered Office from State of Maharashtra to National Capital Territory of Delhi. The Hon'ble Regional Director, Mumbai has passed order dated 27<sup>th</sup> Day of March, 2018 vide order No. RD/UDC/Sec. 13/53/06/2017/3 for the confirmation of shifting of Registered Office from State of Maharashtra to National Capital Territory of Delhi. Further the Company has shifted its Registered Office to Building No. 23, Nehru Place, New Delhi-110019 with effect from 21<sup>st</sup> day of May, 2018 in this regard the Company has also received the certificate from the Registrar of Companies, NCT of Delhi & Haryana dated 02<sup>nd</sup> June, 2018.

## **DEPOSITS:-**

Your Company has not accepted deposits within the meaning of Section 73 and 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014. The question of non-compliance of the relevant provisions of the law relating to acceptance of deposit does not arise.

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:-**

Particulars of Loans given, Investments made or Securities provided by the Company have been disclosed in the financial statements.

## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:-**

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.alchemistrealty.com/investors.html>.

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

During the year, the Company has not entered into any arrangement/transaction with related parties which could be considered material in accordance with the Company's Policy on Related Party Transactions and accordingly, the disclosure of Related Party Transactions in Form AOC-2 is not applicable.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING & 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-2**.

## **CORPORATE SOCIAL RESPONSIBILITY:-**

Since the Company does not fall under the criteria as prescribed under Section 135 (1) of the Companies Act, 2013, hence the Company is not required to constitute Corporate Social Responsibility Committee.

## **DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL APPOINTED/RESIGNED/RETIRED DURING THE YEAR:-**

### **Appointment-Reappointment of Directors:**

In accordance with the provisions of Section 152 of the Act and rules made there under, Mr. Ajay Arora, Director (DIN: 02577621), retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. The Board recommends re-appointment of Mr. Ajay Arora at the ensuing Annual General Meeting.

### **Changes in Directors and Key Managerial Personnel**

During the year & thereafter following Directors were appointed/resigned/ceased from the Board -

- Mr. Anil Kumar Lamba ceased to be Director w.e.f 06.06.2017.
- Mr. Tanveer Gill ceased to be Director w.e.f. 06.06.2017.

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

- Ms. Ambika Chowdhary was appointed as an Additional Director in the capacity of Non Executive Independent Director w.e.f. 26.07.2017 and the same has been regularized and appointed as a Non Executive Independent Director in the previous Annual General Meeting held on 22.09.2017 for a period of 5 year w.e.f 26.07.2017 to 25.07.2022.
- Mr. Ajay Arora was appointed as an Additional Director in the capacity of Non-Executive Non-Independent Director w.e.f. 08.08.2017 and the same has been regularized and appointed as a Director in the previous Annual General Meeting held on 22.09.2017.
- After completion of the financial year, based on the recommendations of Nomination and Remuneration Committee, the Board of Directors re-appointed Mr. Vinay Kumar Mittal as a Managing Director of the Company for a period of three years effective 28.05.2018 to 27.05.2021. The re-appointment is subject to the approval of the Members of the Company at the ensuing AGM of the Company. The Board seeks your support and hopes you will enthusiastically vote in confirming the re-appointment of Mr. Vinay Kumar Mittal.

Brief resume, nature of expertise, details of directorships held in other companies of the Directors proposed to be re-appointed, along with their shareholding in the Company, as stipulated under Secretarial Standard 2 and Regulation 36 of the Listing Regulations, is appended as an Annexure to the Notice of the ensuing AGM.

### **Declaration by Independent Director(s):**

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

The details of program for familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company at <http://www.alchemistrealty.com/>. 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.

### **Separate Meeting 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.

### **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.

### **MEETINGS:-**

During the financial year ended 31<sup>st</sup> March 2018, 5 (Five) Board Meetings and 4 (Four) Audit Committee Meetings, 4 (Four) Stakeholders Relationship Committee Meetings and 2(Two) Nomination & Remuneration Committee Meeting 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **COMMITTEES OF THE BOARD:-**

The Company's Board has the following Committees:

1. Audit Committee
2. Stakeholder Relationship Committee
3. Nomination & Remuneration Committee

Details of terms of reference of the Committees, Committee membership and attendance at meetings of the Committees are provided in the Corporate Governance report forming part of Annual Report.

## **COMPANY POLICY ON DIRECTOR APPOINTMENT AND REMUNERATION:-**

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

Policy on Director's appointment and remuneration as approved by the Board is uploaded on Company's Website at the web link i.e <http://www.alchemistrealty.com/investors.html>.

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

## **PREVENTION OF INSIDER TRADING:-**

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of Un-Published 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.

## **ANNUAL EVALUATION OF BOARD:-**

The Board of Directors has carried out an annual evaluation of its own performance, Board committees and individual Directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed under Regulation 27 (2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee reviewed the performance of the individual Directors on the basis of the criteria such as the contribution of the individual Director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the board as a whole and performance of the Chairman was evaluated, taking into account the views of Executive Directors and Non-Executive Directors. The same was discussed in the board meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its committees and individual Directors was also discussed.

## **VIGIL MECHANISM / WHISTLE BLOWER POLICY/ RISK MANAGEMENT:-**

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

In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. The common risks inter alia are: Regulations, competition, Business risk, Investments, retention of talent and expansion of facilities. Business risk, inter-alia, further includes financial risk, political risk, fidelity risk, legal risk. These risks are assessed and steps as appropriate are taken to mitigate the same. The management has taken all necessary steps to identify the elements of risks, if any. The management has implemented an effective and meaningful system to safeguard the assets of the Company. The Board has to review the business plan at regular intervals and develop the Risk Management Strategy which shall encompass laying down guiding principles on proactive planning for identifying, analyzing and mitigating all the material risks, both external and internal viz. Environmental, Business, Operational, Financial and others. Communication of Risk Management Strategy to various levels of management for effective implementation is essential for achieving the goals of the organisation.

## **INTERNAL CONTROL SYSTEM:-**

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

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

The Company has in place a Prevention of Sexual Harassment policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been duly Constituted 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.

### **STATUTORY AUDITORS:-**

M/s Soin Associates, Chartered Accountants, have been appointed as statutory auditors of the Company at the 33<sup>rd</sup> Annual General Meeting held on September 22, 2017 for a period of five years subject to ratification by members at every subsequent Annual General Meeting. Therefore, ratification of appointment of Statutory Auditors is being sought from the members of the Company at the ensuing AGM.

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

Based on the recommendations of the Audit Committee and as per the provisions of Section 139(1) of the Companies Act, 2013, the Board of Directors of your Company proposes to ratify the appointment of M/s. Soin Associates, Chartered Accountants, as the Statutory Auditors of the Company for FY 2018-19.

### **EXPLANATION TO AUDITOR'S REMARKS:-**

Your Directors wish to clarify the various points/observations/qualifications reported by the Statutory Auditors, as under:-

Observation under the head of "Basis of qualification" to the main report regarding the trade receivables more than six months from the date become due for payment, your Directors wish to state that the Company has extended credit from time to time as per the market practice for export debtors and regular follow up is being done to recover the same and the Management is confident to recover the same. Hence, no estimation/provision made by the Management. However, the Company is in a process of filing the necessary suits for the recovery of the due.

In point no. (a) the head of "Emphasis of Matter" to the main report regarding advances given to certain parties for purchase of properties in the name of Company. Your Directors wish to clarify that these advances are considered good as the Company has clean title to the properties in terms of their purchase agreements. Court matters do tend to take time to resolve, however the Company is confident of winning the cases and hence there is no need of any provision for these loans in the accounts.

In point no. (b) the head of "Emphasis of Matter" to the main report regarding amount given to certain parties on account of franchisee fee and other expenses. Your Directors wish to state that this matter is being pursued and outcome of which is yet to be known.

In point no. (c) the head of "Emphasis of Matter" to the main report regarding interest free unsecured loans given to two parties. Your Directors wish to state that the Company has given these loans in accordance with agreements which inter-alia provide that these shall be interest free in lieu of options to convert them into equity shares at valuations which will compensate the Company for the interest component. Hence no interest has been provided as due from these borrowers in these annual accounts in view of our contractual terms of lending.

### **SECRETARIAL AUDITOR:-**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed CS Puneet, Whole Time Company Secretary in Practice to conduct Secretarial Audit for the financial year 2017-18. The Secretarial Audit Report in Form MR-3 for the financial year ended 31<sup>st</sup> March, 2018 is annexed herewith marked as **Annexure- 3** to this Report. There are no qualifications, reservations or adverse remarks made by the Secretarial Auditor in his report.

### **INTERNAL AUDITORS:-**

The Company has a separate internal audit department constituting of professionals undertaking audit exercise.

### **COST AUDITOR:-**

As our Company don't fall under the Section 148, and therefore the Company is not required to appoint the cost auditor for the current financial year.

### **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-4** to the Directors' Report.

### **HUMAN RESOURCES:-**

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

## **INDUSTRIAL RELATIONS:-**

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

## **INSURANCE:-**

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

## **EXTRACT OF ANNUAL RETURN:-**

The particulars required to be furnished under Section 92(3) and Section 134(3)(a) of the Companies Act, 2013 read with Companies(Management and Administration) Rules, 2014 as prescribed in **Form No. MGT-9** is annexed as **Annexure-5**.

## **MANAGEMENT DISCUSSION & ANALYSIS REPORT:-**

As required by Regulation 34 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a detailed Management Discussion and Analysis Report is presented in a separate section forming part of the Annual Report marked as **Annexure-6**.

## **CORPORATE GOVERNANCE:-**

Your Company always places major thrust on managing its affairs with diligence, transparency, responsibility and accountability thereby upholding the important dictum that an organisation's corporate governance philosophy is directly linked to high performance.

The Company is committed to adopting and adhering to established world-class corporate governance practices. The Company understands and respects its fiduciary role and responsibility towards its stakeholders and society at large, and strives to serve their interests, resulting in creation of value and wealth for all stakeholders.

The compliance report on corporate governance and a certificate from CS Puneet, Whole Time Company Secretary in Practice, regarding compliance of the conditions of corporate governance, as stipulated under regulation 27(2) and Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached herewith as **Annexure-7** to this report.

## **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY AFTER THE CLOSURE OF THE YEAR:-**

There have been no material changes and commitments, if any, affecting the financial position of the Company 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. The Company has made an application to the Hon'ble Regional Director at Mumbai for shifting of its Registered Office from State of Maharashtra to National Capital Territory of Delhi. The Hon'ble Regional Director, Mumbai has passed order dated 27<sup>th</sup> day of March, 2018 vide order No. RD/UDC/Sec. 13/53/06/2017/3 for the confirmation of shifting of Registered Office from State of Maharashtra to National Capital Territory of Delhi. Further the Company has shifted its Registered Office to Building No. 23, Nehru Place, New Delhi-110019 with effect from 21<sup>st</sup> day of May, 2018 in this regard the Company has also received the certificate from the Registrar of Companies, NCT of Delhi & Haryana dated 02<sup>nd</sup> June, 2018.

## **DETAILS OF SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL:-**

During the financial year order has been passed by the authorities which impacts the going concern status and company's operations in future as registered office of the Company has been shifted from state of Maharastra to National Capital Territory of Delhi.

## **DIRECTORS RESPONSIBILITY STATEMENT:-**

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, your Directors confirm:-

1. That in the preparation of Annual Accounts, the applicable accounting standards have been followed and there are no material departures;
2. That we have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2018 and of the losses of the Company for the period ended 31<sup>st</sup> March, 2018;
3. That we have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
4. That we have prepared the Annual Accounts on a going concern basis;
5. That we have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;

6. That we have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**ACKNOWLEDGEMENT**

Your Directors hereby express their appreciation for the cooperation and assistance received from stakeholders, banks, valued clients and business associates. Your Directors also wish to place on record their deep sense of appreciation for the diligent support and efforts of the employees at all levels towards the operations and growth of the Company.

**By Order of the Board  
For ALCHEMIST REALTY LIMITED**

**Dated : 09.08.2018  
Place : New Delhi**

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

**Sd/-  
Maria Fernandes  
(Director)  
DIN: 07134540**

**Form AOC-1****Statement containing salient features of the financial statement of Subsidiaries  
Companies/Associate Companies/Joint Venture.**

The disclosure under first proviso to Sub-Section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014.

**Part "A"-Subsidiaries:****(₹ in Lakhs)**

S. No.	Particulars	Name of Subsidiaries	
		Alchemist Hill Resorts Private Limited	Century 21 Properties India Private Limited
1.	Financial Year Ending	31-03-2018	31-03-2018
2.	Currency & Exchange rate on the last day of financial year	Indian Rupees	Indian Rupees
3.	Share Capital	1	100
4.	Reserves & Surplus	Nil	(703.18)
5.	Total Assets	140.78	249.44
6.	Total Liabilities	140.68	852.62
7.	Investments	0.90	Nil
8.	Turnover	Nil	Nil
9.	Profit before Taxation	Nil	(147.45)
10.	Provision for Taxation	Nil	Nil
11.	Profit after Taxation	Nil	(147.45)
12.	Proposed Dividend	Nil	Nil
13.	% of Shareholding	100%	99%
14.	Date since when subsidiary was acquired	26.07.2011	05.08.2013

**Note:**

- Name of Subsidiary which are yet to commenced operation:** Alchemist Hill Resorts Private Limited
- Name of Subsidiaries which have been liquidated or sold during the financial year:** Nil

**PART "B"- ASSOCIATES AND JOINT VENTURES:** None

**By Order of the Board  
For ALCHEMIST REALTY LIMITED**

**Dated : 09.08.2018  
Place : New Delhi**

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

**Sd/-  
Maria Fernandes  
(Director)  
DIN: 07134540**

**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;**

Your Company is in the real estate business and it does not own any manufacturing facility, however, the Company continues to work towards Conservation of Energy and has been taking various measures like replacement of out dated energy intensive equipment with energy saving equipment, better use of natural/artificial lights, timely maintenance of electrical equipment etc. It has helped the Company in improving efficiency, reduction in cost of production. The Company is making all possible efforts to conserve the energy by adopting best practices.

**(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:**

- (i) Efforts towards Technology Absorption : Not Applicable
- (ii) The benefits derived : Not Applicable
- (iii) 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

**By Order of the Board  
For ALCHEMIST REALTY LIMITED**

**Dated : 09.08.2018  
Place : New Delhi**

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

**Sd/-  
Maria Fernandes  
(Director)  
DIN: 07134540**

**FORM No. MR-3****SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 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 REALTY LIMITED**  
CIN: L21100DL1983PLC334800  
Registered Office Address:- Building No. 23,  
Nehru Place, New Delhi-110019

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ALCHEMIST REALTY 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 our opinion thereon.

Based on our 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, we hereby report that in our opinion, the Company has during the audit period covering 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:

We 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 Requirements) Regulations, 2015;
  - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; - **Not Applicable**
  - (e) The Securities and exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - **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**

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 Bombay Stock Exchange Limited.

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

**We 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 in case of shorter notice, compliance as required under the Act has been made by the

## ALCHEMIST REALTY LIMITED

Company 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.

All decisions at Board Meetings and Committee Meetings are carried out with requisite majority of the members of the Board or committees as the case may be. Further there is no case of views of the dissenting members as per the recordings in the minutes of the meetings of the Board or Committee(s) thereof.

**We further report that** there are adequate systems and process in the company commensurate with the size and operations of the company to monitor and ensure compliances with the applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period the Company has the following specific event/action having major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, standards & guidelines, if any, as may be referred to above:

The Company has filed an application under Section 13(4) of the Companies Act, 2013 vide SRN No. G46205647 to the Regional Director, Mumbai for the confirmation of alteration of the Registered Office clause of the Memorandum of Association of the Company from State of Maharashtra to NCT of Delhi as approved by Special Resolution passed through postal ballot. The Hon'ble Regional Director, Mumbai has passed an order dated 27<sup>th</sup> day of March, 2018 for the approval of shifting vide their order No. RD/UDC/Sec. 13/53/06/2017/3. Further the Company has shifted its Registered Office to Building No. 23, Nehru Place, New Delhi-110019 with effect from 21<sup>st</sup> day of May, 2018 and in this regard the Company has also received the certificate from the Registrar of Companies, NCT of Delhi & Haryana dated 02<sup>nd</sup> June, 2018.

Thanking You,  
Yours Faithfully,

Sd/-  
CS Puneet  
M. No: 37426  
C.P. No-14912

Date : 09.08.2018  
Place : Noida

**Notes:** - 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.

'Annexure - A'

To  
The Members,  
**ALCHEMIST REALTY LIMITED**  
CIN: L21100DL1983PLC334800  
Registered Office Address: - Building No. 23,  
Nehru Place, New Delhi-110019

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

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

Thanking You,  
Yours Faithfully,

Sd/-  
CS Puneet  
M. No: 37426  
C.P. No-14912

Date : 09.08.2018  
Place : Noida

**DISCLOSURE PURSUANT TO SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 4 & 5 OF THE COMPANIES (APPOINTMENT & REMUNARATION OF MANAGERIAL PERSONNEL) RULES 2014**

S. No.	Requirements of Rule 5(1)	Details																			
(i)	the ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year	<table border="1" data-bbox="770 302 1407 609"> <thead> <tr> <th data-bbox="770 302 1170 364">Executive Directors:</th> <th data-bbox="1170 302 1407 364">Ratio to Median Remuneration</th> </tr> </thead> <tbody> <tr> <td data-bbox="770 364 1170 399">Mr. Vinay Kumar Mittal<sup>5</sup></td> <td data-bbox="1170 364 1407 399">64.00</td> </tr> <tr> <th colspan="2" data-bbox="770 399 1407 435">Non-Executive Directors:</th> </tr> <tr> <td data-bbox="770 435 1170 470">Mr. Anil Kumar Lamba<sup>1</sup></td> <td data-bbox="1170 435 1407 470">Nil</td> </tr> <tr> <td data-bbox="770 470 1170 505">Mr. Tanveer Gill<sup>2</sup></td> <td data-bbox="1170 470 1407 505">0.05</td> </tr> <tr> <td data-bbox="770 505 1170 540">Ms. Maria Fernandes</td> <td data-bbox="1170 505 1407 540">0.25</td> </tr> <tr> <td data-bbox="770 540 1170 576">Ms. Ambika Chowdhary<sup>3</sup></td> <td data-bbox="1170 540 1407 576">0.18</td> </tr> <tr> <td data-bbox="770 576 1170 609">Mr. Ajay Arora<sup>4</sup></td> <td data-bbox="1170 576 1407 609">Nil</td> </tr> </tbody> </table> <p data-bbox="770 617 1407 669"><b>During the year following Directors ceased to be associated with the Company:-</b></p> <p data-bbox="770 669 1407 772">1. Mr Anil Kumar Lamba ceased w.e.f. 06.06.2017. 2. Mr Tanveer Gill ceased w.e.f. 06.06.2017. Hence, remuneration has been considered till that date during the financial year 2017-18.</p> <p data-bbox="770 772 1407 824"><b>During the year following Directors has been associated with the Company:-</b></p> <p data-bbox="770 824 1407 1058">3. Ms. Ambika Chowdhary is appointed as an Additional Director w.e.f 26.07.2017, Regularised as Director on 22.09.2017. 4. Mr. Ajay Arora is appointed as an Additional Director w.e.f 08.08.2017, Regularised as Director on 22.09.2017. 5. Mr. Vinay Kumar Mittal is re appointed as a Managing Director w.e.f 28.05.2018 Hence, remuneration has been considered from that date during the financial year 2017-18.</p>		Executive Directors:	Ratio to Median Remuneration	Mr. Vinay Kumar Mittal <sup>5</sup>	64.00	Non-Executive Directors:		Mr. Anil Kumar Lamba <sup>1</sup>	Nil	Mr. Tanveer Gill <sup>2</sup>	0.05	Ms. Maria Fernandes	0.25	Ms. Ambika Chowdhary <sup>3</sup>	0.18	Mr. Ajay Arora <sup>4</sup>	Nil		
Executive Directors:	Ratio to Median Remuneration																				
Mr. Vinay Kumar Mittal <sup>5</sup>	64.00																				
Non-Executive Directors:																					
Mr. Anil Kumar Lamba <sup>1</sup>	Nil																				
Mr. Tanveer Gill <sup>2</sup>	0.05																				
Ms. Maria Fernandes	0.25																				
Ms. Ambika Chowdhary <sup>3</sup>	0.18																				
Mr. Ajay Arora <sup>4</sup>	Nil																				
(ii)	the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	<table border="1" data-bbox="770 1075 1407 1411"> <thead> <tr> <th data-bbox="770 1075 1170 1137">Name of Directors / KMP</th> <th data-bbox="1170 1075 1407 1137">% Increase/decrease in Remuneration</th> </tr> </thead> <tbody> <tr> <td data-bbox="770 1137 1170 1172">Mr. Vinay Kumar Mittal*</td> <td data-bbox="1170 1137 1407 1172">0.01</td> </tr> <tr> <td data-bbox="770 1172 1170 1207">Mr. Anil Kumar Lamba**</td> <td data-bbox="1170 1172 1407 1207">Nil</td> </tr> <tr> <td data-bbox="770 1207 1170 1243">Ms. Maria Fernandes</td> <td data-bbox="1170 1207 1407 1243">Nil</td> </tr> <tr> <td data-bbox="770 1243 1170 1278">Mr. Tanveer Gill***</td> <td data-bbox="1170 1243 1407 1278">(78%)</td> </tr> <tr> <td data-bbox="770 1278 1170 1313">Ms. Ambika Chowdhary****</td> <td data-bbox="1170 1278 1407 1313">Nil</td> </tr> <tr> <td data-bbox="770 1313 1170 1348">Mr. Ajay Arora*****</td> <td data-bbox="1170 1313 1407 1348">Nil</td> </tr> <tr> <td data-bbox="770 1348 1170 1384">Mr. Suresh Kumar Bhardwaj</td> <td data-bbox="1170 1348 1407 1384">6.68%</td> </tr> <tr> <td data-bbox="770 1384 1170 1411">Ms. Nidhi Dhawan</td> <td data-bbox="1170 1384 1407 1411">6.67%</td> </tr> </tbody> </table> <p data-bbox="770 1419 1407 1471"><b>During the year following Directors ceased to be associated with the Company:-</b></p> <p data-bbox="770 1471 1407 1543">**Mr Anil Kumar Lamba ceased w.e.f. 06.06.2017. ***Mr Tanveer Gill ceased w.e.f. 06.06.2017.</p> <p data-bbox="770 1543 1407 1595"><b>During the year following Directors has been associated with the Company:</b></p> <p data-bbox="770 1595 1407 1850">**** Ms. Ambika Chowdhary is appointed as an Additional Director w.e.f 26.07.2017, Regularised as Director on 22.09.2017. *****Mr. Ajay Arora is appointed as an Additional Director w.e.f 08.08.2017, Regularised as Director on 22.09.2017. *Mr. Vinay Kumar Mittal is re appointed as a Managing Director w.e.f 28.05.2018 Hence, remuneration has been considered from that date during the financial year 2017-18.</p>		Name of Directors / KMP	% Increase/decrease in Remuneration	Mr. Vinay Kumar Mittal*	0.01	Mr. Anil Kumar Lamba**	Nil	Ms. Maria Fernandes	Nil	Mr. Tanveer Gill***	(78%)	Ms. Ambika Chowdhary****	Nil	Mr. Ajay Arora*****	Nil	Mr. Suresh Kumar Bhardwaj	6.68%	Ms. Nidhi Dhawan	6.67%
Name of Directors / KMP	% Increase/decrease in Remuneration																				
Mr. Vinay Kumar Mittal*	0.01																				
Mr. Anil Kumar Lamba**	Nil																				
Ms. Maria Fernandes	Nil																				
Mr. Tanveer Gill***	(78%)																				
Ms. Ambika Chowdhary****	Nil																				
Mr. Ajay Arora*****	Nil																				
Mr. Suresh Kumar Bhardwaj	6.68%																				
Ms. Nidhi Dhawan	6.67%																				
(iii)	the percentage increase in the median remuneration of employees in the financial year	-9.08%																			



## ALCHEMIST REALTY LIMITED

(iv)	the number of permanent employees on the rolls of Company	26
(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;	The average increase in salaries of employees other than Managerial Personnel in 2017-18 was Nil%. Percentage increase in the Managerial Remuneration for the year was Nil %.
(vi)	Affirmation that the remuneration is as per the remuneration policy of the Company.	Yes, the remuneration is as per Company's policy.

### Part –‘B’

#### Particulars of Employees u/s 197(12) of the Companies Act, 2013 and Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Name	Age (Years)	Designation	Remuneration (per annum) (₹ in lakhs)	Qualification	Exp. (Yrs.)	Date of Commencement of Employment	Previous Employment		No. of Shares Held in the Company	% of shares held to Total Share Capital
							Name of Employer	Post Held		
Mr. Vinay Kumar Mittal	56	MD	112	B. E. (Civil), LL.B, MBA	33	05.08.2014	M3M India Ltd.	President	Nil	N.A.
Mr. Krishan Lal Arora	70	General Manager-Coordination	14.16	Diploma (Civil Engineering)	46	25.07.2016	Haryana Irrigation Deptt	S.D.O	Nil	N.A.
Mr. Harsh Monga	45	Assistant General Manager-Construction	12.12	B.E (Civil)	27	24.09.2008	DSR Shopping Mega Mall	Project Incharge	Nil	N.A.
Mr. Sujit Kumar Singh	36	Assistant Manager-MEP	7.56	Diploma in Mechanical Engineering	14	02.04.2009	Pacific Development Corporation Limited	Site Engineer Services	Nil	N.A.
Mr. Suresh Kumar Bhardwaj	49	Manager-Accounts	7.29	B.Com	23	28.09.2015	Alchemist foods Limited	Manager Accounts	Nil	N.A.
Mr. Vinod Kumar Kashyap	43	Assistant Manager-Accounts	6.72	B.com	22	19.01.2008	Surya Pharmaceutical Ltd.	Executive Accounts	Nil	N.A.
Mr. Gajendra Kumar Bhardwaj	42	Deputy Manager-Office Coordination	5.76	MBA	20	01.07.2010	Deepa India Pvt. Ltd.	Admin Executive	Nil	N.A.
Ms. Nidhi Dhawan	28	Company Secretary	5.28	Company Secretary	5	01.11.2015	Raipur Expressways Limited	Company Secretary	Nil	N.A.
Ms. Reena Paul Dantas	42	Stenographer	3.6	B. Com	20	01.06.2011	Prarthana Impex Pvt. Ltd.	Secretary	Nil	N.A.
Mr. Narinder Singh	34	Engineer-Maintenance	3.6	D.M.E, ITI	16	18.10.2013	Ind-Swift Limited	Supervisor	Nil	N.A.

## ALCHEMIST REALTY LIMITED

### NOTES:

1. Nature of Employment: All appointments are/were contractual and terminable by notice on either side.
2. Other Terms and conditions: As per Company rules.
3. All the employees have adequate experience to discharge the responsibilities assigned to them.
4. None of the employees mentioned above is the relative of any Director of the Company.
5. Numbers and percentage of the shares held in the Company by the employee along with his spouse and children as per Rule 5(3)(viii) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**TABLE B. Names of other employees who are in receipt of aggregate remuneration not less than Rupees One crore and two lakh during the Financial Year 2017-18:**

Name	Age (Years)	Designation	Remuneration (per annum) (₹ in lakhs)	Qualification	Exp. (Yrs.)	Date of Commencement of Employment	Previous Employment		No. of Shares Held in the Company	% of shares held to Total Share Capital
							Name of Employer	Post Held		
Mr. Vinay Kumar Mittal	55	MD	112	B. E. (Civil), LL.B, MBA	33	05.08.2014	M3M India Ltd.	President	Nil	N.A.

**By Order of the Board  
For ALCHEMIST REALTY LIMITED**

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

**Sd/-  
Maria Fernandes  
(Director)  
DIN: 07134540**

**Dated : 09.08.2018  
Place : New Delhi**

**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	L21100DL1983PLC334800
Registration Date	03/03/1983
Name of the Company	Alchemist Realty Limited
Category/Sub-category of the Company	Company limited by shares/ Indian Non-Government Company
Address of the Registered office & contact details	Building No. 23, Nehru Place, New Delhi-110019 Tel No.: 011-40600800 Fax: 011-40600888
Whether listed company	Yes
Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s Alankit Assignments Limited 1E/13 Jhandewalan Extension, New Delhi-110055 Ph. No. 91-11-4254 1234, Fax + 91-11-4254 1201, +91-11-2355 2001 Website : www.alankit.com

**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.	Real Estate Activities	68100	100

**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.	Century 21 Properties India Private Limited	U70109CH2013PTC034612	Subsidiary	99	2(87)
2.	Alchemist Hill Resorts Private Limited	U55101CH2010PTC032443	Wholly Owned Subsidiary	100	2(87)

**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	0	0	0	0	0	0	0	0	0
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.	33677535	0	33677535	45.45	33677535	0	33677535	45.45	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>33677535</b>	<b>0</b>	<b>33677535</b>	<b>45.45</b>	<b>33677535</b>	<b>0</b>	<b>33677535</b>	<b>45.45</b>	<b>0</b>

# ALCHEMIST REALTY 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	
<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.	0	0	0	0	0	0	0	0	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>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>	<b>33677535</b>	<b>0</b>	<b>33677535</b>	<b>45.45</b>	<b>33677535</b>	<b>0</b>	<b>33677535</b>	<b>45.45</b>	<b>0</b>
<b>B. Public Shareholding</b>									
1. Institutions	0	0	0	0	0	0	0	0	0
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FII	0	0	0	0	0	0	0	0	0
h) Foreign Portfolio Corp (Foreign Portfolio Investors)	15866713	0	15866713	21.41	12753624	0	12753624	17.21	(4.20)
i) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
j) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1):-</b>	<b>15866713</b>	<b>0</b>	<b>15866713</b>	<b>21.41</b>	<b>12753624</b>	<b>0</b>	<b>12753624</b>	<b>17.21</b>	<b>(4.20)</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.	15543191	0	15543191	20.97	18346453	0	18346453	24.76	3.79
b) Individuals									
i) Individual shareholders holding nominal share capital up to ₹ 2 lakh	2591042	25218	2616260	3.53	2652699	25318	2678017	3.61	0.08
ii) Individual shareholders holding nominal share capital in excess of ₹ 2 lakh	6303106	0	6303106	8.51	4703106	0	4703106	6.34	(2.17)
c) Others Clearing Members	0	0	0	0	150200	0	150200	0.203	0.203
HUFs	0	0	0	0	1702456	0	1702456	2.307	2.307
NBFC Registered with RBI	3081	0	3081	0.004	0	0	0	0	(0.004)
Non Resident Indians	91114	0	91114	0.12	89609	0	89609	0.12	0
OCBs	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Trusts	0	0	0	0	0	0	0	0	0
Foreign Bodies –D R	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(2):-</b>	<b>24531534</b>	<b>25218</b>	<b>24556752</b>	<b>33.14</b>	<b>27644523</b>	<b>25318</b>	<b>27669841</b>	<b>37.34</b>	<b>4.2</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>40398247</b>	<b>25218</b>	<b>40423465</b>	<b>54.55</b>	<b>40398147</b>	<b>25318</b>	<b>40423465</b>	<b>54.55</b>	<b>0</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>74075782</b>	<b>25218</b>	<b>74101000</b>	<b>100</b>	<b>74075682</b>	<b>25318</b>	<b>74101000</b>	<b>100</b>	<b>0</b>

## ALCHEMIST REALTY LIMITED

### (ii) Shareholding of Promoter

S. 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 Private Limited	33677535	45.45	0	33677535	45.45	0	0
	<b>Total</b>	<b>33677535</b>	<b>45.45</b>	<b>0</b>	<b>33677535</b>	<b>45.45</b>	<b>0</b>	<b>0</b>

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

S. 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				
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.):	<b>NO CHANGE</b>			
	At the end of the year				

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

S. 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	Endogram Leasing And Trading Company Private Limited	8605580	11.61	8605580	11.61
2	Davos International Fund	7013283	9.46	7013283	9.46
3	Basics Softsolutions Private Limited	4878500	6.58	4347017	5.87
4	Plutus Terra India fund	4117089	5.56	-	-
5	Varinder Pal Singh	3507930	4.73	3507930	4.73
6	Antara India Evergreen Fund Limited	2496000	3.37	-	-
7	Alpha Dynamix Multi Strategy Growth Fund Ltd	-	-	3500000	4.72
8	Overskud Multi Asset Management Private Ltd	-	-	3383952	4.57
9	Basics Softsolutions Private Limited	1888573	2.55	1888573	2.55
10	Varinder Pal Singh HUF	1600000	2.16	1600000	2.16
11	Bao Value fund	-	-	1543249	2.08
12	Stream Value Fund	1543249	2.08	-	-
13	Sunil Talwar	952756	1.29	952756	1.29

## ALCHEMIST REALTY LIMITED

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

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

### 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	0	30,478.22	0	30,478.22
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>30,478.22</b>	<b>0</b>	<b>30,478.22</b>
<b>Change in Indebtedness during the financial year</b>			0	
* Addition	0	511.04	0	511.04
* Reduction	0	0	0	0
Net Change	<b>0</b>	<b>511.04</b>	<b>0</b>	<b>511.04</b>
<b>Indebtedness at the end of the financial year (FY-2017-18)</b>			0	
i) Principal Amount	0	30,989.26	0	30,989.26
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>30,989.26</b>	<b>0</b>	<b>30,989.26</b>

# ALCHEMIST REALTY LIMITED

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in Lakhs)

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Mr. Vinay Kumar Mittal (Managing Director)		
1	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	112		112
	(b) Value of perquisites under Section 17(2) income-tax Act, 1961	0		0
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	0		0
2	Stock Option	0		0
3	Sweat Equity	0		0
4	Commission	0		0
	- as % of profit			
	- others, specify...			
5	Others, please specify	0		0
	<b>Total (A)</b>	<b>112</b>		<b>112</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.		

### B. Remuneration to other Directors\*

(₹ in Lakhs)

S. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Ms. Maria Fernandes	Ms. Ambika Chowdhary	Mr. Tanveer Gill	
1	<b>Independent Directors</b>				
	Fee for attending Board Committee Meetings	0.50	0.40	0.10	1.00
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	<b>Total (1)</b>	<b>0.50</b>	<b>0.40</b>	<b>0.10</b>	<b>1.00</b>
2.	<b>Other Non-Executive Directors</b>	<b>Mr. Ajay Arora</b>	<b>Mr. Anil Kumar Lamba</b>		
	Fee for attending Board Committee Meetings	Nil	Nil		Nil
	Commission	Nil	Nil		Nil
	Others, please specify	Nil	Nil		Nil
	<b>Total (2)</b>	<b>Nil</b>	<b>Nil</b>		<b>Nil</b>
	<b>Total (B)=(1+2)</b>	<b>0.50</b>	<b>0.40</b>	<b>0.10</b>	<b>1.00</b>
	<b>Total Managerial Remuneration</b>		<b>113</b>		<b>113</b>
	<b>Overall 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.			

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

# ALCHEMIST REALTY LIMITED

## C. Remuneration to Key Managerial Personnel Other Than Managing Director/ Manager/Whole-Time Director (₹ in Lakhs)

S. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Mr. Suresh Kumar Bhardwaj Chief Financial Officer(CFO)	Ms. Nidhi Dhawan Company Secretary (CS)	
1	Gross salary			
	Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	7.30	5.12	12.42
	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>7.30</b>	<b>5.12</b>	<b>12.42</b>

## 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					

By Order of the Board  
For ALCHEMIST REALTY LIMITED

Dated : 09.08.2018  
Place : New Delhi

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

Sd/-  
Maria Fernandes  
(Director)  
DIN: 07134540



**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****GLOBAL ECONOMY**

According to The World Economic Outlook (WEO) update, Economic activity is projected to pick up pace in 2018 Global Output is estimated to have grown by 3.7 percent in 2017. This stable average growth rate, however, masks divergent developments in different country groups. There has been a stronger-than-expected pickup in growth in advanced economies matched by an unexpected slowdown in some emerging market economies.

The International Monetary Fund has raised its growth forecasts for 2018 to 3.9% expecting the global economy to continue to recover on the back of buoyant trade and investment.

The US economy continued to lead the way with accelerating growth; the fiscal easing, industry friendly policies, strong retail sales and improved employment are makers and markers of heightened economic activity. This is however expected to be offset by easing of growth rates among the other advanced economies, i.e. countries in Euro area and Japan, due to tougher financial market conditions, weak consumer and industrial sentiments and increasing trade conflicts with the US.

**INDIAN ECONOMY**

Based on the fourth quarter GDP growth estimates published by Central Statistics Office (CSO) for the year 2017-18, it can be said with certainty that the Indian economy has come out of the tough transition phase after implementation of Goods and Services Taxes (GST). The economy grew at 7.7 per cent in Q4 2017-18, the fastest pace in the last seven quarters and making the Indian economy one of the fastest growing large economy in the world. As per the provisional estimates from CSO, annual growth during 2017-18 however was lower at 6.7 per cent as against 7.1 per cent in 2016-17. The transformation initiatives for increased formalization of Indian economy had an adverse effect on overall consumption and employment in labour-intensive unorganised sectors. The growth in the last quarter of 2017-18 was an all-round growth with agricultural growth at 4.5 per cent, manufacturing growth at 9.1 per cent, construction growth at 11.5 per cent and government spending-linked public administration growth at 13.3 per cent. The Reserve Bank of India expects GDP growth to strengthen from 6.7 per cent in 2017-18 to 7.4 per cent in 2018-19. Private consumption seems to be improving, an indication of which is coming from rising sales growth of passenger vehicles and a strong upturn in the production of consumer durables. Despite talks of increasing farm distress, the growth in sales of two-wheelers and tractors reflects buoyant rural consumption. Firming up of core inflation (inflation excluding food and fuel) and oil price surge in the first quarter of 2018- 19 led RBI to increase its inflation projections for the year to 4.8-4.9 per cent in H1 and 4.7 per cent in H2 with upside

The Union Budget for 2018-19 was announced by Mr. Arun Jaitley, Union Minister for Finance, Government of India, in Parliament on February 1, 2018. This year's budget focused on uplifting the rural economy and strengthening of the agriculture sector, healthcare for the economically as privileged, infrastructure creation and improvement in the quality of education of the country. As per the budget, the government is committed towards doubling the farmer's income by 2022. All-time high allocations have been made to the rail and road sectors. India's unemployment rate is expected to be 3.5 % in 2018, according to the International Labour Organization (ILO). Numerous foreign companies are setting up their facilities in India on account of various government initiatives like Make in India and Digital India. Mr. Narendra Modi, Prime Minister of India, has launched the Make in India initiative with an aim to boost the manufacturing sector of Indian economy, to increase the purchasing power of an average Indian consumer, which would further boost demand, and hence spur development, in addition to benefiting investors. The Government of India, under the Make in India initiative, is trying to boost the contribution made by the manufacturing sector and aims to take it up to 25 % of the GDP from the current 17 %.

The Indian real estate market is expected to touch US\$ 180 billion by 2020. Housing sector is expected to contribute around 11 percent to India's GDP by 2020. Retail, hospitality and commercial real estate are also growing significantly, providing the much-needed infrastructure for India's growing needs. New housing launches across top seven cities in India increased 27 percent year-on-year in January-March 2018.

India is expected to witness an upward rise in the number of real estate deals in 2018, on the back of policy changes that have made the market more transparent. Sectors such as IT and ITeS, retail, consulting and e-commerce have registered high demand for office space in recent times. Office space demand in the country increased 23 percent year-on-year in January-March 2018 with office space absorption at 11.4 million square feet during the quarter. Private equity inflows in office and IT/ITES real estate have grown 150 percent between 2014 and 2017 backed by a strong attraction towards office sector.

India continues to be one of the fastest growing large economies despite the slowdown due to the government's decision of demonetization. The Indian economy is on a strong growth trajectory, which coupled with its commitment to fiscal discipline exhibited over the last three years suggests that its deficits and debt ratios are likely to decline significantly going forward.

## **REAL ESTATE SECTOR**

The year 2017-18 has witnessed implementation of several changes which were aimed at transforming and streamlining the economy including real estate. These included the much-awaited Real Estate (Regulation and Development) Act, 2016 (RERA) and Goods and Services Tax (GST).

According to the Report by CREDAI and JLL India, the Indian real estate sector is projected to reach a market size of \$180 billion by 2020. The housing sector's contribution to the Indian GDP is expected to almost double to more than 11% by 2020 up from an estimated 5-6% today.

The Indian residential market breached new lows in terms of supply and sales in CY18. The first quarter of 2018 also kicked started at a positive note, with about 18 percent increase in the gross office take-up in India. The office space recorded more than 11.0 million square feet of gross absorption across major Indian cities in Q1 2018. However the sector witnessed a visible temporary slowdown since the announcement of the government's demonetization policy.

Affordability is a key factor in demand for homes. A note by property consultant JLL India says that individual purchasing power has improved over the last few years as income has risen at a faster rate than home prices.

In line with the government's reformist approach to boost the real estate and housing sectors that hold key to the GDP growth, the budget has provided a big push to this sector through a number of initiatives. The infrastructures status accorded to affordable housing is a game changing move that will open up more institutional sources for developers to raise funds at competitive price.

## **UNION BUDGET 2018**

Union Budget 2018 proposed several positive measures for the real estate sector, below are some of the key measures:

### **Affordable Housing**

The real estate market has been under severe stress and is in the grip of cyclical doldrums where supply is ample, while the offload is subdued. This situation has hit developers severely. Many developers are in severe cash crunch and unable to service high cost of debt. The government has been under pressure with rising unemployment levels and there is a constant need to provide new employment avenues to India's growing working population. The real estate sector being the second largest employer after agriculture can absorb a substantial chunk of this.

The significant amendment for the real estate sector has been rationalization of stamp duty value adopted for transactions in immovable property. There are various sections in the Income Tax Act, 1961 which provide for adoption of stamp duty value in case of transfer of land or building or both. This has led to issues especially in case of distressed sale of real estate assets. Due to the stress that the real estate industry is currently going through, there are lots of transactions where the consideration may be below the stamp duty value. This is purely on account of genuine business cases without any intention to avoid tax. Substitution of stamp duty value in such transactions is creating unnecessary hardship for parties to consummate the transaction. Acknowledging the hardship, the Union Budget 2018 has proposed that no adjustment shall be made in the transaction value where the stamp duty circle rate does not exceed by more than 5% of the transaction value. The 5% number is not significant enough and may not address the difficulty faced in the transaction.

Further, in line with the government's aim to provide housing for all by 2022, the Union Budget has proposed to set up an affordable housing fund under the National Housing Bank. The Budget 2018 seems to be a damper for the real estate sector, excluding the affordable housing segment.

### **REITs**

The Government and market regulators have taken necessary measures for development of monetizing vehicles like Infrastructure Investment Trust (InvIT) and Real Investment Trust (REITs) in India. Globally, REITs are looked upon as one of the most prudent ways for retail investors to put money in the real estate market. REITs allocate units of real estate just like mutual funds, and one can buy and sell these units in well-organised markets. Owing to the fact that REITs rule out the general risks related to real estate investing for the retail investors, they are received quite well in the markets, and the same was expected in India, too.

The government will have a key role of enabling both REITs as well as the investors to evolve this investment platform which can contribute significantly to the economy. So, investment in REITs should get entitled for tax deduction of at least ₹ 50,000 a year, and the rental returns generated from them should be tax-free up to some extent.

In India, and globally, real estate always remains one of the most-preferred asset classes for people. But, due to the capital intensive nature of real estate investing, millions of people are not able to enter this market despite all the intentions. REITs, which are slated to offer each unit starting from ₹ 2 lakh, can help attract this untapped pool of investors, injecting large amount of investment capital in the economy. Hope the Budget 2018 would introduce the necessary measures to make REITs a more viable investment platform for retail investors in India.

## Circle Rates

Currently, while taxing income from capital gains, business profits and other sources in respect of transactions in immovable property, the consideration or circle rate value, whichever is higher, is adopted and the difference is counted as income both in the hands of the purchaser and seller. Sometimes, this variation can occur in respect of different properties in the same area because of a variety of factors including shape of the plot and location.

In order to minimize hardship in real estate transaction, Jaitley proposed that no adjustment shall be made in a case where the circle rate value does not exceed 5% of the consideration.

## Smart Cities

Smart Cities Mission aims at building 100 Smart Cities with state-of-the-art amenities. The 99 Cities have been selected with an outlay of ₹ 2.04 lakh crore. These cities have started implementing various projects like Smart Command and Control Centre, Smart Roads, Solar Rooftops, Intelligent Transport Systems, Smart Parks.

Projects worth ₹ 2,350 crore have been completed and works of ₹ 20,852 crore are under progress. To preserve and revitalize soul of the heritage cities in India, National Heritage City Development and Augmentation Yojana (HRIDAY) has been taken up in a major way.

## COMPANY'S PERFORMANCE

Alchemist Realty Limited is an India-based company engaged in real estate business. The Company operates in real estate sale purchase and development. The Company has taken initiative and has focused on consideration of projects.

## OPPORTUNITIES

### Rapid Urbanization

The economic survey 201718 describes an India on the move. Migration has almost doubled, to an annual flow of 9 million a year for 2011-16, from 5.5-6 million a year between 2001-11. India's urban population is forecasted to almost double from 410 million in 2014 to over 583 million homes across urban centres of India. The effect of urbanization is the most profound in Tier-1 cities where a huge influx of migrants is causing housing demand to surge. This trend has significantly increased the demand for housing in the urban community context.

### Tax Incentives

Government is doing its best to help boost the 'reasonable housing' segment through credit linked subsidy schemes. It accompanies a 4% subsidy, as it deducts one-third of the amount charged for the house towards the cost of land.

### Middle Income Housing

The government of India has significantly enhance the scope of the interest subsidy scheme targeted at middle income housing. This scheme covers households earning up to INR 18 lakh per annum with an upper limit on carpet area of 110 square meter and with no cap on the value of the house. This enhances the coverage of the scheme as it will cost vet a vast majority of middle income population in major metro and Tier-1 cities.

Under this scheme, the Government of India through a lending institution (Banks/ NBFC's) will give an interest subsidy of 3% for a home loan till INR 9 Lakhs and 4% for a home loan till INR 12 lakhs. This will subject to income classifications of MIG-1 (annual income of INR 12 lakhs) or MIG2 (annual income of INR 18 lakhs with the house being bought under 90/ 110 square meters limit. The home loan subsidy under the scheme will directly be taken from the government and credited to the home loan seeker's bank account by the lending institution via Aadhar. Since the scheme does not cap the value of the house, it implies that any middle income housing project can qualify under the scheme subject to the family buying it is falling under the above income limits. This is a powerful catalyst to drive home ownership.

### Monetary Easing

Housing demand will get a big boost with interest rates on home loans becoming cheaper following steep cut in lending rates by major banks. Post demonetization, home loan rates have also fallen to 8.25%-8.65%, and are at the lowest levels in the last eight years. A rollback in rates positively impacts sentiment and encouraging home buyers and real estate developers.

## THREATS & CHALLENGES

### Regulatory Hurdles

Unfavourable changes in government policies and the regulatory environment can adversely impact the performance of the sector. There are substantial procedural delays with regards to land acquisition, land use, project launches and construction approvals. Retrospective policy changes and regulatory bottlenecks may impact profitability and affect the attractiveness of the sector and companies operating within the sector.

## **Funding Problem**

The RBI has set sectoral caps for the total maximum exposure of banks to real estate including individual housing loans and lending to developers for construction finance which is quite low and is curtailing the growth of the sector. Absence of long term funding from banks is forcing developers to look at alternative sources of funds most of which do not offer affordable interest rates.

## **Shortage of Manpower & Technology**

Despite being the second largest employer in the country the construction sector as a whole faces manpower shortage. Further the sector is heavily dependent on manual labour which increases the timeliness for construction companies and results in supply getting deferred. Hence, technologically less labour intensive alternative methods of construction need to be adopted on a large scale through training and skill development of manpower.

## **SEGMENT WISE PERFORMANCE**

The Company operates in only one segment of real estate; hence this is the only reporting segment.

## **OUTLOOK**

Post implementation of The Real Estate (Regulation and Development) Act, 2016 (RERA), developers are focusing firmly on selling their existing ready inventory and finishing their near completion projects rather than launching new projects. With several smaller realty developers interested in either monetizing their land parcels on outright basis or entering into joint development or development management agreements, your Company believes that RERA shall result in a consolidation in the sector.

High Quality developers, with a greater focus on the residential market, growing transparency and improving policies, the country's real estate sector is expected to become more institutionalized and we expect 2018 to be a year of consolidation and recovery for the property sector. A weak property market and increasing customer preference for stronger developers has created an unprecedented business development opportunity for developers with strong customer franchises and development capabilities.

For the last couple of years, Alchemist Realty Ltd have been endeavoring to alter the benchmarks in aspirations of investors in real estate with a unique approach to planning and design , the group invests heavily in consideration and Synergy to ensure value for money invested by its esteemed customers and stake holders.

Alchemist Realty Ltd. takes pride in introducing luxury that one can afford, relish and indulge in. We intend to provide a privileged lifestyle, tastefully created, built as per your aspirations and are committed to make you shine above the rest. Feel pleased to be a part of this exclusive world, reserved for the deserving few.

Your ideas of comfort, luxury and good taste stand personified right in front of you. Encompassing everything that you stand for, the Alchemist bring to its customers and stakeholders the benefit of years of experience thereby creating a platform, which will set standards for real estate development in India.

## **RISKS AND CONCERNS**

- **Market price fluctuation**

The performance of your Company may be affected by the sales and rental realisations of its projects. These prices are driven by prevailing market conditions, the nature and location of the projects, and other factors such as brand and reputation and the design of the projects. Your Company follows a prudent business model and tries to ensure steady cash flow even during adverse pricing scenario.

- **Industry Cyclicity**

The real estate market is inherently a cyclical market and is affected by macroeconomic conditions, changes in applicable governmental schemes, changes in supply and demand for projects, availability of consumer financing and illiquidity .Your company has attempted to hedge against the inherent risks through a business model comprising joint venture, residential platforms, and development management through a Pan-India presence. However, any future significant downturn in the industry and the overall investment climate may adversely impact business.

- **Statutory Approval**

The real estate sector in India is heavily regulated by the central state and local governments, Real estate developers, are required to comply with a number of laws and regulations including policies and procedures established and implemented by local authorities in relation to land acquisition, transfer of property, registration and use of land. These laws often vary from state to state. Several of your company's projects are in preliminary stages of planning and any delay in obtaining approvals could warrant revised scheduling of project timeliness.

## **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The Company has adequate internal control systems in place. It has well-defined systems and procedures covering all financial and operating functions. These controls have been designed to provide an assurance with regard to maintaining proper accounting records, controls, monitoring of operations, protecting assets from unauthorized use or losses, compliances with regulations and for ensuring reliability in financial reporting.

Company has an Internal Audit Department as well as an independent audit firm which conducts periodical internal audits to ensure adequacy of internal control systems, adherence to management policies and compliance with applicable laws and regulations.

The internal control system is subject to internal audit. The internal audit programme is reviewed by the Audit Committee at the beginning of each financial year and quarterly progress reports are placed before the Committee. The Company continued its efforts to define its control mechanisms and to align its processes with best practices in these areas.

## **FINANCIAL AND OPERATIONAL PERFORMANCE**

During the year under review, Your Company has registered a consolidated turnover of ₹ 49.65 Lakhs (Previous year ₹ (297.63) Lakhs) which results net losses of ₹ 440.71 Lakhs (Previous year net losses of ₹ 942.04 Lakhs).

## **HUMAN RESOURCES**

Human resource continues to be the backbone of Alchemist Realty Limited's business. The Company lays strong emphasis on attracting and retaining the best talent. Personal development initiatives including training, both technical and managerial are regularly conducted to enhance human potential. The basic policy of the Company regarding Human resource is to treat human resources as business partner with primary goal to contribute to the organization's growth and to multifarious development of its employees.

## **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.

By order of Board of Directors  
**For Alchemist Realty Limited**

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

Sd/-  
**Maria Fernandes**  
(Director)  
DIN: 07134540

Dated : 09.08.2018  
Place : New Delhi

**REPORT ON CORPORATE GOVERNANCE**

**(Pursuant to Schedule V of SEBI [Listing Obligation and Disclosure Requirements] Regulations, 2015)**

In accordance with Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and some of the best practices followed internationally on Corporate Governance, the report containing the details of corporate governance systems and processes at Alchemist Realty Limited is as under:

**1. COMPANY’S PHILOSOPHY ON CODE OF GOVERNANCE:**

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

We take pleasure in informing that your Company’s existing policies are in complete conformity with the requirements prescribed under Regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company believes that its key decisions must serve the underlying goals of enhancing shareholders’ value over a sustained period of time, and achieving the definite and measurable performance targets.

The Company has implemented all mandatory requirements. The Company has a sound control and risk management policy.

**2. BOARD OF DIRECTORS:**

The Company’s policy is to maintain optimum combination of Executive Directors, Non-Executive Directors and Independent Directors. The Board comprises of Four Directors, which include One Executive Director and Three Non-Executive Directors as on March 31, 2018. The Board is primarily responsible for the overall management of the Company’s business. The Directors on the Board are from varied fields with wide range of skills and experience. The Non-Executive Directors including Independent Directors bring statutory and wider perspective in the Board’s deliberations and decisions.

All the Independent Directors of the Company at the time of their first appointment to the Board and thereafter at the first meeting of the Board in every financial year have given a declaration that they meet with the criteria of independence as provided under Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

During the financial year 2017-2018, 5 (Five) 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) 09<sup>th</sup> November, 2017 (v) 14<sup>th</sup> February, 2018.

The necessary quorum was present for all the meetings.

**i) Composition of Board :**

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:

S. No.	Name of the Director	Office/ Designation	Executive/ Non-Executive	Independent/ Non Independent	Relationship between Directors inter-se	No of shares & convertible instrument held by Non-executive Directors
1.	Mr. Vinay Kumar Mittal Chairman DIN: 00287042	Managing Director	Executive	Non-Independent	None	None
2.	Mr. Anil Kumar Lamba <sup>1</sup> DIN: 07024068	Director	Non-Executive	Non -Independent	None	None
3.	Mr. Tanveer Gill <sup>2</sup> DIN: 07479696	Director	Non-Executive	Independent	None	None
4.	Prof. Maria Fernandes DIN: 07134540	Director	Non-Executive	Independent	None	None

S. No.	Name of the Director	Office/ Designation	Executive/ Non-Executive	Independent/ Non Independent	Relationship between Directors inter-se	No of shares & convertible instrument held by Non-executive Directors
5.	Ms. Ambika Chowdhary <sup>3</sup> DIN: 07887565	Director	Non-Executive	Independent	None	None
6.	Mr. Ajay Arora <sup>4</sup> DIN: 02577621	Director	Non-Executive	Non-Independent	None	None

1. Ceased to be Director w.e.f. 6<sup>th</sup> June, 2017.

2. Ceased to be Director w.e.f. 6<sup>th</sup> June, 2017.

3. Appointed as Additional Director w.e.f. 26<sup>th</sup> July, 2017 and Regularised as Director on 22<sup>nd</sup> September, 2017.

4. Appointed as Additional Director w.e.f. 8<sup>th</sup> August, 2017 and Regularised as Director on 22<sup>nd</sup> September, 2017.

**Detailed reasons for the resignation of an independent director who resigns before the expiry of his tenure along with a confirmation by such director that there are no other material reasons other than those provided:":**

**Mr. Tanveer Gill resigned from the Directorship of the Company w.e.f. 6<sup>th</sup> June, 2018 due to heavy business pre-occupation as mention in his resignation letter.**

**ii) Attendance at Board Meeting and last AGM and details of Directors/Membership in other Boards and Board Committees:**

S. No.	Name of Director	Director Identification Number	No. of Board Meetings attended	Attendance at the last AGM	No. of Other Directorships <sup>4</sup> and Committee <sup>5</sup> Membership/Chairmanship		
					Director ship	Committee Membership	Committee Chairmanship
1.	Mr. Vinay Kumar Mittal	00287042	5	Yes	17	1	2
2.	Mr. Anil Kumar Lamba <sup>1</sup>	07024068	1	No	0	1	0
3.	Mr. Tanveer Gill <sup>2</sup>	07479696	1	No	0	1	0
4.	Prof. Maria Fernandes	07134540	5	Yes	13	0	2
5.	Ms. Ambika Chowdhary <sup>3</sup>	07887565	4	No	12	3	0
6.	Mr. Ajay Arora <sup>4</sup>	02577621	3	No	17	0	0

1. Ceased to be Director w.e.f. 6<sup>th</sup> June, 2017.

2. Ceased to be Director w.e.f. 6<sup>th</sup> June, 2017.

3. Appointed w.e.f. 26<sup>th</sup> July, 2017 and Regularised as Director on 22<sup>nd</sup> September, 2017.

4. Appointed w.e.f. 08<sup>th</sup> August, 2017 and Regularised as Director on 22<sup>nd</sup> September, 2017.

5. Excludes Overseas Companies.

6. Committee includes Audit Committee and Stakeholders Relationship Committee in Listed Companies.

**(iii) 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:

Mr. Ajay Arora, (DIN: 02577621) 67 years and he has done his graduation from Punjab University. He is having approx 41 years of rich experiences in the field of management and corporate affairs. In the opinion of the Board, Mr. Ajay Arora fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as Director of the Company.

**(iv) Separate Meeting of Independent Directors**

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 30<sup>th</sup> March, 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.

**(v) Familiarization Programme of Independent Directors**

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.alchemistrealty.com/>.

All the Independent Directors of the Company are made aware of their role, responsibilities & liabilities at the time of their appointment /re-appointment, through a formal letter of appointment, which also stipulates various terms and conditions of their engagement.

**3. CODE OF CONDUCT**

In compliance with Regulation 17 of the Listing Regulations and the Companies Act, 2013, the Company has framed and adopted a Code of Conduct for all Directors and Senior Management Personnel. The Code is available on the Company's website [www.alchemistrealty.com](http://www.alchemistrealty.com). The Code is applicable to all Board members and Senior Management Personnel who directly report to the Managing Director. The Code is circulated to all Board members and Senior Management Personnel and its compliance is affirmed by them annually.

A declaration signed by the Managing Director, regarding affirmation of compliance with the Code of Conduct by Board Members and Senior Management for the financial year ended March 31, 2018, is annexed as **Annexure A** to this report.

**4. AUDIT COMMITTEE:**

The Audit Committee constituted with terms of reference as per provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

**Meeting and Attendance**

During the year 2017-18, the Audit Committee was reconstituted on 26<sup>th</sup> July, 2017 as Mr. Tanveer Gill has resigned from the Company w.e.f. 6<sup>th</sup> June, 2017 thereafter in place of Mr. Tanveer Gill, Ms. Ambika Chowdhary was appointed. From 26<sup>th</sup> day of July, 2017, the Audit Committee comprises of the following members viz. Prof. Maria Fernandes, Mr. Vinay Kumar Mittal and Ms. Ambika Chowdhary.

**Composition, Name of Members, Meeting and Attendance:**

S No.	Name of Committee Member	Position	No. of meetings held	No. of meetings attended
1.	Prof. Maria Fernandes	Chairman (Independent)	4	4
2.	Mr. Vinay Kumar Mittal	Member	4	4
3.	Mr. Tanveer Gill *	Member	4	1
4.	Ms. Ambika Chowdhary**	Member	4	3

\*Ceased to be Member w.e.f. 6<sup>th</sup> June, 2017.

\*\*Appointed as Member w.e.f.26<sup>th</sup> July, 2017 in the Board Meeting.

The Company Secretary acts as the Secretary of the Committee.

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

The role and terms of reference of the Audit Committee covers the area as mentioned in the SEBI (LODR) Regulation, 2015 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.
  - e. Significant adjustments made in the financial statements arising out of audit findings.
  - f. Compliance with listing and other legal requirements relating to financial statements.
  - g. Disclosure of any related party transactions.
  - h. Qualifications in the draft audit report.



- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the Whistle Blower mechanism;
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The audit committee has mandatorily reviewed the following information:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- Statement of deviations:
  - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

## **5. NOMINATION AND REMUNERATION COMMITTEE:**

The Nomination and Remuneration Committee constituted with terms of reference as per provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

### **Meeting & Attendance**

During the year 2017-18, The Nomination & Remuneration Committee of the Company was reconstituted by the Board of Directors in their meeting held on 26<sup>th</sup> July, 2017 and 10<sup>th</sup> August, 2017 Presently the committee comprises of the following members Ms. Maria Fernandes, Mr. Ajay Arora and Ms. Ambika Chowdhary.

The committee met Two (2) times during the year viz. on 26<sup>th</sup> July, 2017, & 10<sup>th</sup> August 2017 and was attended by members as under:

Name	Position	No. of meetings held	No. of meetings attended
Prof. Maria Fernandes	Chairperson	2	2
Mr. Anil Kumar Lamba*	Member	0	0
Mr. Tanveer Gill**	Member	0	0
Mr. Vinay Kumar Mittal***	Member	2	2
Ms. Ambika Chowdhary****	Member	2	2
Mr. Ajay Arora *****	Member	2	1

*Mr. Anil Kumar Lamba Ceased to be Member w.e.f.06.06.2017*

*\*\* Mr. Tanveer Gill Ceased to be Member w.e.f. 06.06.2017*

*\*\*\* Mr. Vinay Kumar Mittal appointed as Member w.e.f. 24.05.2017 in the Board Meeting and ceased to be Member w.e.f 10.08.2017.*

*\*\*\*\*Ms. Ambika Chowdhary appointed as Member w.e.f. 26.07.2017 in the Board Meeting.*

*\*\*\*\*\*Mr.Ajay Arora appointed as Member w.e.f 10.08.2017 in the Board Meeting*

Ms. Ambika Chowdhary & Mr. Ajay Arora attended 1 meeting each as a special invitee.

The Company Secretary acts as the Secretary of the Committee.

The Nomination and Remuneration Committee has been entrusted with the responsibilities to review and grant annual increments, vary and/or modify the terms and conditions of appointment/re-appointment including remuneration and perquisites, commission etc. payable to Managing Directors within the overall ceiling of remuneration as approved by the members.

The Committee in its meeting noted the following terms of reference pursuant to Section 178 of the Companies Act, 2013 & Regulation 19 (4) read with Part D Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Formerly Clause 49 of the Listing Agreement) :-

- Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees.
- Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
- Devising a policy on diversity of Board of Directors.
- Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- To see that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.
- To see that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- To see that remuneration to Directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.

### **Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013, Regulation 17 & 25 of the Listing Regulations and Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India vide its circular dated 5 January 2017, the Nomination and Remuneration Committee has devised criteria for evaluation of the performance of Directors including Independent Directors. The Board has carried out the annual performance evaluation of its own performance, its Committees and Directors. The exercise was led by Lead Independent Director. The evaluation process focused on various aspects of the Board and Committees functioning such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, corporate governance & compliance management etc. Separate exercise was carried out to evaluate the performance of Non-executive Directors on parameters such as experience, attendance, acquaintance with the business, effective participation, vision and strategy, contribution and independent judgement.

### **REMUNERATION POLICY**

The remuneration of the Board members is based on the Company's size & its economic & financial position, industrial trends, compensation paid by the peer companies, etc. Compensation reflects each Board member's responsibility

and performance. The level of compensation to Executive Directors is designed to be competitive in the market for highly qualified executives. The committee recommends the appointment and the remuneration for Executive Directors, and sitting fee for Non-executive Directors is fixed within the limits prescribed under Companies Act, 2013.

The details of remuneration paid to Executive Directors and sitting fee paid to Non-Executive Independent Directors for attending the meetings of the Board and Committees thereof during the year are given herein below. Policy on Director's appointment and remuneration as approved by the Board is uploaded on Company's Website at the web link i.e <http://www.alchemistrealty.com/investors.html>.

#### Details of remuneration/sitting fees paid to Directors:

##### Executive Directors

The Company pays remuneration by way of Fixed based salary and allowances [ Fixed Component], annual performance award, commission, employee stock/ shadow options, retiral and other benefits, and reimbursements based on the recommendations of the Nomination and Remuneration Committee within the limits as prescribed under Companies Act, 2013 and approved by the shareholders. The performance based awards/ commission is based on qualitative and quantitative assessment of Company's Performance.

##### Non- Executive Directors

The Non-Executive Directors are entitled to a sitting fees with in the limited as prescribed in the Companies Act, 2013 for attending each board and committee meeting.

The Company also re-imbrues out of pocket expenses incurred by the directors for attending the meetings. The Service Contract, Notice Period and severance Fees are not applicable to Non- Executive Directors.

The remuneration paid to the Executive and Non-Executive Directors for the Financial Year 2017-18 was as follows:

(Amount ₹ in lakhs)

Particulars	Vinay Kumar Mittal	Anil Kumar Lamba	Tanveer Gill	Maria Fernandes	Ambika Chowdhary	Ajay Arora
Relationship with Directors	None	None	None	None	None	None
Salary	112	-	-	-	-	-
Allowances	-	-	-	-	-	-
Commission/incentives/Bonus	-	-	-	-	-	-
Other annual compensation	-	-	-	-	-	-
Pension/Retirals	-	-	-	-	-	-
Sitting Fees	-	-	0.10	0.50	0.40	-
Stock Units	-	-	-	-	-	-
Notice Period	-	-	-	-	-	-

## 6. STAKEHOLDER RELATIONSHIP COMMITTEE

During the year 2017-18, The Stakeholder Relationship Committee of the Company was reconstituted by the Board of Directors in their meeting held on 24<sup>th</sup> May, 2017 by having the following members viz. Mr. Vinay Kumar Mittal and Mr. Anil Kumar Lamba.

On 26<sup>th</sup> July, 2017 the committee was reconstituted again by having the following members Mr. Vinay Kumar Mittal and Ms. Ambika Chowdhary.

The Stakeholders Relationship Committee consists of two Directors viz. Mr. Vinay Kumar Mittal & Ms. Ambika Chowdhary. This committee oversees and reviews all matters connected with redressal of Investor Grievances and complaints. The transfer of shares is undertaken by M/s Alankit Assignments Limited 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, 9<sup>th</sup> November 2017 and 14<sup>th</sup> February 2018 and was attended by members as under:

Name of Members	Position	Category	No. of meetings held	No. of meetings attended
Mr. Vinay Kumar Mittal	Member	Executive Director	4	4
Mr. Anil Kumar Lamba*	Member	Non-Executive Independent Director	4	1
Ms. Ambika Chowdhary**	Member	Non-Executive Independent Director	4	3

\* Mr. Anil Kumar Lamba was appointed as a Member w.e.f 24.05.2017 in the Board Meeting.\* Mr. Anil Kumar Lamba ceased to be a member w.e.f. 06.06.2017.

\*\* Ms. Ambika Chowdhary was appointed as a Member w.e.f 26.07.2017 in the Board Meeting.

## I COMPLIANCE OFFICER

Ms. Nidhi Dhawan acts as the Compliance Officer of the Company for complying with the requirements of the Listing Regulations and requirements of Securities laws, including SEBI (Prohibition of Insider Trading) Regulations, 2015.

### Terms of reference

This Committee has been formed with a view to undertake the following: -

- Approval of transfer/transmission of shares/debentures issued by the Company, issue of duplicate certificates and certificates after split/consolidation/replacement.
- Looking into the redressal of shareholders' and investors' complaints and other areas of investor services.

### Details of Complaints received and redressed during the year 2017-18:

Opening Balance as 01.04.2017	No. of Complaint Received during the year	No. of Complaints Resolved during the year	No. of Complaints Pending as on 31.03.2018
Nil	10	10	Nil

## 7. SUBSIDIARY COMPANY

As on 31<sup>st</sup> March, 2018, the Company is having 'Century 21 Properties(India) Private Limited' as Subsidiary Company and 'Alchemist Hills Resorts Private Limited' as Wholly Owned Subsidiary.

## 8. 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.

## 9. CERTIFICATE ON CORPORATE GOVERNANCE:

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

## 10. GENERAL BODY MEETINGS:

- **Details of Last three Annual General Meeting:**

Year	Date and Time	Venue
2014-2015	24 <sup>th</sup> September, 2015 at 10.00 A.M.	The Orient Club, 9 Chowpatty Sea Face, Mumbai-400007
2015-2016	23 <sup>rd</sup> September, 2016 at 10.00 A.M.	The Orient Club, 9 Chowpatty Sea Face, Mumbai-400007
2016-2017	22 <sup>nd</sup> September, 2017 at 10.00 A.M.	The Orient Club, 9 Chowpatty Sea Face Mumbai-400007

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

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

- **Details of special resolution passed through postal ballot:**

No resolution passed through postal ballot during the Financial year 2017-18.

## 11. DISCLOSURES:

During the year under review:

- There are no Materially significant related party transactions that have potential conflict with the interest of the company. The disclosure of all related party transactions are set out in the notes forming part of the Financial Statement. The Policy framed by your Company on dealing with Related Party Transactions is posted on Company's website at [www.alchemistrealty.com](http://www.alchemistrealty.com).
- Niether there were any non-compliances nor any penalties or strictures have been imposed on your company by the Stock Exchange or SEBI or any statutory authority on any matter related to capital market during the last three years.
- The Company has established a Vigil Mechanism, 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 personnel and the same is posted on the website of the Company.
- V. The financial statements have been made in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) so as to represent a true and fair view of the state of affairs of the Company.
- VI. All mandatory requirements as per SEBI (LODR) Regulation, 2015 have been complied with by the Company.
- VII. All the policy as mandatry under SEBI (LODR) Regulation, 2015 are available on the website of the Company i.e [www.alchemistrealty.com/Investors](http://www.alchemistrealty.com/Investors).

## **12. Compliance with the Mandatory Requirements of the Listing Regulations**

The Board of Directors periodically review the compliance of all applicable laws. The Company has complied with all the mandatory requirements of the Code of Corporate Governance as specified in Regulation 17 to 27 and Clauses (b) to (i) of sub regulation (2) of Regulation 46 of the Listing Regulations. It has obtained a certiúcate aúrming the compliances from CS Puneet, Practicing Company Secretary and the same is attached to this Report.

### **Reconciliation of Share Capital Audit**

As stipulated by SEBI, a qualified Company Secretary in practice conducts the Reconciliation of Share Capital Audit of the Company for the purpose of reconciliation of total admitted capital with the depositories, i.e. NSDL and CDSL, and the total issued and listed capital of the Company.

The Company Secretary in Practice conducts such audit in every quarter and issues a Reconciliation of Share Capital Audit Certificate to this effect to the Company. A copy of such audit report is submitted to the Stock Exchanges, where the Company's shares are listed and is also placed before the Board.

### **E-voting**

To widen the participation of shareholders in Company decisions pursuant to provisions of Section 108 of Companies Act, 2013 read with Rule 20 of The Companies (Management and Administration) Rules, 2014 as amended, the Company has provided e-voting facility to its shareholders, in respect of all shareholders' resolutions to be passed at general meeting.

### **Register E-mail Address**

To contribute towards greener environment, the Company proposes to send documents like shareholders meeting notice/other notices, audited financial statements, Director's report, auditors' report or any other document, to members in electronic form at the e-mail address provided by them and/or available to the Company by the Depositories.

Members who have not yet registered their e-mail address (including those who wish to change their already registered e-mail address) may get the same registered/updated either with their depository participants or by writing to the Company.

### **Auditors**

Soin Associates, Chartered Accountants.

### **Secretarial Auditors**

CS Puneet , Practicing Company Secretary

### **Policy to prevent and deal with sexual harassment**

The Company is an equal employment opportunity employer and is committed to creating a healthy and productive work environment that enables employees to work without fear of prejudice, gender bias and sexual harassment. The Company believes that an act of sexual harassment results in the violation of the fundamental rights of a woman. Such acts violate her right to equality, right to life and to live with dignity and right to practice any profession or to carry on any occupation, trade or business, which also includes a right to have a safe and healthy work environment free from sexual harassment.

In keeping with its belief and in terms of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rule thereof, the Company adopts the policy to prevent and deal with sexual harassment of women at the workplace. The Company is committed to provide to all women, who are present at the workplace a work environment free from sexual harassment, intimidation and exploitation.

### **Disclosures with respect to demat suspense account/unclaimed suspense account**

There was no shares lying in demat suspense account or unclaimed suspense account. Hence no disclosures with respect to demat suspense account/unclaimed suspense account required to be disclosed in this report.

### **Code for Prevention of Insider Trading**

The Company has adopted a Code of Conduct to regulate, monitor and report trading by insiders under the SEBI(Prohibition of Insider Trading) Regulations, 2015. This Code of Conduct also includes code for practices and procedures for fair disclosure of unpublished price sensitive information and has been made available on the Company's website at <http://www.alchemistrealty.com/investors/>.

**13. MEANS OF COMMUNICATION:**

The Quarterly, half-yearly and annual results of the Company are sent to the Stock Exchange(s) in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are published in the newspapers namely The Financial Express & Aapla Mahanagar, Mumbai.

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: Financial Express Vernacular: Aapla Mahanagar, Marathi Lakshadweep (Marathi)
iv)	Website where displayed	Website of BSE as well as website of the Company i.e. <a href="http://www.bseindia.com">www.bseindia.com</a> , <a href="http://www.alchemistrealty.com">www.alchemistrealty.com</a>
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 Report is part of Annual Report?	Yes

**14. GENERAL SHAREHOLDER'S INFORMATION:**

i	AGM Date, Time & Venue	25 <sup>th</sup> September, 2018 at 2.00 pm at Paharpur Business Centre, Nehru Place Greens, New Delhi-110019
ii	Financial Calendar 2018-19 Results for the Quarter ending: a) 30 <sup>th</sup> June, 2018 b) 30 <sup>th</sup> September, 2018 c) 31 <sup>st</sup> December, 2018 d) 31 <sup>st</sup> March, 2019/Audited Yearly Results	On or before 14 <sup>th</sup> day of 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	Book Closure Date	19 <sup>th</sup> September 2018, to 25 <sup>th</sup> September, 2018
iv	Dividend Payment Date	N.A.
v	Listing on Stock Exchange	BSE Limited 1 <sup>st</sup> Floor, Phiroze, Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 Note: Your Company has already paid the Listing fees to the Stock Exchange for the F.Y. 2018-19
vi	Stock Code ISIN Number	532114 INE646D01024
vii	Market Price Data	As per Table -I below (Figure-1) & (Figure-2)
viii	Distribution of Shareholdings	As per Table-II below (Figure-3) & (Figure-4), (Figure-5) & (Figure-6)
ix	Category of Shareholders	As per Table-III below (Figure-7) & (Figure-8)
x	Registrar and Share Transfer Agent	M/s Alankit Assignments Limited 1E/13 Jhandewalan Extension, New Delhi-110055 Ph. No. 91-11-4254 1234 Fax + 91-11-4254 1201, +91-11-2355 2001 Website : <a href="http://www.alankit.com">www.alankit.com</a>
xi	Share Transfer System	All Shares transfers are handled by Registrar and Share Transfer Agents. Share sent for transfer are registered and returned in approximately 15 to 20 days from the date of receipt of documents, if the documents are complete in all respects.
Xii	Dematerialisation of shares and Liquidity	As on 31.03.2018, 74075682 Equity Shares of the company (99.966% of the total issued capital) were held in Dematerialized Form and 25318 Equity Shares (0.034% of total issued capital) were held in physical form.

## ALCHEMIST REALTY LIMITED

xiii	Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity.	Not Applicable
xiv	Commodity price risk or foreign exchange risk and hedging activities	The Company is subject to commodity price risk like any other industry. Moreover, since the Company procures all the input commodities used in the production of goods and generation of services from third parties, it is all the more subject to risk and rewards of price variations. The Company is, to a certain extent, able to manage the risks of adverse price movements by giving all inclusive construction contracts, with a built in mechanism for moderation of any substantial price movement of key components of the contract. In respect of contract for finishing material and façade items, the commodity/ hedging market for these items is not fully developed and the Company keeps on evaluating on continuous basis opportunities for price risk minimisations. In respect of inward remittances from eligible overseas buyers of the residential units constructed by the Company and recipient of services from Hotel, all billing is in INR and hence the Company is immune to foreign exchange risk on this account.
XV	Plant locations	The Company does not have any plants.
XVI	Address for Correspondence	Regd. Office: Building No. 23, Nehru Place, New Delhi-110019 Tel: 011-40600800, Fax: 011-40600888 Email id- <a href="mailto:investors.realty@alchemist.co.in">investors.realty@alchemist.co.in</a> w.e.f 21.05.2017

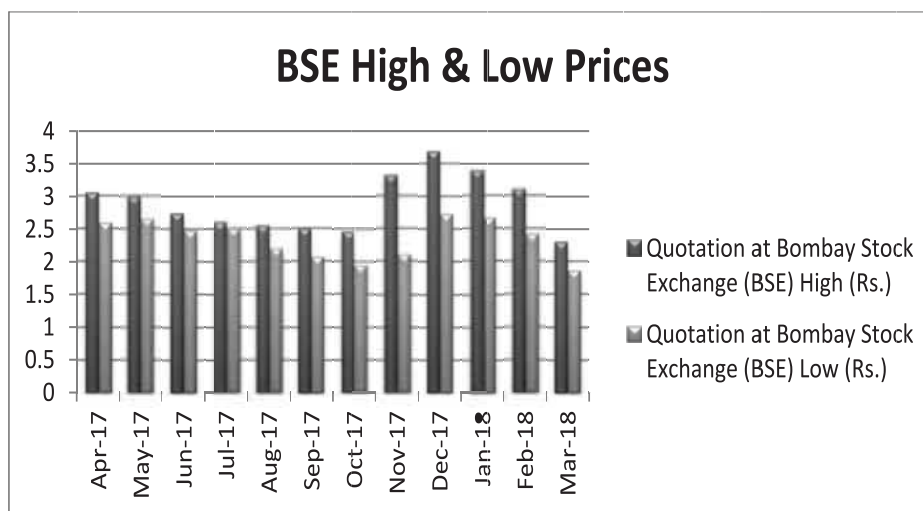
**TABLE-I**

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

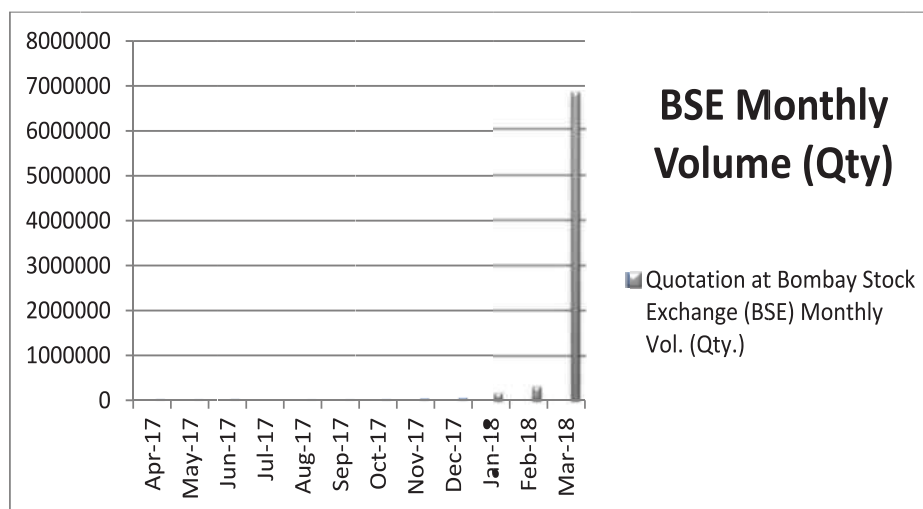
Month	Quotation at Bombay Stock Exchange (BSE)		
	High (₹)	Low (₹)	Monthly Vol. (Qty.)
April-17	3.05	2.59	15,131
May-17	2.99	2.65	7,500
Jun-17	2.74	2.48	16,499
Jul-17	2.60	2.50	2201
Aug-17	2.55	2.20	5,470
Sep-17	2.50	2.07	8,795
Oct-17	2.46	1.95	20,474
Nov-17	3.32	2.10	44,738
Dec-17	3.69	2.73	55,799
Jan-18	3.39	2.66	1,78,171
Feb-18	3.10	2.42	3,26,609
Mar-18	2.30	1.86	68,22,161

Present Face Value of Equity Shares is ₹ 2/- each

(Figure-1)



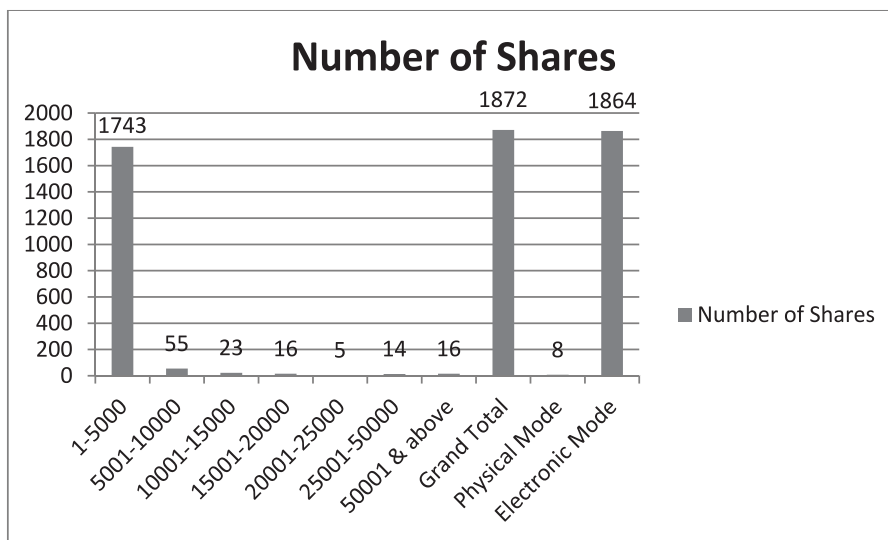
(Figure-2)


**TABLE-II**
**DISTRIBUTION OF SHAREHOLDING AS ON 31<sup>ST</sup> MARCH, 2018:**

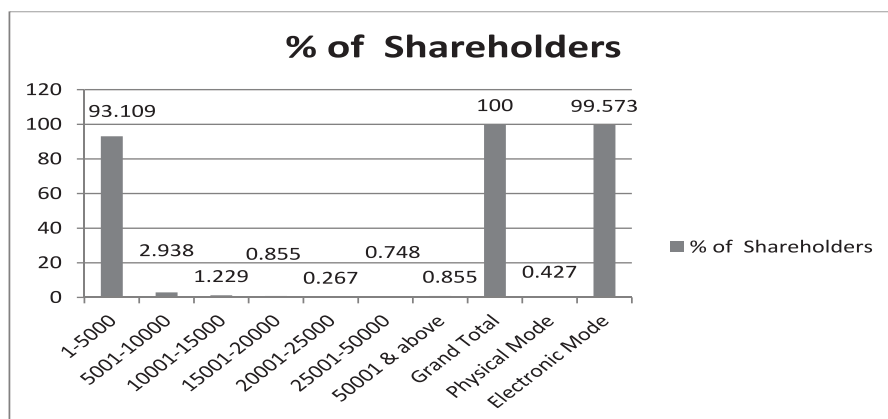
No. of Equity Shares	Number of shareholders	% of shareholders	No. of Shares held	% of shareholding
1-5000	1743	93.109	1240535	1.674
5000-10000	55	2.938	432735	0.584
10001-15000	23	1.229	290951	0.393
15001-20000	16	0.855	281312	0.38
20001-25000	5	0.267	109088	0.147
25001-50000	14	0.748	498687	0.673
50001 & above	16	0.855	71247692	96.149
<b>Grand Total</b>	<b>1872</b>	<b>100</b>	<b>74101000</b>	<b>100</b>
<b>Physical Mode</b>	<b>8</b>	<b>0.427</b>	<b>25318</b>	<b>0.034</b>
<b>Electronic Mode</b>	<b>1864</b>	<b>99.572</b>	<b>74075682</b>	<b>99.966</b>



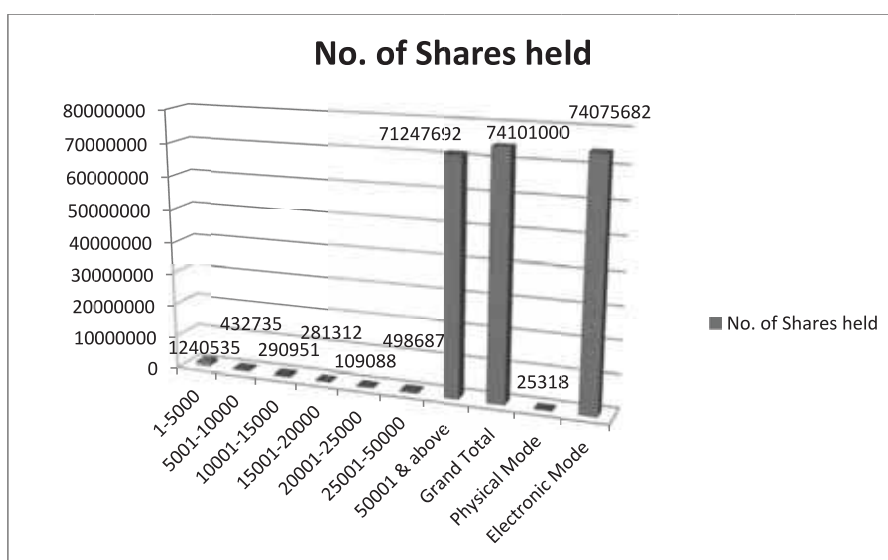
(Figure-3)



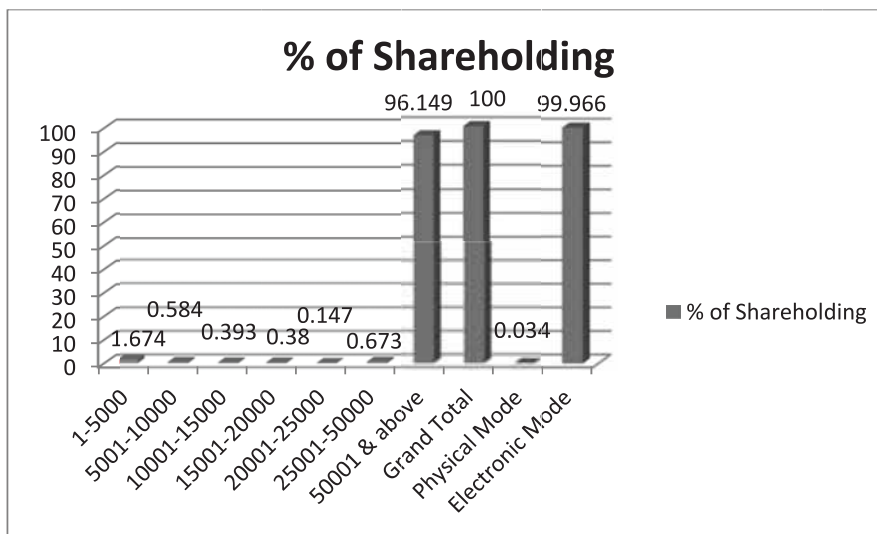
(Figure-4)



(Figure-5)



(Figure-6)

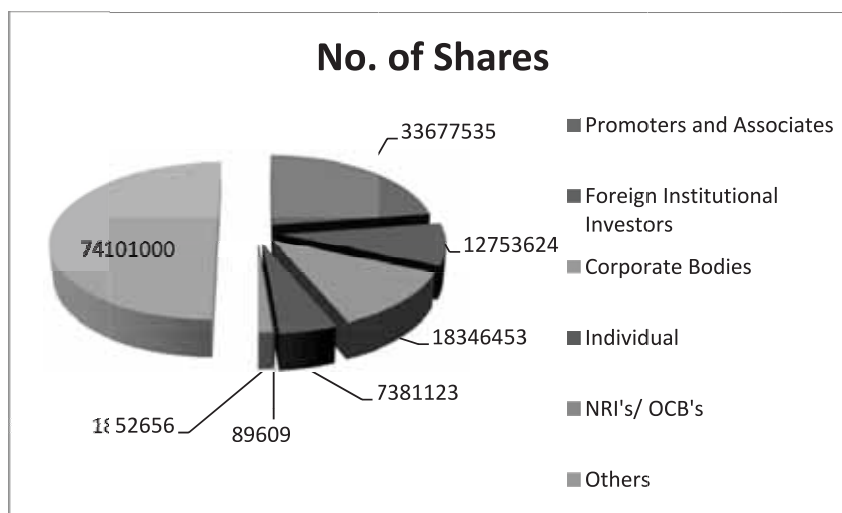


**TABLE-III**

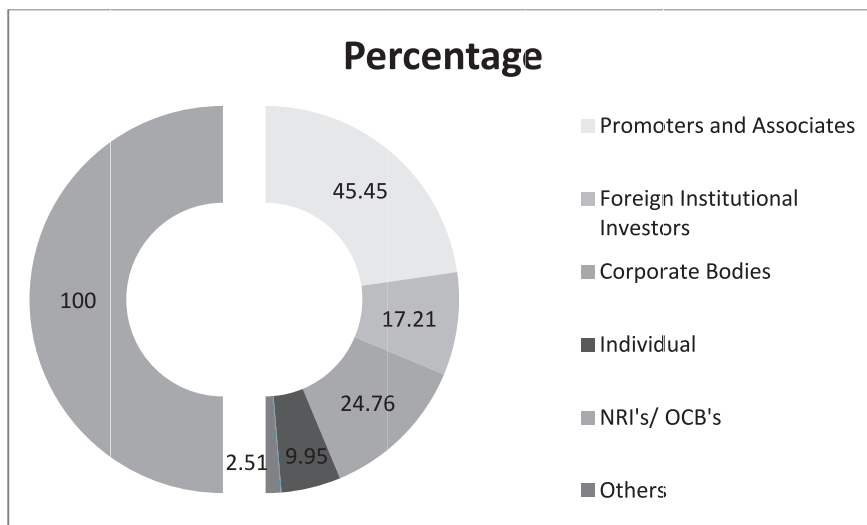
**CATEGORY OF SHAREHOLDERS AS ON 31<sup>ST</sup> MARCH, 2018:**

Category	No. of Shares	Percentage
Promoters and Associates	33677535	45.45
Foreign Institutional Investors	12753624	17.21
Corporate Bodies	18346453	24.76
Individual	7381123	9.95
NRI's/ OCB's	89609	0.12
Others	1852656	2.51
<b>Total</b>	<b>74101000</b>	<b>100</b>

(Figure-7)



(Figure-8)



Share Price Performance in comparison to broad based indices BSE Sensex for the financial year 2017-18.

For **ALCHEMIST REALTY LIMITED**

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

**Sd/-**  
**Maria Fernandes**  
(Director)  
DIN: 07134540

**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 REALTY LIMITED**

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

Date : 09.08.2018

Place : New Delhi

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**Chief Executive Officer (CEO) / Chief Financial Officer (CFO) Certification****Annexure-B**

We, Vinay Kumar Mittal, Managing Director and Suresh Kumar Bhardwaj, Chief Financial Officer of Alchemist Realty Limited, do hereby certify, that

- A. We have reviewed financial statements and the cash flow statement for the year ended on 31<sup>st</sup> March, 2018 and to the best of our knowledge and belief :
- i. These statements do not contain any materially untrue statement or omit any material fact nor do they contain results that might be misleading.
  - ii. These statements together present a true and fair view of the company's affairs and are in compliance with the existing accounting standards and/or applicable laws/regulations.
- B. There are, to the best of our 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. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee
- (1) significant changes in internal control over financial reporting during the year;
  - (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (3) 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.

For **ALCHEMIST REALTY LIMITED**

**Sd/-** **Sd/-**  
**Vinay Kumar Mittal** **Suresh Kumar Bhardwaj**  
**(Managing Director)** **(Chief Financial Officer)**  
**DIN: 00287042**

Date : 09.08.2018

Place : New Delhi

**CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE**

To  
The Members of  
**ALCHEMIST REALTY LIMITED**

We have examined the compliance of the conditions of Corporate Governance by Alchemist Realty Limited ('the Company') for the year ended on March 31, 2018, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations').

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with 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, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2018.

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

Date : 09.08.2018  
Place: New Delhi

**CS Puneet**  
**Practicing Company Secretary**  
**Membership Number:37426**  
**C.P. No. 14912**

**INDEPENDENT AUDITORS' REPORT**

To the Members of  
Alchemist Realty Limited.

**Report on the Financial Statements as per Ind AS**

We have audited the accompanying Standalone Financial Statements of Alchemist Realty Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting principles generally accepted in India, including the Indian Accounting Standard Ind AS specified under Section 133 of the Act, read with the provision of the Companies (Accounts) Rules, 2014. This responsibility includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentations of the financial statements that give a true and fair view and 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 Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

**Basis of Qualified Opinion**

- a) Attention is invited to Note No 10 of the financial statements Trade receivables amounting to ₹ 15205.27 Lakhs out of which export debtors for merchant trade transaction are ₹ 14902.25 Lakhs and other receivables are ₹ 303.00 Lakhs which are outstanding for more than six months from the date they become due from payment. 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.

***"These are long outstanding and we are unable to comment of the recoverability of the same for which no provision has been created for doubtful trade receivables."***

***The loss to that extent is under stated and similarly the receivables, the effect however could not be quantified.***

**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 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 March 31, 2018 and its loss and its Cash Flow for the year ended on that date.

**Emphasis of the Matter**

- a. Attention is invited to Note No 5, 5.1 and 5.2 of the financial statements wherein amount of ₹ 6089.62 Lakhs has been shown under the head of **long term advances**, "out of which ₹ 1249.40 Lakhs has been given to various parties and

the matter is Sub-Judice in various courts for acquiring properties and advances amounting to ₹ 1842.97 Lakhs given to various other parties but the sale deeds for properties has not been executed so far in favor of the Company". These advances have been considered as good by the management of the Company. It is relevant to point out that these are material advances and are pending since long, more than three years, and the management has not made any provision for the same.

Attention is also invited to Note No 5.3 of the financial statements for amount shown under the head "**long term advance** ₹ 1887.92 Lakhs given to various parties on account of franchisee fee and other expenses for acquiring rights of Realogy Corpn. Inc. USA for their brand (Century 21) which is recoverable from its Subsidiary Century 21 Properties (India) Pvt. Ltd as and when the rights will be transferred to it". It is relevant to note that the amount has been advanced since long and rights have not been transferred so far.

- b. We draw attention to Note 5.4, the Company has advanced as loan a sum of ₹ 952.83 Lakhs to two parties as interest free unsecured loan, the same is in violation of Sub Section 7 of Section 186 of the Companies Act 2013. This Sub Section requires the "No loans shall be given under this section at a rate lower than the prevailing yield of one year, three year, five year or ten year Government Security closest to the tenure of the loan.

Our opinion is not modified in respect of these matters.

#### **Report on Other Legal and Regulatory Requirement's**

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 the paragraph 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 purpose of our audit;
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) Except for the effects of the matter described in the basis for Qualified opinion paragraph above, in our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards (Ind As) specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e) ***The matters described in the basis for Qualified Opinion paragraph and Emphasis of matter paragraph above, in our opinion, can adversely affect the functioning of the Company.***
  - f) On the basis of written representations received from the Directors as on March 31, 2018, and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2018, from being appointed as a Director in terms of Section 164(2) of the Companies Act, 2013.
  - 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 control, refer to our separate report in Annexure "B and
  - i) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of Companies (Audit and Auditors) Rules, 2014 in our opinion and to the best of our information and according to explanations given to us:
    - i. The Company has not disclosed the impact of pending litigations in its financial statements with respect to suits on or by the Company in respect of suits filed by the company for acquisition of properties or recovery of advances as referred to in Note 5.1 and 5.2 of the 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 no amounts which required to be transferred, to the Investor Education and Protection Fund by the Company.

**FOR SOIN ASSOCIATES  
CHARTERED ACCOUNTANTS  
Firm Regn. No. 010637N**

**Sd/-  
Paramjit Singh  
Prop.**

**Place : New Delhi  
Dated : 21/05/2018**

**Membership No.086047**

**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:

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.  
(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.  
(c) In our opinion and according to the information and explanations given to us, the Company does not have any immovable properties in its name. Therefore para 3 (1) (c) are not applicable
2. As explained to us, inventories have been physically verified during the year by the management at reasonable intervals and no material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. According to information and explanations given to us, the Company has granted unsecured loan to two Subsidiary Company, i.e. Alchemist Hill Resorts Private Limited and Century 21 Properties India Private Limited (party covered under Section 189 of the companies Act, 2013) amounting to ₹ 952.83 Lakhs.
  - a) The terms and conditions on which these loans have been given appears to be prejudicial to the interest of the Company as the loans are not carrying any interest .
  - b) No Schedule for repayment of principal and interest has been stipulated, however it has been informed to us that these loans have been given in accordance with the agreement, which intra-alia provides these loans are interest free in lieu of option to convert them into equity shares at valuations which will compensate the Company for the interest component. In such circumstances we are unable to comment whether the receipt of principle and interest is regular.
  - c) We are unable to comment on the overdue amount of principle and interest more than ninety days as loans have been given to companies on mutual inter-alia agreements as informed to us, however necessary documents, terms and conditions on which loans have been given have not been made available to us.
4. The Company has not given any loans to Directors or to any other persons in whom the Director is interested or given any guarantee or provided any security in connection with any loan taken by him or such person as covered under Section 185 of the Companies act 2013, however the Company has given loan to Subsidiaries a sum of ₹ 952.83 Lakhs as interest free unsecured loan, the same is in violation of Sub Section (7) of Section 186 of the Companies Act 2013.
5. 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.
6. The Company is not required to maintain cost records as specified by the Central Government under Sub Section (1) of Section 148 of the Act. Therefore, the provisions of para 3(vi) of the Order is not applicable to the Company.
7. (a) Based on our audit procedures and on the information and explanations given by the management, and on the basis of our examination of records of the Company amount deducted/accrued in the books of accounts in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and any other statutory dues, required to be deposited have been deposited with some delays.  
According to the information and explanation given to us, no undisputed amount payable in respect of provident fund, income tax, service tax, cess of other material dues we in arrears as at 31<sup>st</sup> March 2018 for a period of more than six months from the date they become payable.  
(b) Based on our audit procedures and on the information and explanations given by the management, there are no dues outstanding in respect of Income Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess or any other Statutory dues, to be deposited on account of any dispute.
8. The Company has not obtained loans during the year and neither any dues/loans were outstanding from financial institution, bank, Government or debenture holders, therefore, the provisions of para 3(viii) of the Order is not applicable to the Company.
9. 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.
10. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.



11. The Company has paid any managerial remuneration during the financial year ending 31<sup>st</sup> March 2018, however the Company has sought the necessary approval and mandated as per the provisions of Section 197 read with schedule V of the Companies Act 2013.
12. 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.
13. 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.
14. 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.
15. 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.
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

**FOR SOIN ASSOCIATES  
CHARTERED ACCOUNTANTS  
Firm Regn. No. 010637N**

**Sd/-  
Paramjit Singh  
Prop.**

**Place : New Delhi  
Dated : 21/05/2018**

**Membership No.086047**

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### **Annexure - B to the 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 Realty 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 Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on

the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

**Meaning of Internal Financial Controls over Financial Reporting**

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

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 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 SOIN ASSOCIATES  
CHARTERED ACCOUNTANTS  
Firm Regn. No. 010637N**

**Place : New Delhi  
Dated : 21/05/2018**

**Sd/-  
Paramjit Singh  
Prop.  
Membership No.086047**

# ALCHEMIST REALTY 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>(1) Non-current assets</b>				
(a) Property, Plant and Equipment	3	40.93	44.76	50.68
(b) Financial Assets				
(i) Investments	4	349.19	349.07	349.07
(ii) Trade receivables		-	-	-
(iii) Loans	5	6,089.62	6,058.98	5,999.97
(iv) Others (to be specified)	6	1.56	4.30	3.90
(v) Deferred tax assets (net)	7	14.41	17.93	20.26
(c) Other non-current assets	8	30.61	29.60	88.81
		<b>6,526.32</b>	<b>6,504.64</b>	<b>6,512.71</b>
<b>(2) Current assets</b>				
(a) Inventories	9	11,983.58	11,779.53	11,543.41
(b) Financial Assets		-	-	-
(i) Investments		-	-	-
(ii) Trade receivables	10	15,205.27	15,158.58	15,500.54
(iii) Cash and cash equivalents	11	3.57	2.34	4.32
(iv) Bank balances other than (iii) above		-	-	-
(v) Loans	12	0.01	0.58	0.54
(vi) Others (to be specified)	13	9.67	9.74	0.27
(c) Current Tax Assets (Net)		-	-	-
(d) Other current assets		-	-	-
		<b>27,202.10</b>	<b>26,950.77</b>	<b>27,049.08</b>
<b>Total Assets</b>		<b>33,728.42</b>	<b>33,455.41</b>	<b>33,561.80</b>
<b>EQUITY AND LIABILITIES</b>				
<b>(1) Equity</b>				
(a) Equity Share capital	14	1,482.02	1,482.02	1,482.02
(b) Other Equity	15	645.13	934.25	1,714.19
		<b>2,127.15</b>	<b>2,416.27</b>	<b>3,196.21</b>
<b>(2) Non-current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	16	30,988.36	30,478.22	29,807.31
(ii) Trade Payable (to be specified)		-	-	-
(b) Provisions	17	16.06	19.72	15.21
(c) Deferred tax liabilities (net)		-	-	-
(d) Other non-current liabilities		-	-	-
		<b>31,004.42</b>	<b>30,497.94</b>	<b>29,822.52</b>
<b>(3) Current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings				
(ii) Trade Payables	18	391.79	380.98	392.27
(iii) Other financial liabilities (other than those specified in item (c))		-	-	-
(b) Other current liabilities	19	205.06	160.22	150.80
(c) Provisions		-	-	-
(d) Current tax liabilities (net)		-	-	-
		<b>596.85</b>	<b>541.20</b>	<b>543.07</b>
<b>Total Equity and Liabilities</b>		<b>33,728.42</b>	<b>33,455.41</b>	<b>33,561.80</b>

Significant Accounting Policies & Notes on Financial Statements

1 to 42

As per our report of even date attached.

**For SOIN ASSOCIATES**  
Chartered Accountants  
(Firm Regn. No. 010637N)

Sd/-  
Paramjit Soin  
(Prop.)  
Membership No. 086047  
Place : New Delhi  
Dated : 21.05.2018

For and on behalf of the Board

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

Sd/-  
Maria Fernandes  
(Director)  
DIN: 07134540

Sd/-  
Suresh Kumar Bhardwaj  
(CFO)

Sd/-  
Nidhi Dhawan  
(Company Secretary)

# ALCHEMIST REALTY LIMITED

## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2018

		(₹ in Lakhs)	
PARTICULARS	NOTES	Year ended 31 <sup>st</sup> March, 2018	Year ended 31 <sup>st</sup> March, 2017
I	Revenue from Operations	-	44.68
II	Other income	47.16	(342.31)
III	<b>Total Income</b>	<b>47.16</b>	<b>(297.63)</b>
IV	<b>EXPENSES</b>		
	Cost of material consumed	-	44.68
	Purchase of Stock-in-Trade	-	-
	Change in inventories of finished goods, stock-in-trade and work-in-progress		
	Employee-benefits expenses	227.99	250.16
	Finance costs	0.08	0.03
	Depreciation and amortization expenses	3.83	5.93
	Other expenses	106.47	177.18
	<b>Total expenses</b>	<b>338.36</b>	<b>477.98</b>
V	<b>Profit/ (Loss) before Exceptional Items &amp; Tax (I-IV)</b>	<b>(291.20)</b>	<b>(775.61)</b>
VI	<b>Exceptional Items</b>	-	-
VII	<b>Profit/(Loss) Before Tax (V-VI)</b>	(291.20)	(775.61)
VIII	<b>Tax expense</b>		
	(1) Current Tax	-	-
	(2) Deferred tax	2.06	2.34
IX	<b>Profit/(Loss) for the period from continuing operatiozns (VII-VIII)</b>	(293.26)	(777.94)
X	<b>Profit/(Loss) for the period from discontinued operations</b>	-	-
XI	<b>Tax expense of discontinued operations</b>	-	-
XII	<b>Profit/(Loss) for the period from discontinuing operations after tax (X-XI)</b>	-	-
XIII	<b>Profit/(Loss) for the period (IX+XII)</b>	<b>(293.26)</b>	<b>(777.94)</b>
XIV	<b>Other comprehensive Income</b>		
A	(i) Items that will not be reclassified to profit or loss	5.59	(1.99)
	(ii) Income tax realting to items that will not be reclassified to profit or loss	(1.45)	-
B	(i) Items that will be reclassified to profit or loss	-	-
	(ii) Income tax realting to items that will be reclassified to profit or loss	-	-
XV	<b>Total compehensive income for the period (XIII+XIV)</b>	<b>(289.12)</b>	<b>(779.94)</b>
	(Comprising Profit (Loss) and Other Comprehensive Income for the period)		
XVI	<b>Earning per equity share (from continuing operation)</b>		
	Amount in ₹		
	(1) Basic	(0.40)	(1.05)
	(2) Diluted	(0.40)	(1.05)
XVII	<b>Earning per equity share (from discontinued operation)</b>		
	Amount in ₹		
	(1) Basic	-	-
	(2) Diluted	-	-
XVIII	<b>Earning per equity share</b>		
	(from discontinued and continuing operation)		
	(Amount in ₹)		
	(1) Basic	(0.40)	(1.05)
	(2) Diluted	(0.40)	(1.05)

Significant Accounting Policies & Notes on Financial Statements 1 to 42

As per our report of even date attached.

For and on behalf of the Board

**For SOIN ASSOCIATES**  
Chartered Accountants  
(Firm Regn. No. 010637N)

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

Sd/-  
Maria Fernandes  
(Director)  
DIN: 07134540

Sd/-  
Paramjit Soin  
(Prop.)  
Membership No. 086047

Sd/-  
Suresh Kumar Bhardwaj  
(CFO)

Sd/-  
Nidhi Dhawan  
(Company Secretary)

Place : New Delhi  
Dated : 21.05.2018

# ALCHEMIST REALTY LIMITED

## STANDALONE STATEMENT OF CASH FLOW (PURSUANT TO INDAS-7) INDIRECT METHOD FOR THE YEAR ENDED MARCH 31, 2018

PARTICULARS	NOTE	(₹ in Lakhs)	
		Year ended 31 <sup>st</sup> March, 2018	Year ended 31 <sup>st</sup> March, 2017
<b>1. CASH FLOW FROM OPERATING ACTIVITIES</b>			
NET PROFIT AFTER TAX AND EXTRA ORDINARY ITEM		(289.12)	(779.94)
<b>Add:</b>			
Proposed Dividend		-	-
Tax on Dividend		-	-
Provision for Taxes		-	-
Depreciation		3.83	5.93
Miscellaneous Expenses Written Off		-	-
Financial Expenses		0.08	0.03
		<u>3.90</u>	<u>5.95</u>
<b>Less:</b>			
Deferred Tax Liability		(3.51)	(2.34)
Provision for Tax		-	-
Interest Received		0.08	0.04
		<u>(3.44)</u>	<u>(2.30)</u>
<b>Operating profit for working capital changes</b>		<u>(281.79)</u>	<u>(771.68)</u>
(Increase)/Decrease in Inventory		(204.05)	(236.12)
(Increase)/Decrease in Sundry Debtors		(46.69)	341.96
(Increase)/Decrease in Loans & Advances		(28.27)	(9.70)
Increase/(Decrease) in Trade Payables & Others		51.99	2.65
Cash Generated from/(used in) operating activities		(508.80)	(672.90)
Direct Taxes paid/deducted at source		-	-
<b>Net cash generated from/(used in) operating activities</b>	(A)	<u>(508.80)</u>	<u>(672.90)</u>
<b>2. CASH FLOW FROM INVESTING ACTIVITIES</b>			
Interest Received		0.08	0.04
Sales of Investment		(0.12)	0.00
Sale of Fixed Assets		-	-
<b>Net Cash from/(used in) Investing Activities</b>	(B)	<u>(0.04)</u>	<u>0.04</u>
<b>3. CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from Secured Loans		-	-
Proceeds from Unsecured Loans		510.14	670.91
Interest Paid		(0.08)	(0.03)
<b>Net Cash from/(used in) Financing Activities</b>	(C)	<u>510.06</u>	<u>670.88</u>
<b>4. NET INCREASE/(DECREASE) IN CASH &amp; CASH EQUIVALENTS (A)+(B)+(C)</b>		<u>1.23</u>	<u>(1.98)</u>
<b>5. CASH &amp; CASH EQUIVALENTS AS AT THE BEGINNING OF THE YEAR</b>		2.34	4.32
<b>6. CASH &amp; CASH EQUIVALENTS AS AT THE END OF THE YEAR</b>		<u>3.57</u>	<u>2.34</u>
Cash and Cash equivalents (Year end)		3.57	2.34
Balances with banks with restatement (including cc & od balances)		3.54	2.14
Cheque/Drafts in hand		-	-
Cash in Hand		0.02	0.20
<b>Reconciliation of Cash and Cash equivalents</b>			
Cash and Cash equivalents as per Balance Sheet		3.57	2.34
Balances with banks in CC Accounts		-	-
Balances with banks in OD Accounts		-	-
		<u>3.57</u>	<u>2.34</u>

As per our report of even date attached.

For SOIN ASSOCIATES  
Chartered Accountants  
(Firm Regn. No. 010637N)

Sd/-  
Paramjit Soin  
(Prop.)  
Membership No. 086047

Place : New Delhi  
Dated : 21.05.2018

For and on behalf of the Board

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

Sd/-  
Suresh Kumar Bhardwaj  
(CFO)

Sd/-  
Maria Fernandes  
(Director)  
DIN: 07134540

Sd/-  
Nidhi Dhawan  
(Company Secretary)

**Auditor's Certificate**

We have examined the attached cash flow statement of Alchemist Realty Limited for the year ended 31<sup>st</sup> March, 2018. The Statement has been prepared by the Company in accordance with the requirement of the listing agreement Clause 32 with Stock Exchange and is based on and derived from the audited accounts of the Company for the year ended 31<sup>st</sup> March, 2018.

**For SOIN ASSOCIATES  
Chartered Accountants  
Firm Regn. No. 010637N**

**Place : New Delhi  
Dated : 21.05.2018**

**Sd/-  
Paramjit Soin  
Prop.  
Membership No. 086047**

**NOTES TO FINANCIAL STATEMENTS****Note No. 1****SIGNIFICANT ACCOUNTING POLICIES.- Year ended 31<sup>st</sup> March, 2018.****1. Company Information**

Alchemist Realty Limited (the Company) is a domestic Public Limited Company with Registered Office situated at Building No. 23, Nehru Place, New Delhi - 110019 and is listed on Bombay Stock Exchange Limited (BSE). The Company is operating in real estate segment.

**2. SIGNIFICANT ACCOUNTING POLICIES****2.1.1 Basis for preparation of accounts**

The accounts have been prepared in accordance with IND AS and Disclosures thereon comply with requirements of IND AS, stipulations contains in Schedule-III(revised) as applicable under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, MSMED Act, 2006, other pronouncement of ICAI, provisions of the Companies Act and Rules and guidelines issued by SEBI as applicable. Upto financial year ended on 31<sup>st</sup> March, 2017, the Company has prepared the accounts according to the previous GAAP. The financial statement for the year ended 31<sup>st</sup> March 2018 are the first to have been prepared in accordance IND AS. Opening Balance sheet as on 1<sup>st</sup> April, 2016 and 31<sup>st</sup> March, 2017 have been presented as comparatives. The transition was carried out retrospectively as on the transition date which is 1<sup>st</sup> April, 2016, and for any variation in the amounts represented in the comparative balance sheet vis-à-vis earlier presentation, reconciliation is given as part of notes.

Assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in revised Schedule-III to the Companies Act, 2013. These are Company's first Ind AS Financial Statements

**2.1.2 First time adoption of IND AS**

- a) Being first time adoption of IND AS, the Company has availed the following exemptions as granted under Appendix C&D of IND AS 101:-
- i) The Company is also not applying IND AS 21 towards effects of changes in foreign currency rates retrospectively to goodwill arising in business combinations that occurred before transition date.
  - ii) Carrying values for all of its Property, Plant and Equipment, Intangible assets and Investment property as at the date of transition to IND AS, measures as per previous GAAP have been treated as their deemed costs as at the date of transition.
  - iii) The cumulative translation difference at the date of transition is deemed to be zero being transferred to equity.
  - iv) Carrying value for all of its investment in Subsidiaries, Joint Ventures, and Associates as at the date of transition to IND AS, measured as per previous GAAP are treated as their deemed costs as at the date of transition.

**2.1.3 Use of Estimates**

The presentation of financial statements are in conformity with the Indian Accounting standards IND AS requires the management to make certain estimates and assumptions that effect the reported amounts of assets and liabilities (including Contingent liabilities) and the reported income and expenses during the year. The management believes that the estimates used in preparation of financial statements are prudent and reasonable. Further the results could differ due to the estimates and difference between the actual results and the estimates are recognized in the periods in which the results are known/materialised.

**2.1.4 Current and Non-current Classification**

All assets and liabilities has been classified as current or non-current as per the Company normal operating cycle and other criteria set out in the Schedule III of the Companies Act 2013. Based on the nature of activities and time between the activities performed and their subsequent realization in cash or cash equivalents. The Company has ascertained its operating cycle of 12 months for the purpose of current/non-current classification of assets and liabilities.

**2.1.5 Recognition of Income and Expenses**

- a) Sales have been recognized with the transfer of significant risk and rewards of ownership of the goods, with the Company losing effective control or the right to managerial involvement thereon and the revenue (representing future economic benefit associated with the transaction) including cost incurred or to be incurred in respect of the transaction are measurable reliably and the recovery of the consideration is probable

- b) Revenue from services are recognized in proportion to the stage of completion of transaction at the end of reporting report and cost incurred in the transaction including same to complete transaction and revenue(representing economic benefit associated with the transaction) can be measured reliably.
- c) Sales are measured at the fair value of consideration received or receivable. Sales recognized is net of Sales Tax, Service Tax, VAT intermediary sales, rebates and discounts but gross of excise duty.
- d) Other incomes have been recognized on accrual basis in financial statements except for cash flow information.

#### **2.1.6. Property, Plants and Equipment's**

These tangibles assets are held for use in supply of goods or services or for administrative purposes. These are recognized and carried under cost model i.e. cost less accumulated depreciation and impairment loss, if any which is akin to recognition criteria under the erstwhile GAAP.

- a) Cost includes freight, duties, taxes and other expenses directly incidental to acquisition, bringing the asset to the location and installation including site restoration after the time when the asset is ready for intended use.
- b) Depreciation has been provided on straight line method in terms of expected life span of assets as referred to in Schedule II of the Companies Act, 2013. In the following category of property plant and equipment, the depreciation has been provided on the technical evaluation of the useful life which is different from the one specified in Schedule II of the Companies Act, 2013.

Buildings	-	3 to 60 Years
Plant and Machinery	-	3 to 15 Years
Furniture and Fixtures	-	5 to 10 Years
Office Equipment's	-	5 to 10Years
Vehicles	-	5 to 8 Years

The residual value and useful life is reviewed annually and any deviation is accounted for as a change in estimate.

- c) Components relevant to fixed assets, where significant, are separately depreciated on straight line basis in terms of their life span assessed by technical evaluation in item specific context.
- d) During sale of fixed assets any profit earned/loss sustained towards excess/shortfall of sale value vis-à-vis carrying cost of assets is accounted for in statement of Profit & Loss.

#### **2.1.7 Financial Instrument**

##### **i) Financial Assets**

###### **Initial Recognition and Measurement**

All financial assets are recognized initially 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.

Financial assets are classified at initial recognition, as financial assets are measured at fair value or as financial asset measured at amortized cost.

###### **Investment in Associate, Joint Venture and Subsidiaries:**

The Company has accounted for its investment in Subsidiaries, Associates and Joint Ventures at cost.

###### **Impairment of financial assets:**

The Company assesses impairment based on Expected Credit Losses (ECL) model at an amount equal to:

- 12 months expected credit losses or,
- Lifetime expected credit losses

Depending upon whether there has been a significant increase in credit risk since initial recognition.

However for trade receivables, the Company does not track the changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

##### **ii) Financial Liabilities**

All Financial liabilities are initially recognized at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial liabilities are classified as measured at amortized cost or Fair Value Through Profit and Loss(FVTPL). A financial liability is classified as FVTPL if it is classified as held for trading, or it is a derivative or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gain or losses, including any interest expense, are recognized in statement of profit and loss. Other financial



liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in statement of profit and loss. Any gain or loss on de-recognition is also recognized in statement of profit and loss.

#### **2.1.8 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:

1. In the principal market for the asset or liability, or
2. 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 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 Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized 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) market 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

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's Valuation Committee determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

#### **2.1.9 Inventories**

Inventories are valued at the lower of cost or net realizable value. Cost includes purchase price, duties, transport & handing costs and other costs directly attributable to the acquisition and bringing the inventories to their present location and condition.

#### **2.1.10 Employees Benefits**

Liabilities in respect of employee benefits to employees are provided for as follows:

- a) Short-term employees benefits
  - i) Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related services are recognized in respect of employees services upto the end of the reporting period and are measured at the amounts expected to be incurred when the liabilities are settled. The liabilities are presented as current employees benefit obligations in the balance sheet.
  - ii) ESI is provided on the basis of actual liability accrued and paid to authorities.
- b) Long-term employees benefit Plan

The Company has a policy on compensated absences which are both accumulating and non-accumulated in nature. The expected cost of accumulated compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non- accumulating compensated absences is recognized in the period in which the absences occur.

c) Post Separation Employee Benefit Plan

**Defined Benefit Plan**

- i) Post separation benefits of Directors on the basis of actuarial valuation as per IND AS-19.
- ii) Gratuity Liability on the basis of actuarial valuation as per IND AS-19. Liability recognized in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the end of each reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method. The present value of defined benefit is determined by discounting the estimated future cash outflows by reference to market yield at the end of each reporting period on government bonds that have terms approximate to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.
- iii) Actuarial gain/loss pertaining to i & ii above and other components of re-measurement of net defined benefit liability (asset) are accounted for as OCI. All remaining components of costs are accounted for in statement of profit & loss.
- iv) Company contributes its share of contribution to Employees Provident Fund Scheme administered by Central Government.

**2.1.11 Provisions, Contingent Liability and Contingent Assets**

Disputed liabilities and claims against the Company including claims raised by fiscal authorities (e.g Sales Tax, Income Tax, Excise etc.) pending in appeal/court for which no reliable estimate can be made and or involves uncertainty of the outcome of the amount of the obligation or which are remotely poised for crystallization are not provided for in accounts but disclosed in notes to accounts.

However, present obligation as a result of past event with possibility of outflow of resources, when reliable estimation can be made of the amount of obligation, is recognized in accounts in terms of discounted value, if the time value of money is material using a current pre-tax rate that reflects the risk specific to the liability.

No contingent asset is recognized nor disclosed by way of notes to accounts.

**2.1.12 Foreign Currency Translation/Transactions and Treatment**

The Company's financial statements are presented in INR, which is also the Company's functional currency.

- a) Transactions in foreign currencies are recognized at rate of overseas currency ruling on the date of transactions. Gain/Loss arising on account of rise or fall in overseas currencies vis-à-vis functional currency between the date of transaction and that of payment is charged to Statement of Profit & Loss.
- b) Monetary Assets in foreign currencies are translated into functional currency at the exchange rate ruling at the Reporting Date and the resultant gain or loss, is accounted for in the Statement of Profit & Loss

**2.1.13 Operating Segments**

The Chief operational decision maker monitors the operating results of its business segment separately for the purpose of making decisions about resources allocation and performances assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the financial statements.

The Operating segments have been identified on the basis of the nature of products/services.

- a) Segment revenue includes sales and other income directly identifiable with the segment including intersegment revenue.
- b) 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.
- c) Income which relates to the Group as a whole and not allocable to segments is included in unallocable income.
- d) Segment result includes margins on inter-segment and sales which are reduced in arriving at the profit before tax of the Group.
- e) Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable assets and liabilities represent the assets and liabilities that relate to the Group as a whole and not allocable to any segment.

**2.1.14 Earnings Per Share**

Basic Earnings Per Share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

**2.1.15 Cash and Cash Equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**2.1.16 Income tax and Deferred tax**

The liability of the Company on account of Income tax is computed considering the provisions of Income Tax Act 1961

Deferred tax is provided using balance sheet approach on temporary difference at the reporting date as difference between the tax base and the carrying amount of assets and liabilities. Deferred tax is recognized subject to the probability that the taxable profits will be available against which the temporary differences can be reversed.

**2.1.17 Recent accounting Pronouncements****Standards issued but not yet effective**

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notify amendments to IND AS-7, 'Statement of cash flows' and IND AS-102, 'Share-based payment'. These amendments are in accordance with the recent amendments made by International Accounting Standards Board(IASB) to IAS-7 'statement of cash flow' and IFRS-2, 'Share-based payment', respectively. The amendments are applicable to the Company from April 1, 2017.

**Amendment to Ind AS-7**

The amendment to Ind AS-7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

# ALCHEMIST REALTY LIMITED

## NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

The Previous year figures have been regrouped/reclassified, where ever necessary to conform to the current year presentation

### 3. PROPERTY, PLANT & EQUIPMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018 (₹ in Lakhs)

S. No.	PARTICULARS	GROSS BLOCK				DEPRECIATION					NET BLOCK	
		AS ON 01.04.2017	ADDITION DURING THE YR.	AJUSTMENT/ SOLD DURING THE YR.	AS ON 31.03.2018	AS ON 01.04.2017	PROVIDED DURING THE YR.	TRANSFER TO GENERAL RESERVE	ON SALE / ADJUSTMENTS DURING THE YR.	TOTAL UP TO 31.03.2017	AS ON 31.03.2018	AS ON 31.03.2017
		₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
	<b>FIXED ASSETS</b>											
1.	Computers	20.55	-	-	20.55	19.53	-	-	-	19.53	1.03	1.03
2.	Building	44.07	-	-	44.07	10.57	1.50	-	-	12.07	32.00	33.50
3.	Office Equipment	20.43	-	-	20.43	19.36	0.04	-	-	19.40	1.04	1.07
4.	Vehicle	63.59	-	-	63.59	58.48	0.93	-	-	59.41	4.18	5.11
5.	Furniture & Fixture	29.19	-	-	29.19	25.15	1.35	-	-	26.51	2.69	4.04
	<b>TOTAL</b>	<b>177.84</b>	<b>-</b>	<b>-</b>	<b>177.84</b>	<b>133.08</b>	<b>3.83</b>	<b>-</b>	<b>-</b>	<b>136.91</b>	<b>40.93</b>	<b>44.76</b>
	<b>PREVIOUS YEAR</b>	<b>177.84</b>	<b>-</b>	<b>-</b>	<b>177.84</b>	<b>127.15</b>	<b>5.93</b>	<b>-</b>	<b>-</b>	<b>133.08</b>	<b>44.76</b>	<b>50.68</b>

(₹ in Lakhs)

PARTICULARS	Year Ended 31 <sup>st</sup> March, 2018	Year Ended 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2016
<b>4 NON-CURRENT INVESTMENTS</b>			
<b>Others Investments</b>			
<b>Unquoted</b>			
<b>a) Subsidiaries</b>			
1) 10,000 Equity Shares (Previous Year 10,000 Shares) of ₹ 10/- each of Alchemist Hill Resorts Pvt. Ltd.	1.00	1.00	1.00
2) 9,90,000 Equity Shares(Previous Year Nil) of 10/- each of Century 21 Properties India Private Limited	99.00	99.00	99.00
<b>b) Others</b>			
24,84,200 Equity Shares (Previous Year 24,84,200 Shares) of ₹ 10/- each of DGS Realtors Pvt. Ltd.	248.42	248.42	248.42
<b>Total</b>	<b>348.42</b>	<b>348.42</b>	<b>348.42</b>
<b>4(i) CURRENT INVESTMENTS</b>			
Fixed Deposit- with HDFC Bank Limited	0.77	0.65	0.65
<b>TOTAL</b>	<b>0.77</b>	<b>0.65</b>	<b>0.65</b>
<b>5 LONG-TERM LOANS AND ADVANCES</b>			
(Unsecured and Considered Good)			
Advances (Including Advances for Purchase of Land/ Other Advances)	6,089.62	6,058.98	5,999.97
<b>Total</b>	<b>6,089.62</b>	<b>6,058.98</b>	<b>5,999.97</b>

5.1 Advances includes amount given to various parties amounting to ₹ 1249.40 lakhs (Previous year ₹ 1249.40 Lakhs) in respect of property to be purchased/acquired in due course of time. The matters relating to these advances for acquiring properties is sub judice.

5.2 Advances include amount given to various parties amounting to ₹ 1842.97 Lakhs (Previous year ₹ 1842.97 Lakhs) process in respect of transfer of title of land is in progress and necessary sale deeds have not been executed so far in favour of the Company.

5.3 An Amount of ₹ 1887.92 Lakhs (Previous year ₹ 1887.91 Lakhs) was given to various parties on account of franchise fees and other expenses for acquiring rights of Realogy Corpn. Inc USA for their brand (Century 21) which is recoverable in due course of time from its Subsidiary, Century 21 Properties India Pvt . Ltd. as and when the rights are transferred to it.

# ALCHEMIST REALTY LIMITED

## NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018 Continued

The Previous year figures have been regrouped/reclassified, where ever necessary to conform to the current year presentation

PARTICULARS	(₹ in Lakhs)		
	Year Ended 31 <sup>st</sup> March, 2018	Year Ended 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2016
<b>5.4 Loan and Advances in the nature of Loans given to Subsidiaries.</b>			
1) Alchemist Hill Resorts Private Limited	136.97	136.75	130.62
2) Century 21 Properties India Private Limited	815.86	777.44	724.05
<b>6 OTHER NON-CURRENT FINANCIAL ASSETS</b>			
Deposit with Others-Security deposits	1.56	4.30	3.90
<b>Total</b>	<b>1.56</b>	<b>4.30</b>	<b>3.90</b>
<b>7 DEFERRED TAX ASSETS</b>			
<b>Deferred Tax Assets</b>			
Related to fixed assets	15.87	17.93	20.26
Less:-Tax Liability on OCI	(1.45)	-	-
<b>Total</b>	<b>14.41</b>	<b>17.93</b>	<b>20.26</b>
<b>8 OTHER NON-CURRENT ASSETS</b>			
Advance Payment of Tax	30.61	29.60	86.13
Share Issue Expenses	-	-	2.57
Deferred Revenue Expenditure	-	-	0.11
<b>Total</b>	<b>30.61</b>	<b>29.60</b>	<b>88.81</b>
<b>9 INVENTORIES</b>			
<b>Properties Under Development*</b> (Commercial Land and other Land, Flats and Plots )	11,983.58	11,779.53	11,543.41
<b>TOTAL</b>	<b>11,983.58</b>	<b>11,779.53</b>	<b>11,543.41</b>
* Valued at Cost (Including pending allocation of related expenses) and net realizable value			
<b>10 TRADE RECEIVABLES</b> <b>(Unsecured and Considered Good)</b>			
Over Six Months	15,205.27	15,158.58	15,500.54
Other	-	-	-
<b>TOTAL</b>	<b>15,205.27</b>	<b>15,158.58</b>	<b>15,500.54</b>
Export debtors of merchant trade transactions amounting to ₹ 14902.25 Lakhs are overdue for more than nine months in contravention to Directions contained in Circular 115 A.P(Dir Series) dated 28 <sup>th</sup> March, 2014 issued under Section 10(4) and 11(1) of the FEMA Act, 1999.			
<b>11 CASH AND CASH EQUIVALENTS</b>			
Cash in hand	0.02	0.20	1.05
Balance with banks(Including Cheque in Hand)	3.54	2.14	3.27
<b>TOTAL</b>	<b>3.57</b>	<b>2.34</b>	<b>4.32</b>

# ALCHEMIST REALTY LIMITED

## NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018 Continued

The Previous year figures have been regrouped/reclassified, where ever necessary to conform to the current year presentation

PARTICULARS	(₹ in Lakhs)		
	Year Ended 31 <sup>st</sup> March, 2018	Year Ended 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2016
<b>12 LOANS</b>			
<b>Unsecured:</b>			
Advance to Suppliers			
Considered good	-	-	-
Considered doubtful	-	-	-
Less: Allowance for bad & doubtful advances	-	-	-
	-	-	-
<b>Unsecured &amp; Considered good:</b>			
Advance to Employees	0.01	0.58	0.54
Excess of Planned assets towards gratuity obligations	-	-	-
Excess of Planned assets towards leave encashment obligations	-	-	-
Other receivables	-	-	-
<b>Total</b>	<b>0.01</b>	<b>0.58</b>	<b>0.54</b>
<b>13 OTHERS</b>			
Other Receivables	9.52	9.55	-
Prepaid expenses	0.16	0.18	0.27
<b>TOTAL</b>	<b>9.67</b>	<b>9.74</b>	<b>0.27</b>

PARTICULARS	(₹ 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>14 SHARE CAPITAL</b>			
<b>AUTHORISED</b>			
800,00,000 Equity Shares of ₹ 2/- each (Previous Year 800,00,000 equity share of ₹ 2/- each)	1,600.00	1,600.00	1,600.00
	<b>1,600.00</b>	<b>1,600.00</b>	<b>1,600.00</b>
<b>ISSUED, SUBSCRIBED AND PAID UP CAPITAL</b>			
7,41,01,000 Equity Shares ₹ 2/- Each fully paid (Previous Year 7,41,01,000 Equity Shares of ₹ 2/- Each Fully Paid)	1,482.02	1,482.02	1,482.02
<b>TOTAL</b>	<b>1,482.02</b>	<b>1,482.02</b>	<b>1,482.02</b>

The detail of Shareholders holding more than 5% shares:

Name of the Shareholders	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	No of Shares	% held	No of Shares	% held
1 KDS Corporation Private Limited	3,36,77,535	45.45	3,36,77,535	45.45	3,36,77,535	45.45
2 Endogram Leasing and Trading Company Private Limited	86,05,580	11.61	86,05,580	11.61	86,05,580	11.61
3 DAVOS International Fund	70,13,283	9.46	70,13,283	9.46	70,13,283	9.46
4 Basic Softsolutions Private Limited	6,767,073	9.13	6,767,073	9.13	6,767,073	9.13
5 HSBC Bank (Mauritius) Ltd A/c PlutusTerra India Fund	41,17,089	5.56	41,17,089	5.56	41,17,089	5.56

# ALCHEMIST REALTY LIMITED

## NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018 Continued

The Previous year figures have been regrouped/reclassified, where ever necessary to conform to the current year presentation

The reconciliation of number of shares outstanding is set out below.

PARTICULARS	(₹ 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
	No of Shares	No of Shares	No of Shares
Equity Shares at the beginning of the year	74101000	74101000	74101000
Add : Shares issued during the year	-	-	-
Equity Shares at the end of the year	<u>74101000</u>	<u>74101000</u>	<u>74101000</u>

### 15 A. Equity Share Capital

<b>Balance as at 31<sup>st</sup> March, 2017</b>	<b>Change in Equity Share Capital during the year</b>	<b>Balance as at 31<sup>st</sup> March, 2018</b>
1,482.02	0	1,482.02
<b>Balance as at April 1, 2016</b>	<b>Change in Equity Share Capital during the year</b>	<b>Balance as at 31<sup>st</sup> March, 2017</b>
1,482.02	0	1,482.02

### B. Other Equity

(₹ in Lakhs)

Particulars	Reserves and Surplus						Total
	Capital Reserve	Securities Premium Reserve	Revaluation Reserve	General Reserve	Retained Earning	Debt Instruments through other comprehensive income	
Balance as at March-31, 2017	-	-	8.57	925.68	-	-	934.25
Change in accounting policy/prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	8.57	925.68	-	-	934.25
Profit (loss) for the year	-	-	-	(293.26)	-	-	(293.26)
Other comprehensive income for the year	-	-	-	4.14	-	-	4.14
Total comprehensive income for the year	-	-	-	(289.12)	-	-	(289.12)
<b>Transactions with owners in capacity as owners</b>							
Dividends	-	-	-	-	-	-	-
Transferred to retained earnings	-	-	-	-	-	-	-
Bonus Shares	-	-	-	-	-	-	-
Movement during the year	-	-	-	-	-	-	-
<b>Balance as at March 31, 2018</b>	-	-	8.57	636.56	-	-	645.13

# ALCHEMIST REALTY LIMITED

## NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018 Continued

The Previous year figures have been regrouped/reclassified, where ever necessary to conform to the current year presentation

(₹ in Lakhs)

Particulars	Reserves and Surplus						Total
	Capital Reserve	Securities Premium Reserve	Revaluation Reserve	General Reserve	Retained Earning	Debt Instruments through other comprehensive income	
Balance as at April 1,2016	-	-	8.57	1,705.62	-	-	1,714.19
Change in accounting policy/prior period errors	-	-	-	-	-	-	-
Restated balance at the begning of the reporting period	-	-	8.57	1,705.62	-	-	1,714.19
Profit (loss)for the year	-	-	-	(779.94)	-	-	(779.94)
Other comprehensive income for the year	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(779.94)	-	-	(779.94)
<b>Transactions with owners in capacity as owners</b>							
Dividends	-	-	-	-	-	-	-
Transferred to retained earnings	-	-	-	-	-	-	-
Bonus Shares	-	-	-	-	-	-	-
Movement during the year	-	-	-	-	-	-	-
<b>Balance as at March 31,2017</b>	-	-	8.57	925.68	-	-	934.25

(₹ 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>16 LONG TERM BORROWINGS</b>			
<b>Unsecured</b>			
Inter Corporate Loans	30,988.36	30,478.22	29,807.31
<b>Total</b>	<b>30,988.36</b>	<b>30,478.22</b>	<b>29,807.31</b>
Interest Free Inter Corporate loans includes an amount of ₹ 21085.52 Lakhs(Previous Year ₹ 20590.95 Lakhs) received from KDS Corporation Private Limited (Promoter Group Company) and from Associate Company Techonology Parks Ltd. amounting to ₹ 9712.48 Lakhs (Prev. Year ₹ 9683.00 Lakhs),and from Alchemist Limited amounting to ₹ 190.35 Lakhs (Prev. Year ₹ 204.26 Lakhs)			
<b>17 LONG TERM PROVISIONS</b>			
<b>Provision for Employees Benefits</b>			
Gratuity	16.06	19.72	15.21
Earned Leave	-	-	-
<b>Total</b>	<b>16.06</b>	<b>19.72</b>	<b>15.21</b>
<b>18 TRADE PAYABLES</b>			
Creditors for Purchases	368.69	368.69	368.69
Creditors for Expenditure	23.10	12.29	23.58
<b>Total</b>	<b>391.79</b>	<b>380.98</b>	<b>392.27</b>
<b>19 OTHER CURRENT LIABILITIES</b>			
Statutory Dues Payable	9.30	33.71	6.73
Other Payable	195.76	126.51	144.07
<b>Total</b>	<b>205.06</b>	<b>160.22</b>	<b>150.80</b>



# ALCHEMIST REALTY LIMITED

## NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018 Continued

The Previous year figures have been regrouped/reclassified, where ever necessary to conform to the current year presentation

PARTICULARS	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>20 REVENUE FROM OPERATIONS</b>		
Sales	-	44.68
<b>TOTAL</b>	<b>-</b>	<b>44.68</b>
<b>21 OTHER INCOME</b>		
Other Non Operating Income	-	0.01
Interest Income	0.08	0.04
S.balaces w/off	-	-
Foreign Exchange Rate Difference	47.08	(342.36)
<b>TOTAL</b>	<b>47.16</b>	<b>(342.31)</b>
<b>22 DIRECT COST</b>		
a) Opening Stock #	11,779.53	11,543.41
b) Addition During the year		
1) Land #	204.05	280.81
2) Flats/Plots/Construction Equipments #	0.00	0.00
<b>Total Purchase during the year(1+2)</b>	<b>204.05</b>	<b>280.81</b>
c) Pending Allocation During the year(WIP)	0.00	0.00
<b>Total Addition during the year(b+c)</b>	<b>204.05</b>	<b>280.81</b>
d) Closing Stock #	11,983.58	11,779.53
<b>Cost of Sales(a+b+c-d)</b>	<b>0.00</b>	<b>44.68</b>
# Valued at cost (Including pending allocation).		
<b>23 EMPLOYEE BENEFITS EXPENSE</b>		
Salary	204.19	221.40
Reimbursement of Expenses	2.76	3.08
Other Amenities	16.96	18.10
Bonus/Exgratia	-	1.93
Gratuity	4.07	5.64
<b>TOTAL</b>	<b>227.99</b>	<b>250.16</b>

23.1 As per IND AS-19"Employee benefits", the disclosures as defined in the Accounting Standard are given below.

### Defined Contribution Plans

Contribution to Defined Contributions Plans, recognised as expense for the year is as under.

Particulars	2017-18	2016-17
Employer's Contribution to Provident Fund	7.30	8.14
Employer's Contribution to Pension Scheme	2.48	2.83
Employer's Contribution to ESI	0.83	0.75

### Defined Benefit Plans:

#### (a) Gratuity

The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity Plan provides a lump sum payments to vested employees at retirement, death, incapacitation or termination of employment, of an amount equivalent to 15 days salary for each completed year of service. Vesting occurs on completion of 5 continuous years of service as per Indian law. However, no vesting condition applies in case of death.

**NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018 Continued**

The Previous year figures have been regrouped/reclassified, where ever necessary to conform to the current year presentation

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

(₹ in Lakhs)

Particulars	2017-18		2016-17	
		Gratuity		Gratuity
<b>Change in the present value of obligation.</b>				
Present value of Obligation as at the Beginning of the Period		0.00		-
Acquisition adjustment		-		15.21
Interest Cost		1.42		1.00
Past Service Cost		-		-
Current Service Cost		2.65		4.64
Curtailment Cost/(credit)		-		-
Settlement Cost/(credit)		-		-
Benefits Paid		(2.14)		(3.12)
Actuarial Gain/(Loss)on the obligation		(5.59)		1.99
<b>Present value of Obligation as at the end of the Period</b>		<b>(3.66)</b>		<b>19.72</b>

Particulars	2017-18		2016-17	
		Gratuity		Leave Encashment
<b>Change in the fair value of plan assets</b>				
Fail value of Plan Assets as at the Beginning of the Period	-	-	-	-
Acquisition adjustment	-	-	-	-
Expected return on plan assets	-	-	-	-
Contributions	-	-	-	-
Benefits Paid	-	-	-	-
Actuarial Gain/(Loss)on the assets	-	-	-	-
Fair value of Plan Assets as at the end of the Period	-	-	-	-
<b>Fair value of Plan assets</b>				
Fail value of Plan Assets at the Beginning of Period	-	-	-	-
Acquisition adjustment	-	-	-	-
Actual return on plant assets	-	-	-	-
Contributions	-	-	-	-
Benefits Paid	-	-	-	-
<b>Fair value of Plan Assets as at the end of the Period</b>	-	-	-	-
Funded status	-	-	-	-
Excess of Actual over estimated return on plan assets	-	-	-	-
<b>Expense recognised in the statement of profit and loss</b>				
Current Service Cost	-	2.65	-	-
Past Service Cost	-	-	-	-
Interest Cost	-	1.42	-	-
Expected return on plan assets	-	-	-	-
Curtailment Cost/(credit)	-	-	-	-
Settlement Cost/(credit)	-	-	-	-
Net Actuarial Gain/(Loss) recognised in the period	-	5.59	-	(1.99)
<b>Expenses recognised in the statement of profit and loss</b>	-	<b>(1.52)</b>	-	<b>7.63</b>

# ALCHEMIST REALTY LIMITED

## NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018 Continued

The Previous year figures have been regrouped/reclassified, where ever necessary to conform to the current year presentation

(₹ in Lakhs)

Particulars	2017-18		2016-17	
		Gratuity		Leave Encashment
<b>Major categories of plan assets (as percentage of total plan assets)</b>				
Government of India Securities	-	-	-	-
State Government securities	-	-	-	-
High quality corporate bonds	-	-	-	-
Equity shares of listed companies	-	-	-	-
Property	-	-	-	-
Special Deposit Scheme	-	-	-	-
Funds managed by insurer	-	-	-	-
Bank balance	-	-	-	-
TOTAL	-	-	-	-
<b>Assumptions</b>				
Discount Rate	0%	7.6%	0%	7.9%
Salary Growth Rate	0%	5%	0%	8%
Expected rate of return on Plan assets	0%	0%	0%	0%
Retirement Age	0%	60 years	0%	60 years
Mortality rates(as % of IALM 94-96):	0%	100%	0%	100%
Withdrawal rates, based on age:	0%	5%	0%	5%

(₹ in Lakhs)

PARTICULARS	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>24 FINANCE COSTS</b>		
LC & Other Charges	0.08	0.03
Interest on Vehicles Loan	-	-
<b>TOTAL</b>	<b>0.08</b>	<b>0.03</b>
<b>25 DEPRECIATION AND AMORTIZATION EXPENSE</b>		
Depreciation on Tangible Assets	3.83	5.93
<b>TOTAL</b>	<b>3.83</b>	<b>5.93</b>

# ALCHEMIST REALTY LIMITED

## NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018 Continued

The Previous year figures have been regrouped/reclassified, where ever necessary to conform to the current year presentation

PARTICULARS	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>26 OTHER EXPENSES</b>		
<b>Administrative Overheads</b>		
Audit Fees	3.00	3.45
Adv for purchase of Flat Forfeiture A/c	0.00	45.00
Postage, Telegram & Telephone	1.44	1.55
Bad Debts Written Off	0.00	0.00
Conveyance	7.22	8.18
Electricity and Water	5.53	12.19
Insurance Charges	0.24	0.40
Legal/Professional Charges	33.56	19.54
Director Sitting Fees	1.05	0.94
Miscellaneous Expenses	13.28	35.88
Office Expenses	4.01	7.63
Other Expenses	2.13	4.95
Written off	0.40	2.68
Indadmissible Expenses	1.81	0.00
Printing and Stationary	1.36	1.61
Repair & Maintenance Charges	0.42	0.80
Rent	4.07	5.46
Reverse Charges IGST/CGST/SGST	1.42	0.00
Travelling Expenses	4.80	4.87
<b>TOTAL</b>	<b>85.73</b>	<b>155.14</b>
<b>Marketing Overheads</b>		
Business Promotion	20.74	22.05
<b>TOTAL</b>	<b>20.74</b>	<b>22.05</b>
<b>GRAND TOTAL</b>	<b>106.47</b>	<b>177.18</b>
<b>27 DEFERRED TAX</b>		
	2.06	2.34
<b>TOTAL</b>	<b>2.06</b>	<b>2.34</b>
<b>28 OTHER COMPREHENSIVE INCOME</b>		
Remeasurements (Acturial gain/loss)	5.59	(1.99)
<b>TOTAL</b>	<b>5.59</b>	<b>(1.99)</b>
<b>29 Contingent Liabilities not provided for</b>	<b>Current Year</b>	<b>Previous Year</b>
<b>Particulars</b>		
Bills Discounted with bank since not realized	Nil	Nil
Bank Guarantees/Counter Guarantee issued	Nil	Nil
Estimated amount of contract remaining to be executed	Nil	Nil
Letter of Credit un-expired	Nil	Nil

**NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018 Continued**

The Previous year figures have been regrouped/reclassified, where ever necessary to conform to the current year presentation

**30 Related Party Disclosures**

As per IND AS-24, the disclosure of transactions with the related parties are given below.

**(i) List of related parties with whom transactions have taken place.**

S.No.	Name of the Related Party	Relationship
1	Alchemist Hill Resorts Private Limited	Subsidiary
2	Century 21 Properties India Private Limited	Subsidiary
3	Alchemist Airways Private Limited	Associates/Enterprises controlled by same management
4	Alchemist Limited	Associates/Enterprises controlled by same management
5	Alchemist Touchnology Limited	Associates/Enterprises controlled by same management
6	KDS Corporation Private Limited	Promoters
7	Alchemist Hospitals Limited	Associates/Enterprises controlled by same management
8	Technology Parks Limited	Associates/Enterprises controlled by same management
9	Mr. Vinay Kumar Mittal	Key Managerial Personnel
10	Mr. Suresh Kumar Bhardwaj	Key Managerial Personnel
11	Ms. Nidhi Dhawan	Key Managerial Personnel

**ii) Disclosure in Respect of Material Related Party Transactions during the year:**

- 1 Managerial Remuneration Paid ₹ 122.91 Lakhs (Previous Year ₹ 122.13 Lakhs)
- 2 Inter Corporates Loan Paid to Alchemist Hill Resorts Private Limited ₹ 136.97 Lakhs (Previous Year ₹ 136.75 Lakhs) and Century 21 Properties India Private Limited ₹ 815.86 Lakhs (Previous Year ₹ 777.44)
- 3 Inter Corporates Loan Received from KDS Corporation Private Limited ₹ 21085.52 Lakhs (Previous Year ₹ 20590.95 Lakhs) and Technology Parks Limited ₹ 9712.48 Lakhs (Previous Year ₹ 9683.00)
- 4 Reimbursement of Expenses include from Alchemist Limited ₹ 7.69 Lakhs (Prev. Year ₹ 2.97 Lakhs) Alchemist Touchnology Limited ₹ 0.00 Lakhs (Prev. Year ₹ 0.26 Lakhs)

**(iii) Transactions with the related parties during the Financial Year (Pursuant to INDAS 24)**

Particulars	Subsidiary	Joint Venture	Key Management Personnel (KMP)	Directors	Others	Total	Outstanding as on March 31, 2018
(A) Profit & Loss A/c *							
1 Purchase of Goods/Services	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
2 Sales of Goods	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
3 Royalty Expenses	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
4 General Expenses	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
5 Remuneration/Pension	-	-	122.91	-	-	122.91	110.17
	-	-	(122.13)	-	-	(122.13)	(2.99)
6 Post Separation Benefit	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
7 Reimbursement of Expenses	-	-	1.50	-	-	1.50	0.13
	-	-	(3.23)	-	-	(3.23)	(0.34)
8 Share based payment	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
9 Interest Received on Sec.Deposit	-	-	0.08	-	-	0.08	-
	-	-	(0.04)	-	-	(0.04)	-

# ALCHEMIST REALTY LIMITED

## NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018 Continued

The Previous year figures have been regrouped/reclassified, where ever necessary to conform to the current year presentation

Particulars	Subsidiary	Joint Venture	Key Management Personnel (KMP)	Directors	Others	Total	Outstanding as on March 31, 2018
10 Sitting Fee	-	-	-	0.10	-	0.10	-
	-	-	-	(0.45)	-	(0.45)	-
11 Post Employment Benefit Plan	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
<b>(B) Balance Sheet</b>							
12 Equity Contribution	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
13 Security Deposit	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
14 Loans & Advances	38.64	-	-	-	-	38.64	-
	(59.52)	-	-	-	-	(59.52)	-
<b>(C) Off Balance Sheet Items</b>							
15 Guarantees & Collaterals	-	-	-	-	-	-	-
	-	-	-	-	-	-	-

\*Figures in bracket relates to previous year as on 31.03.2017

Notes: There is no provision against the outstanding balance and no expenses booked during the year in respect of bad and doubtful debts due from related parties.

### 31 Disclosure as required under INDAS 108 -Operating Segments

The Company has only one reportable primary segment i.e. sale/purchase of Construction equipments and materials and development/consultancy of real estate and hence no separate segment disclosures made.

Particulars	Note	Total	
		Current Period	Previous Period
<b>Revenue</b>			
External Sales	20	-	44.68
Inter-segment sales		-	-
<b>Total Revenue</b>		-	44.68
<b>Result</b>			
Segment result		(334.22)	(477.98)
<b>Operating Profit</b>		(334.22)	(433.29)
Interest expenses		-	-
Interest income	21	0.08	0.04
Other income		-	0.01
Foreign exchange gain/(loss)	21	47.08	(342.36)
Income tax (Current+Deferred)	27	(2.06)	(2.34)
<b>Net Profit</b> (inclusive other comprehensive income)		<b>(289.12)</b>	<b>(777.94)</b>

Other Information		As on 31.03.2018	As on 31.03.2017
Segment assets	3-13	33,728.42	33,455.41
Unallocated corporate assets		-	-
<b>Total assets</b>		<b>33,728.42</b>	<b>33,455.41</b>
Segment liabilities	16-19	31,601.27	31,039.14
Unallocated corporate liabilities		-	-
<b>Total liabilities</b>		<b>31,601.27</b>	<b>31,039.14</b>
<b>Capital Expenditure</b>		-	-
Depreciation	25	3.83	5.93

**NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018 Continued**

The Previous year figures have been regrouped/reclassified, where ever necessary to conform to the current year presentation

**32 Financial Instruments-Accounting classifications and fair value measurements**

The fair value of the assets and liabilities are included at the amount at which the instrument could be exchanged in current transaction between willing parties, other than in force or liquidation sale.

**The following methods and assumptions were used to estimate the fair values:**

1. Fair Value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loan from banks and other financial instruments approximate their carrying amounts largely due to the short term maturities of these instruments.
2. Financial Instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to the account for the expected losses of these receivables.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data

32.1 Particulars	Note	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>					
Investments in debt instruments		-	-	-	-
<b>Total</b>		-	-	-	-
<b>Financial assets at fair value through other comprehensive income</b>					
Investments in debt instruments		-	-	-	-
Investments in equity instruments		-	-	-	-
<b>Total</b>		-	-	-	-
Financial assets at amortised cost		-	-	-	-
Investments in debt instruments		-	-	-	-
Investments in Subsidiaries and Joint Venture	4	348.42	-	-	348.42
Bank deposits	4(i)	0.65	-	-	-
Trade receivables	10	15,500.54	-	-	-
Cash and Bank balances	11	4.32	-	-	-
<b>Total</b>		<b>15,853.94</b>	-	-	<b>348.42</b>
Financial liabilities at amortised cost					
Term loans		-	-	-	-
Finance lease obligations		-	-	-	-
Short term borrowings		-	-	-	-
Trade Payables	18	392.27	-	-	-
Other financial liabilities (non-current)	16,17	29,822.52	-	-	-
Other financial liabilities (current)	19	150.80	-	-	-
<b>Total</b>		<b>30,365.58</b>	-	-	-

# ALCHEMIST REALTY LIMITED

## NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018 Continued

The Previous year figures have been regrouped/reclassified, where ever necessary to conform to the current year presentation

32.2	Particulars	Note	Carrying amount As at 31-March-2017	Fair Value		
				Level 1	Level 2	Level 3
	<b>Financial Assets at fair value through profit or loss</b>					
	Investments in debt instruments		-	-	-	-
	<b>Total</b>		-	-	-	-
	<b>Financial assets at fair value through other comprehensive income</b>					
	Investments in debt instruments		-	-	-	-
	Investments in equity instruments		-	-	-	-
	<b>Total</b>		-	-	-	-
	<b>Financial assets at amortised cost</b>					
	Investments in debt instruments		-	-	-	-
	Investments in Subsidiaries and Joint Venture	4	348.42	-	-	348.42
	Bank deposits	4(i)	-	-	-	-
	Trade receivables	10	15,158.58	-	-	-
	Cash and Bank balances	11	2.34	-	-	-
	<b>Total</b>		<b>15,509.34</b>	-	-	<b>348.42</b>
	<b>Financial liabilities at amortised cost</b>					
	Term loans		-	-	-	-
	Finance lease obligations		-	-	-	-
	Short term borrowings		-	-	-	-
	Trade Payables	18	380.98	-	-	-
	Other financial liabilities (non-current)	16,17	30,497.94	-	-	-
	Other financial liabilities (current)	19	160.22	-	-	-
	<b>Total</b>		<b>31,039.14</b>	-	-	-

32.3	Particulars	Note	Carrying amount As at 31-March-2018	Fair Value		
				Level 1	Level 2	Level 3
	<b>Financial Assets at fair value through profit or loss</b>					
	Investments in debt instruments		-	-	-	-
	<b>Total</b>		-	-	-	-
	<b>Financial assets at fair value through other comprehensive income</b>					
	Investments in debt instruments		-	-	-	-
	Investments in equity instruments		-	-	-	-
	<b>Total</b>		-	-	-	-
	<b>Financial assets at amortised cost</b>					
	Investments in debt instruments		-	-	-	-
	Investments in Subsidiaries and Joint Venture	4	348.42	-	-	348.42
	Bank deposits	4(i)	0.77	-	-	-
	Trade receivables	10	15,205.27	-	-	-
	Cash and Bank balances	11	3.57	-	-	-
	<b>Total</b>		<b>15,558.02</b>	-	-	<b>348.42</b>
	<b>Financial liabilities at amortised cost</b>					
	Term loans		-	-	-	-
	Finance lease obligations		-	-	-	-
	Short term borrowings		-	-	-	-
	Trade Payables	18	391.79	-	-	-
	Other financial liabilities (non-current)	16,17	31,004.42	-	-	-
	Other financial liabilities (current)	19	205.06	-	-	-
	<b>Total</b>		<b>31,601.27</b>	-	-	-



**NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018 Continued**

The Previous year figures have been regrouped/reclassified, where ever necessary to conform to the current year presentation

**33 Financial Risk Management Objectives and Policies**

The Company's financial risk management is an integral part of how to plan and execute its business strategies.

**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.

**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.

**Foreign currency risk**

The Company operates internationally with transactions entered into USD currency. Consequently the Company is exposed to foreign exchange risk towards honouring of export/import commitments.

Management evaluates exchange rate exposure in this connection in terms if its established risk management policies which includes the use of derivatives like foreign exchange forward contracts to hedge risk of exposure in foreign currency.

<b>Foreign currency exposure as at March 31, 2017</b>	<b>USD</b>
Export receivables	229.11
Overseas creditors	-
Advance to suppliers	-
Advance from customers	-
Bank Balances in EEFC accounts	-
Packing Credit Loan (Hedged through future contract)	-

<b>Foreign currency exposure as at March 31, 2018</b>	<b>USD</b>
Export receivables	229.11
Overseas creditors	-
Advance to suppliers	-
Advance from customers	-
Bank Balances in EEFC accounts	-
Packing Credit Loan (Hedged through future contract)	-

**Foreign currency sensitivity**

1% increase or decrease in foreign exchange rates will have the following impact on profit before tax.

<b>Particulars</b>	<b>2017-18</b>		<b>2016-17</b>	
	<b>1% increase</b>	<b>1% decrease</b>	<b>1% increase</b>	<b>1% decrease</b>
USD	149.02	(149.02)	148.55	(148.55)
Others	-	-	-	-
<b>Increase/(decrease) in Profit or Loss</b>	<b>149.02</b>	<b>(149.02)</b>	<b>148.55</b>	<b>(148.55)</b>

**NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018 Continued**

The Previous year figures have been regrouped/reclassified, where ever necessary to conform to the current year presentation

**Credit risk**

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of account receivables. Individual risk limits are set accordingly.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. The Company considers reasonable and supportive forward-looking information.

Financial assets are written off when there is no reasonable expectation of recovery, such as debtor failing to engage in a repayment plan with the Company. The Company provides for overdue outstanding for more than 90 days other than institutional customers which are evaluated on a case to case basis.

**Liquidity Risk**

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury department is responsible for maintenance of liquidity (including quasi liquidity), continuity of funding as well as timely settlement of debts. In addition, policies related to mitigation of risks are overseen by senior management. Management monitors the Company's net liquidity position on the basis of expected cash flows vis a vis debt service fulfillment obligation.

**Maturity profile of financial liabilities**

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

(₹ in Lakhs)

As at March 31, 2017	Note	Less than 1 year/ On Demand	1 to 5 years	More than 5 years
Finance lease obligations		-	-	-
Deposits payable		-	-	-
Long term borrowings	16	670.91	29,807.31	-
Short term borrowings		-	-	-
Trade payables	18	380.98	-	-
Other financial liabilities	19	160.22	-	-
As at March 31, 2018	Note	Less than 1 year/ On Demand	1 to 5 years	More than 5 years
Finance lease obligations		-	-	-
Deposits payable		-	-	-
Long term borrowings	16	510.14	30,478.22	0.00
Short term borrowings		-	-	-
Trade payables	18	391.79	-	-
Other financial liabilities	19	205.06	-	-

**34 Exposure in Foreign Currency**

Particulars	Foreign Currency		Local Currency	
(A) Outstanding overseas exposure not being hedged against adverse currency fluctuation				
i) Export Receivable	CY	USD	-	-

**NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018 Continued**

The Previous year figures have been regrouped/reclassified, where ever necessary to conform to the current year presentation

**35 Reconciliation of Equity as at April 1, 2016**

Particulars	Note	GAAP	Adjustments	INDAS
<b>Equity &amp; Liabilities</b>				
<b>Equity</b>				
Equity Share Capital	14	1482.02	0	1482.02
Other Equity	15	1747.44	33.25	1714.19
<b>Total Equity</b>		<b>3229.46</b>	<b>33.25</b>	<b>3196.21</b>

**35.1 Reconciliation of Equity as at March 31, 2017**

Particulars	Note	GAAP	Adjustments	INDAS
<b>Equity &amp; Liabilities</b>				
<b>Equity</b>				
Equity Share Capital	14	1482.02	0	1482.02
Other Equity	15	944.77	10.52	934.25
<b>Total Equity</b>		<b>2426.79</b>	<b>10.52</b>	<b>2416.27</b>

**35.2 Profit reconciliation March 31, 2017**

Nature of Adjustment	Note	For the year ended March 31, 2017
<b>Profit as per Indian GAAP</b>		<b>(802.67)</b>
Adjustment of Prior Period Items (transferred to FY 2015-16)		22.90
Adjustment of Prior Period Items (transferred from FY 2017-18)		(0.17)
<b>Profit as per INDAS</b>	15	<b>(779.94)</b>

**36 Disclosure as required by IND AS-33 - Earning Per Share.**

PARTICULARS	Year ended 31 <sup>st</sup> March, 2018	Year ended 31 <sup>st</sup> March, 2017
Net Profit After tax	(293.26)	(777.94)
Weighted Average number of equity shares for Basic EPS(Nos.)	74,101,000	74,101,000
Face Value Per share	₹ 2/-	₹ 2/-
Basic EPS (₹)	(0.40)	(1.05)
Diluted EPS (₹)	(0.40)	(1.05)

37 As per IND AS-36 impairment of Assets, the Company has assessed the conditions of all assets used in its operation and is of the opinion that there is no impairment of assets, hence no provision was made.

38 In the opinion of the management current assets, loan and advances are of the value stated, if realized in the ordinary course of business.

**39 Assets Taken on Operating Lease**

Some of the office premises has been taken on operating lease for a period less than 10 years and are generally renewable at the option of the lessee. The lease Agreements have an escalation clause for renewal of lease. There are no Sub-Leases and leases are generally cancellable in nature.

**40 Disclosure of Micro and Small Enterprises(Creditors)**

The Company is in the process of compiling information from the suppliers regarding their status as Micro/Small Scale Enterprises, so as to disclose the information as required by MSMED Act and Schedule VI of the Companies Act relating to Micro, Small and Medium Enterprises. In the absence of confirmed information about the suppliers, it is practically not feasible to state the amount payable to them as on 31<sup>st</sup> March, 2018.

41 The Balances of debtors and creditors, loan and advances are subject to confirmation and their pending reconciliation. Such balances are reflected in the balance sheet as appearing in the books of accounts.

# ALCHEMIST REALTY LIMITED

## NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018 Continued

The Previous year figures have been regrouped/reclassified, where ever necessary to conform to the current year presentation

### 42 Disclosure As per Clause 32 of Listing agreement with the stock exchanges

#### a) Loan and advances to subsidiary.

(₹ in Lakhs)

	Name of Company	Relationship	31-Mar-2018	Maximum balance outstanding during the year 2017-18
42.1	Alchemist Hill Resorts Private Limited	Wholly Owned Subsidiary	136.97	136.97
42.2	Century 21 Properties India Private Limited	Subsidiary	815.86	777.44

As per our report of even date attached.

For and on behalf of the Board

For SOIN ASSOCIATES  
Chartered Accountants  
(Firm Regn. No. 010637N)

Sd/-  
Vinay Kumar Mittal  
(Managing Director)  
DIN No: 00287042

Sd/-  
Maria Fernandes  
(Director)  
DIN No: 07134540

Sd/-  
Paramjit Soin  
(Prop.)  
Membership No. 086047

Sd/-  
Suresh Kumar Bhardwaj  
(CFO)

Sd/-  
Nidhi Dhawan  
(Company Secretary)

Place : New Delhi  
Dated : 21.05.2018

**DEPRECIATION AS PER INCOME TAX ACT 1961 FOR THE YEAR 2017-18  
ANNEXURE-A**

SL NO.	ASSETS	RATE OF DEP.	W.D.V. AS ON 1.4.2017 ₹	ADDITION MORE THAN 6 MONTH	ADDITION LESS THAN 6 MONTH ₹	TOTAL ADDITION DURING YEAR	TOTAL ₹	SALES	DEPRICIATION FOR THE YEAR ENDED ₹	W.D.V. AS ON 31.3.2018 ₹
1	<b>Building</b>	10%	51.61			0.00	51.61		5.00	46.61
			<b>51.61</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>51.61</b>		<b>5.00</b>	<b>46.61</b>
2	<b>Furniture &amp; Fixture</b>									
a)	Office Equipment	10%	9.43			0.00	9.43		1.00	8.43
b)	Furniture & Fixture	10%	13.87			0.00	13.87		1.00	12.87
			<b>23.30</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>23.30</b>	<b>0.00</b>	<b>2.00</b>	<b>21.30</b>
3	<b>Plant &amp; Machinery</b>									
a)	Computer	60%	0.19			0.00	0.19		0.00	0.19
b)	Vechile	15%	27.68			0.00	27.68		4.00	23.68
			<b>27.87</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>27.87</b>	<b>0.00</b>	<b>4.00</b>	<b>23.87</b>
	<b>TOTAL</b>		<b>102.77</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>102.77</b>	<b>0.00</b>	<b>11.00</b>	<b>91.77</b>

**INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS**

To the Members of  
Alchemist Realty Limited.

**Report on the Consolidated Financial Statements**

We have audited the accompanying Consolidated financial statements of Alchemist Realty Limited ("hereinafter referred to as Holding Company"), and its Subsidiaries ( Century 21 Properties India Pvt. Ltd. And Alchemist Hill Resorts Pvt. Ltd) which comprise the Consolidated Balance Sheet as at March 31, 2018, and the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as Consolidated Financial Statements).

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

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies act, 2013 ("the Act") with respect to the preparation of these Consolidated financial statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance and Consolidated cash flows of the Group including its associates in accordance with the Accounting principles generally accepted in India, including the Indian Accounting Standard (Ind As) specified under Section 133 of the Act, read with the provision of the Companies (Accounts) Rules, 2014. The Holding Company Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for preparation of Consolidated Financial Statements. The respective Board of Directors of the companies included in the group and of its Subsidiaries are responsible for ensuring this responsibility, maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Group and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentations of the financial statements that give a true and fair view and free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, 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 Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Holding Company's preparation of the financial statements that give true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence obtained by us and audit evidence obtained by the other auditors in terms of their reports is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statement.

**Basis of Qualified Opinion**

- a) Attention is invited to Note No 10 of the Consolidated financial statements Trade receivables amounting to ₹ 15205.27 Lakhs out of which export debtors for merchant trade transaction are ₹ 14902.26 Lakhs and other receivables are ₹ 303.00 Lakhs which are outstanding for more than six months from the date they become due from payment. 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.

***"These are long outstanding and we are unable to comment of the recoverability of the same for which no provision has been created for doubtful trade receivables."***

***The loss to that extent is under stated and similarly the receivables, the effect however could not be quantified.***

**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 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 Company as at March 31, 2018 and its loss and its Cash Flow for the year ended on that date.

**Emphasis of the Matter**

- a. Attention is invited to note No 5, 5.1 and 5.2 of the consolidated financial statements wherein amount of ₹ 5136.79 Lakhs has been shown under the head of **long term advances**, "out of which ₹ 1249.40 Lakhs has been given to various parties and the matter is Sub Judice in various courts for acquiring properties and advances amounting to ₹ 1842.97 Lakhs given to various other parties but the sale deeds for properties have not so far been executed in favor of the Company". These advances have been considered as good by the management of the Company. It is relevant to point out that these are material advances and are pending since long, more than three years, and the management has not made any provision for the same.

Attention is also invited to note No 5.3 of the consolidated financial statements for amount shown under the head "**long term advance** ₹ 1887.92 Lakhs given to various parties on account of franchisee fee and other expenses for acquiring rights of Realogy Corpn. Inc. USA for their brand (Century 21) which is recoverable from its Subsidiary Century 21 Properties (India) Pvt. Ltd as and when the rights will be transferred to it". It is relevant to note that the amount has been advanced since long and rights have not been transferred so far.

Our opinion is not modified in respect of these matters.

**Report on Other Legal and Regulatory Requirement's**

1. As required by Section 143(3) of the Act, we report that:
- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the consolidated financial statements;
  - In our opinion proper books of account as required by law have been kept by the Holding Company, including relevant records relating to the preparation of the aforesaid consolidated financial statements so far as it appears from our examination of those books and records of the Holding Company and report of the other auditors.
  - The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, and Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - Except for the effects of the matter described in the basis for Qualified opinion paragraph above, in our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies(Accounts) Rules,2014;
  - The matters described in the basis for Qualified Opinion paragraph and Emphasis of matter paragraph above, in our opinion, can adversely affect the functioning of the Holding Company.**
  - On the basis of written representations received from the Directors as on March 31, 2018, and taken on record by the Board of Directors of the Holding Company and the report of statutory auditors of Subsidiaries, none of the Directors is disqualified as on March 31, 2018, from being appointed as a Director in terms of Section 164(2) of the Companies Act, 2013.
  - The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.**
  - With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such control, refer to our separate report in Annexure "A" and
  - With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of Companies (Audit and Auditors)Rules, 2014 in our opinion and to the best of our information and according to explanations given to us:
    - The Holding Company has not disclosed the impact of pending litigations in its financial statements with respect to suits on or by the company in respect of suits filed by the company for acquisition of properties as referred to in note 5.1 and .2 of the financial statements.
    - The Holding Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
    - There no amounts which required to be transferred, to the Investor Education and Protection Fund by the Holding company.

**FOR SOIN ASSOCIATES  
CHARTERED ACCOUNTANTS  
Firm Regn. No. 010637N**

**Sd/-  
Paramjit Singh  
Prop.**

**Place : New Delhi  
Dated : 21/05/2018**

**Membership No.086047**

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

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

**Meaning of Internal Financial Controls over Financial Reporting**

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

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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



**Opinion**

In our opinion, the Holding Company and its subsidiaries, 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 SOIN ASSOCIATES  
CHARTERED ACCOUNTANTS  
Firm Regn. No. 010637N**

**Place : New Delhi  
Dated : 21/05/2018**

**Sd/-  
Paramjit Singh  
Prop.  
Membership No.086047**

# ALCHEMIST REALTY LIMITED

## CONSOLIDATED BALANCE SHEET AS AT 31ST 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>(1) Non-current assets</b>				
(a) Property, Plant and Equipment	3	41.90	67.96	86.82
(b) Capital work-in-progress		-	-	-
(c) Investment Property		-	-	-
(d) Goodwill		-	-	-
(e) Other Intangible assets		-	-	-
(f) Intangible assets under development		-	-	-
(g) Biological Assets other than bearer plant		-	-	-
(h) Financial Assets		-	-	-
(i) Investments	4	250.09	249.07	249.07
(ii) Trade receivables		-	-	-
(iii) Loans	5	5,136.79	5,144.79	5,145.30
(iv) Others (to be specified)	6	45.43	78.36	72.41
(i) Deferred tax assets (net)	7	14.41	17.93	20.26
(j) Other non-current assets	8	367.10	464.07	600.22
		<u>5,855.72</u>	<u>6,022.18</u>	<u>6,174.09</u>
<b>(2) Current assets</b>				
(a) Inventories	9	11,983.58	11,779.53	11,543.41
(b) Financial Assets				
(i) Investments		-	-	-
(ii) Trade receivables	10	15,205.27	15,158.58	15,500.54
(iii) Cash and cash equivalents	11	4.80	5.06	6.94
(iv) Bank balances other than (iii) above		-	-	-
(v) Loans	12	7.16	6.65	23.06
(vi) Others (to be specified)	13	10.17	9.74	10.57
(b) Current Tax Assets (Net)		-	-	-
(b) Other current assets )		-	-	-
		<u>27,210.99</u>	<u>26,959.56</u>	<u>27,084.52</u>
<b>Total Assets</b>		<u><b>33,066.71</b></u>	<u><b>32,981.74</b></u>	<u><b>33,258.61</b></u>
<b>EQUITY AND LIABILITIES</b>				
<b>(1) Equity</b>				
(a) Equity Share capital	14	1,482.02	1,482.02	1,482.02
(b) Other Equity	15	(58.05)	378.52	1,322.56
		<u>1,423.97</u>	<u>1,860.54</u>	<u>2,804.13</u>
<b>Minority Interest</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	
<b>(2) LIABILITIES</b>				
<b>Non-current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	16	30,989.26	30,478.22	29,807.31
(ii) Trade Payable		-	-	-
(iii) Other financial liabilities (other than those specified in item (b), to be specified)		-	-	-
(b) Provisions	17	18.96	22.62	19.38
(c) Deferred tax liabilities (net)		-	-	-
(d) Other non-current liabilities		-	-	-
		<u>31,009.22</u>	<u>30,501.84</u>	<u>29,827.69</u>

# ALCHEMIST REALTY LIMITED

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>(3) Current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings		-	-	
(ii) Trade Payable	18	405.46	426.87	449.09
(iii) Other financial liabilities (other than those specified in item (c))		-	-	-
(b) Other current liabilities	19	228.06	192.50	177.70
(c) Provisions		-	-	-
(d) Current tax liabilities (net)		-	-	-
		<u>633.52</u>	<u>619.36</u>	<u>626.79</u>
<b>Total Equity and Liabilities</b>		<u><u>33,066.71</u></u>	<u><u>32,981.74</u></u>	<u><u>33,258.61</u></u>
Significant Accounting Policies & Notes on Financial Statements	1 to 42	0.00	(0.00)	(0.01)

As per our report of even date attached.

**For SOIN ASSOCIATES**  
Chartered Accountants  
(Firm Regn. No. 010637N)

Sd/-  
Paramjit Soin  
(Prop.)  
Membership No. 086047

Place : New Delhi  
Dated : 21.05.2018

**For and on behalf of the Board**

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

Sd/-  
Suresh Kumar Bhardwaj  
(CFO)

Sd/-  
Maria Fernandes  
(Director)  
DIN: 07134540

Sd/-  
Nidhi Dhawan  
(Company Secretary)

# ALCHEMIST REALTY LIMITED

## STATEMENT OF CONSOLIDATED PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

		(₹ in Lakhs)	
PARTICULARS	Note	Year ended 31 <sup>st</sup> March, 2018	Year ended 31 <sup>st</sup> March, 2017
I	Revenue from Operations	20	-
II	Other income	21	44.68
III	<b>Total Income</b>	<b>49.65</b>	<b>(342.31)</b>
IV	<b>EXPENSES</b>		
	Cost of material consumed	22	-
	Purchase of Stock-in-Trade		44.68
	Change in inventories of finished goods, stock-in-trade and work-in-progress		-
	Employee-benefits expenses	23	235.80
	Finance costs	24	0.08
	Depreciation and amortization expenses	25	4.29
	Other expenses	26	228.57
	<b>Total expenses</b>	<b>468.73</b>	<b>642.08</b>
V	<b>Profit/ (Loss) before Exceptional Items &amp; Tax ( I-IV )</b>	<b>(419.08)</b>	<b>(939.71)</b>
VI	<b>Exceptional Items</b>	27	19.57
VII	<b>Profit/(Loss) Before Tax (V-VI)</b>	(438.65)	(939.71)
VIII	<b>Tax expense</b>		
	(1) Current Tax	-	-
	(2) Deferred tax	28	2.06
IX	<b>Profit/(Loss) for the period from continuing operations (VII-VIII)</b>	<b>(440.71)</b>	<b>(942.04)</b>
X	<b>Profit/(Loss) for the period from discontinued operations</b>	-	-
XI	<b>Tax expense of discontinued operations</b>	-	-
XII	<b>Profit/(Loss) for the period from discontinuing operations after tax (X-XI)</b>	-	-
XIII	<b>Profit/(Loss) for the period (IX+XII)</b>	<b>(440.71)</b>	<b>(942.04)</b>
XIV	<b>Other comprehensive Income</b>		
A	(i) Items that will not be reclassified to profit or loss	29	5.59
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(1.45)
B	(i) Items that will be reclassified to profit or loss		-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-
XV	<b>Total comprehensive income for the period (XIII+XIV)</b>	<b>(436.57)</b>	<b>(944.04)</b>
	(Comprising Profit (Loss) and Other Comprehensive Income for the period)		
XVI	<b>Earning per equity share (from continuing operation)</b>		
	Amount in ₹		
	(1) Basic	(0.59)	(1.27)
	(2) Diluted	(0.59)	(1.27)
XVII	<b>Earning per equity share (from discontinued operation)</b>		
	Amount in ₹		
	(1) Basic	-	-
	(2) Diluted	-	-
XVIII	<b>Earning per equity share (from discontinued and continuing operation) Amount in ₹</b>		
	(1) Basic	(0.59)	(1.27)
	(2) Diluted	(0.59)	(1.27)

Significant Accounting Policies &  
Notes on Financial Statements

1 to 42

As per our report of even date attached.

For and on behalf of the Board

**For SOIN ASSOCIATES**  
Chartered Accountants  
(Firm Regn. No. 010637N)

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

Sd/-  
Maria Fernandes  
(Director)  
DIN: 07134540

Sd/-  
Paramjit Soin  
(Prop.)  
Membership No. 086047

Sd/-  
Suresh Kumar Bhardwaj  
(CFO)

Sd/-  
Nidhi Dhawan  
(Company Secretary)

Place : New Delhi  
Dated : 21.05.2018

# ALCHEMIST REALTY LIMITED

## CONSOLIDATED STATEMENT OF CASH FLOW (PURSUANT TO INDAS-7) Indirect Method FOR THE YEAR ENDED MARCH 31, 2018

PARTICULARS	Note	(₹ in Lakhs)	
		Year ended 31 <sup>st</sup> March, 2018	Year ended 31 <sup>st</sup> March, 2017
<b>1. CASH FLOW FROM OPERATING ACTIVITIES</b>			
NET PROFIT AFTER TAX AND EXTRA ORDINARY ITEM		(436.57)	(944.04)
<b>Add:</b>			
Proposed Dividend		-	-
Tax on Dividend		-	-
Provision for Taxes		-	-
Depreciation		4.29	18.86
Miscellaneous Expenses Written Off		98.25	98.25
Financial Expenses		0.08	0.03
		<b>102.61</b>	<b>117.14</b>
<b>Less:</b>			
Deferred Tax Liability		(3.51)	(2.34)
Provision for Tax		-	-
Interest Received		0.08	-
		<b>(3.44)</b>	<b>(2.34)</b>
<b>Operating profit for working capital changes</b>		<b>(330.52)</b>	<b>(824.56)</b>
(Increase) / Decrease in Inventory		(204.05)	(236.12)
(Increase) / Decrease in Sundry Debtors		(46.69)	341.96
(Increase) / Decrease in Loans & Advances		136.96	147.95
(Increase) / Decrease in Share Capital		-	-
(Increase) / Decrease in Miscellaneous Expenditure & W/off		(98.25)	(98.25)
Increase / (Decrease) in Trade Payables & Others		10.50	(4.18)
<b>Cash Generated from / (used in) operating activities</b>		<b>(532.06)</b>	<b>(673.21)</b>
Direct Taxes paid / deducted at source		-	-
<b>Net cash generated from / (used in) operating activities</b>	(A)	<b>(532.06)</b>	<b>(673.21)</b>
<b>2. CASH FLOW FROM INVESTING ACTIVITIES</b>			
Interest Received		0.08	-
Sales of Investment		(1.02)	0.00
Sale of Fixed Assets		21.77	-
<b>Net Cash from / (used in) Investing Activities</b>	(B)	<b>20.83</b>	<b>0.00</b>
<b>3. CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from Secured Loans		-	-
Proceeds from Unsecured Loans		511.04	670.91
Interest Paid		(0.08)	(0.03)
<b>Net Cash from / (used in) Financing Activities</b>	(C)	<b>510.97</b>	<b>670.88</b>
<b>4. NET INCREASE / (DECREASE) IN CASH &amp; CASH EQUIVALENTS</b>	(A)+(B)+(C)	<b>(0.26)</b>	<b>(2.32)</b>
<b>5. CASH &amp; CASH EQUIVALENTS AS AT THE BEGINNING OF THE YEAR</b>		5.06	7.38
<b>5. CASH &amp; CASH EQUIVALENTS TRANSFER FROM SUBSIDIARY COMPANY</b>		-	-
<b>6. CASH &amp; CASH EQUIVALENTS AS AT THE END OF THE YEAR</b>		<b>4.80</b>	<b>5.06</b>
Cash and Cash equivalents (Year end)		4.80	5.06
Balances with banks with restatement (including cc & od balances)		3.75	3.82
Cheque/Drafts in hand		-	-
Cash in Hand		1.06	1.24
<b>Reconciliation of Cash and Cash equivalents</b>			
Cash and Cash equivalents as per Balance Sheet		4.80	5.06
Balances with banks in CC Accounts		-	-
Balances with banks in OD Accounts		-	-
		<b>4.80</b>	<b>5.06</b>

As per our report of even date attached.

For SOIN ASSOCIATES  
Chartered Accountants  
(Firm Regn. No. 010637N)

Sd/-  
Paramjit Soin  
(Prop.)  
Membership No. 086047

Place : New Delhi  
Dated : 21.05.2018

For and on behalf of the Board

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

Sd/-  
Suresh Kumar Bhardwaj  
(CFO)

Sd/-  
Maria Fernandes  
(Director)  
DIN: 07134540

Sd/-  
Nidhi Dhawan  
(Company Secretary)

**Auditor's Certificate**

We have examined the attached consolidated cash flow statement of Alchemist Realty Limited for the year ended 31<sup>st</sup> March, 2018. The Statement has been prepared by the company in accordance with the requirement of the listing agreement Clause 32 with Stock Exchange and is based on and derived from the audited accounts of the Company for the year ended 31<sup>st</sup> March, 2018.

**For SOIN ASSOCIATES  
Chartered Accountants  
Firm Regn. No. 010637N**

**Place : New Delhi  
Dated : 21.05.2018**

**Sd/-  
Paramjit Soin  
Prop.  
Membership No. 086047**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****Note No. 1****SIGNIFICANT ACCOUNTING POLICIES.-Year ended 31<sup>st</sup> March, 2018.****a) Principles of Consolidation**

The Consolidated Financial Statements have been prepared in accordance with the Indian Accounting Standard (Ind AS) 110, "Consolidated Financial Statements", issued by The Institute of Chartered Accountants of India. The financial statement of Alchemist Realty Limited the parent company of Alchemist Hill Resorts Private Limited and Century 21 Properties India Private Limited has been combined on 31<sup>st</sup> March, 2018. The Consolidated Financial Statements are prepared by applying on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating inter-group balances and inter-group transactions resulting in unrealized profit or losses.

**b) Basis of Presentation**

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

**c) Other Significant Accounting Policies**

These are set out under "Significant Accounting Policies" as given in the standalone financial statements of Alchemist Realty Limited and its subsidiaries.

**NOTES ON CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**

The Previous year figures have been regrouped/reclassified, where ever necessary to conform to the current year presentation

**3. CONSOLIDATED PROPERTY, PLANT AND EQUIPMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**

(₹ in Lakhs)

S. No.	PARTICULARS	GROSS BLOCK				DEPRECIATION					NET BLOCK	
		AS ON 01.04.2017	ADDITION DURING THE YR.	DEDUCTION	AS ON 31.03.2018	AS ON 01.04.2017	PROVIDED DURING THE YR.	TRANSFER TO GENERAL RESERVE	ON SALE / ADJUSTMENTS DURING THE YR.	TOTAL UP TO 31.03.2018	AS ON 31.03.2018	AS ON 31.03.2017
		₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
	<b>FIXED ASSETS</b>											
1.	Computers	27.53	-	-	27.53	26.15	-	-	-	26.15	1.38	1.38
2.	Building	105.35	-	21.77	83.58	50.07	1.50	-	-	51.57	32.00	55.27
3.	Office Equipment	26.59	-	-	26.59	24.77	0.41	-	-	25.18	1.41	1.83
4.	Vehicle	63.59	-	-	63.59	58.48	0.93	-	-	59.41	4.18	5.11
5.	Furniture & Fixture	30.00	-	-	30.00	25.63	1.44	-	-	27.07	2.93	4.37
	<b>TOTAL</b>	<b>253.06</b>	<b>-</b>	<b>21.77</b>	<b>231.29</b>	<b>185.10</b>	<b>4.29</b>	<b>-</b>	<b>-</b>	<b>189.39</b>	<b>41.90</b>	<b>67.96</b>
	<b>PREVIOUS YEAR</b>	<b>253.06</b>	<b>-</b>	<b>-</b>	<b>253.06</b>	<b>166.24</b>	<b>18.86</b>	<b>-</b>	<b>-</b>	<b>185.10</b>	<b>67.96</b>	<b>86.82</b>

(₹ in Lakhs)

PARTICULARS	As at	As at	As at
	<u>31<sup>st</sup> March, 2018</u>	<u>31<sup>st</sup> March, 2017</u>	<u>31<sup>st</sup> March, 2016</u>
<b>4 NON-CURRENT INVESTMENTS</b>			
<b>Others Investments</b>			
<b>Unquoted</b>			
<b>a) Others</b>			
24,84,200 Equity Shares (Previous Year 24,84,200 Shares) of ₹ 10/- each of DGS Realtors Pvt. Ltd.	248.42	248.42	248.42
9000 shares @ ₹ 10/-each of Black Cats Protections Pvt Ltd (previous year Nil)	0.90	-	-
<b>Total</b>	<u><b>249.32</b></u>	<u><b>248.42</b></u>	<u><b>248.42</b></u>
<b>4.1 CURRENT INVESTMENTS</b>			
Fixed Deposit- with HDFC Bank Limited	0.77	0.65	0.65
<b>TOTAL</b>	<u><b>0.77</b></u>	<u><b>0.65</b></u>	<u><b>0.65</b></u>
<b>5 LONG-TERM LOANS AND ADVANCES</b>			
(Unsecured and Considered Good)			
Advances (Including Advances for Purchase of Land/ Other Advances)	5,136.79	5,144.79	5,145.30
<b>Total</b>	<u><b>5,136.79</b></u>	<u><b>5,144.79</b></u>	<u><b>5,145.30</b></u>

5.1 Advances includes amount given to various parties amounting to ₹ 1249.40 Lakhs (Previous year ₹ 1249.40 Lakhs) in respect of property to be purchased/ acquired in due course of time. The matters relating to these advances for acquiring properties is sub judice.

5.2 Advances include amount given to various parties amounting to ₹ 1842.97 Lakhs (Previous year ₹ 1842.97 Lakhs) process in respect of transfer of title of land is in progress and necessary sale deeds have not been executed so far in favour of the company.

5.3 An Amount of ₹ 1887.92 Lakhs (Previous year ₹ 1887.92 Lakhs) was given to various parties on account of franchise fees and other expenses for acquiring rights of Realogy Corpn. Inc USA for their brand (Century 21) which is recoverable in due course of time from its Subsidiary Century 21 Properties India Pvt . Ltd. as and when the rights are transferred to it.



# ALCHEMIST REALTY LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018 Continued

The Previous year figures have been regrouped/reclassified, where ever necessary to conform to the current year presentation

PARTICULARS	(₹ in Lakhs)		
	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
<b>6 OTHER NON-CURRENT FINANCIAL ASSETS</b>			
Deposit with Others-Security deposits	45.43	78.36	72.41
<b>Total</b>	<b>45.43</b>	<b>78.36</b>	<b>72.41</b>
<b>7 DEFERRED TAX ASSETS</b>			
Deferred Tax Assets Related to fixed assets	14.41	17.93	20.26
<b>Total</b>	<b>14.41</b>	<b>17.93</b>	<b>20.26</b>
<b>8 OTHER NON-CURRENT ASSETS</b>			
Advance Payment of Tax	30.61	29.60	68.08
Misc.Expenditure			
Preliminary Expenses & Pre-operative expenses	336.49	434.47	532.14
Deffred Revenue Expenditure	-	-	-
<b>Total</b>	<b>367.10</b>	<b>464.07</b>	<b>600.22</b>
<b>9 INVENTORIES</b>			
Properties Under Development* (Commercial Land and other Land, Flats and Plots )	11,983.58	11,779.53	11,543.41
<b>TOTAL</b>	<b>11,983.58</b>	<b>11,779.53</b>	<b>11,543.41</b>
* Valued at Cost ( Including pending allocation of related expenses) and net realizable value			
<b>10 TRADE RECEIVABLES (Unsecured and Considered Good)</b>			
Over Six Months	15,205.27	15,158.58	15,500.54
Other	-	-	-
<b>TOTAL</b>	<b>15,205.27</b>	<b>15,158.58</b>	<b>15,500.54</b>
Export debtors of merchant trade transactions amounting to ₹ 14855.18 Lakhs are overdue for more than nine months in contravention to directions contained in Circular 115 A.P(Dir Series) dated 28 <sup>th</sup> March, 2014 issued under Section 10(4) and 11(1) of the FEMA Act, 1999.			
<b>11 CASH AND CASH EQUIVALENTS</b>			
Cash in hand	1.06	1.24	2.10
Balance with banks(Including Cheque in Hand)	3.75	3.82	4.84
<b>TOTAL</b>	<b>4.80</b>	<b>5.06</b>	<b>6.94</b>

# ALCHEMIST REALTY LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018 Continued

The Previous year figures have been regrouped/reclassified, where ever necessary to conform to the current year presentation

PARTICULARS	(₹ in Lakhs)		
	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
<b>12 LOANS</b>			
<b>Unsecured:</b>			
Advance to Suppliers	7.15	5.72	22.50
Considered good	-	-	-
Considered doubtful	-	-	-
Less: Allowance for bad & doubtful advances	-	-	-
	<u>7.15</u>	<u>5.72</u>	<u>22.50</u>
<b>Unsecured &amp; Considered good:</b>			
Advance to Employees	0.01	0.93	0.56
Excess of Planned assets towards gratuity obligations	-	-	-
Excess of Planned assets towards leave encashment obligations	-	-	-
Other receivables	-	-	-
<b>Total</b>	<u>7.16</u>	<u>6.65</u>	<u>23.06</u>
<b>13 OTHERS</b>			
Other Receivables	10.02	9.55	10.30
Prepaid expenses	0.16	0.18	0.27
<b>TOTAL</b>	<u>10.17</u>	<u>9.74</u>	<u>10.57</u>

PARTICULARS	(₹ in Lakhs)		
	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
<b>14 SHARE CAPITAL</b>			
<b>AUTHORISED</b>			
800,00,000 Equity Shares of ₹ 2/- each (Previous Year 800,00,000 equity share of ₹ 2/- each)	160,000,000	160,000,000	160,000,000
	<u>160,000,000</u>	<u>160,000,000</u>	<u>160,000,000</u>
<b>ISSUED, SUBSCRIBED AND PAID UP CAPITAL</b>			
7,41,01,000 Equity Shares ₹ 2/- Each fully paid (Previous Year 7,41,01,000 Equity Shares of ₹ 2/- Each Fully Paid)	1,482.02	1,482.02	1,482.02
<b>TOTAL</b>	<u>1,482.02</u>	<u>1,482.02</u>	<u>1,482.02</u>

The detail of Shareholders holding more than 5% shares:

Name of the Shareholders	As at 31 <sup>st</sup> March, 2018		As at 31 <sup>st</sup> March, 2017		As at 31 <sup>st</sup> March, 2016	
	No of Shares	% held	No of Shares	% held	No of Shares	% held
1 KDS Corporation Private Limited	3,36,77,535	45.45	3,36,77,535	45.45	3,36,77,535	45.45
2 Endogram Leasing and Trading Company Private Limited	86,05,580	11.61	86,05,580	11.61	86,05,580	11.61
3 DAVOS International Fund	70,13,283	9.46	70,13,283	9.46	70,13,283	9.46
4 Basic Softsolutions Private Limited	6,767,073	9.13	6,767,073	9.13	6,767,073	9.13
5 HSBC Bank (Mauritius) Ltd A/c PlutusTerra India Fund	41,17,089	5.56	41,17,089	5.56	41,17,089	5.56

# ALCHEMIST REALTY LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018 Continued

The Previous year figures have been regrouped/reclassified, where ever necessary to conform to the current year presentation

(₹ in Lakhs)

PARTICULARS	As at	As at	As at
	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2017	31 <sup>st</sup> March, 2016
The reconciliation of number of shares outstanding is set out below.	No of Shares	No of Shares	No of Shares
Equity Shares at the beginning of the year	74101000	74101000	74101000
Add : Shares issued during the year	-	-	-
Equity Shares at the end of the year	<u>74101000</u>	<u>74101000</u>	<u>74101000</u>

### 15 A. Equity Share Capital

(₹ in Lakhs)

Balance as at 31st March, 2017	Change in Equity Share Capital during the year	Balance as at 31st March, 2018
74,101,000	0	74,101,000
Balance as at April 1,2016	Change in Equity Share Capital during the year	Balance as at 31st March,2017
74,101,000	0	74,101,000

### B. Other Equity

Particulars	Reserves and Surplus						Total
	Capital Reserve	Securities Premium Reserve	Revaluation Reserve	General Reserve	Retained Earning	Debt Instruments through other comprehensive income	
Balance as at March-31,2017	-	-	8.57	369.95	-	-	378.52
Change in accounting policy/ prior period errors	-	-	-	-	-	-	-
Restated balance at the begning of the reporting period	-	-	8.57	369.95	-	-	378.52
Profit (loss)for the year	-	-	-	(440.71)	-	-	(440.71)
Other comprehensive income for the year	-	-	-	4.14	-	-	4.14
Total comprehensive income for the year	-	-	-	(436.57)	-	-	(436.57)
<b>Transactions with owners in capacity as owners</b>							
Dividends	-	-	-	-	-	-	-
Transferred to retained earnings	-	-	-	-	-	-	-
Bonus Shares	-	-	-	-	-	-	-
Movement during the year	-	-	-	-	-	-	-
<b>Balance as at March 31,2018</b>	-	-	8.57	(66.62)	-	-	(58.05)

# ALCHEMIST REALTY LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018 Continued

The Previous year figures have been regrouped/reclassified, where ever necessary to conform to the current year presentation

(₹ in Lakhs)

Particulars	Reserves and Surplus						Total
	Capital Reserve	Securities Premium Reserve	Revaluation Reserve	General Reserve	Retained Earning	Debt Instruments through other comprehensive income	
Balance as at April 1, 2016	-	-	8.57	1,313.99	-	-	1,322.56
Change in accounting policy/ prior period errors	-	-	-	-	-	-	-
Restated balance at the begning of the reporting period	-	-	8.57	1,313.99	-	-	1,322.56
Profit (loss)for the year	-	-	-	(944.04)	-	-	(944.04)
Other comprehensive income for the year	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(944.04)	-	-	(944.04)
<b>Transactions with owners in capacity as owners</b>							
Dividends	-	-	-	-	-	-	-
Transferred to retained earnings	-	-	-	-	-	-	-
Bonus Shares	-	-	-	-	-	-	-
Movement during the year	-	-	-	-	-	-	-
<b>Balance as at March 31,2017</b>	-	-	8.57	369.95	-	-	378.52

(₹ 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
<b>16 LONG TERM BORROWINGS</b>			
<b>Unsecured</b>			
Inter Corporate Loans	30,989.26	30,478.22	29,807.31
<b>Total</b>	<b>30,989.26</b>	<b>30,478.22</b>	<b>29,807.31</b>
Interest Free Inter Corporate loans includes an amount of ₹ 21085.52 Lakhs (previous year ₹ 20590.95 Lakhs) received from KDS Corporation Private Limited. (Promoter Group Company) and from associate company Techonology Parks Ltd. amounting to ₹ 9712.48 Lakhs (Prev. Year ₹ 9683.00 Lakhs)			
<b>17 LONG TERM PROVISIONS</b>			
<b>Provision for Employees Benefits</b>			
Gratuity	18.96	22.62	18.11
Earned Leave	-	-	1.27
<b>Total</b>	<b>18.96</b>	<b>22.62</b>	<b>19.38</b>
<b>18 TRADE PAYABLES</b>			
Creditors for Purchases	368.69	368.69	368.69
Creditors for Expenditure	36.77	58.17	80.40
<b>Total</b>	<b>405.46</b>	<b>426.87</b>	<b>449.09</b>
<b>19 OTHER CURRENT LIABILITIES</b>			
Statutory Dues Payable	9.57	35.10	10.25
Other Payable	218.49	157.40	167.00
<b>Total</b>	<b>228.06</b>	<b>192.50</b>	<b>177.70</b>

# ALCHEMIST REALTY LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018 Continued

The Previous year figures have been regrouped/reclassified, where ever necessary to conform to the current year presentation

PARTICULARS	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>20 REVENUE FROM OPERATIONS</b>		
Sales	-	44.68
<b>TOTAL</b>	<b>-</b>	<b>44.68</b>
<b>21 OTHER INCOME</b>		
Other Non Operating Income	-	0.01
Interest Income	0.08	0.04
s.balances w/off	2.49	-
Foreign Exchange Rate Difference	47.08	(342.36)
<b>TOTAL</b>	<b>49.65</b>	<b>(342.31)</b>
<b>22 DIRECT COST</b>		
a) Opening Stock #	11,779.53	11,543.41
b) Addition During the year	-	
1) Land #	204.05	280.81
2) Flats/Plots/Construction Equipments #	-	-
<b>Total Purchase during the year(1+2)</b>	<b>204.05</b>	<b>280.81</b>
c) Pending Allocation During the year(WIP)	-	-
<b>Total Addition during the year(b+c)</b>	<b>204.05</b>	<b>280.81</b>
d) Closing Stock #	11,983.58	11,779.53
<b>Cost of Sales(a+b+c-d)</b>	<b>-</b>	<b>44.68</b>
# Valued at cost(Including pending allocation).		
<b>23 EMPLOYEE BENEFITS EXPENSE</b>		
Salary	210.65	236.44
Reimbursement of Expenses	4.01	5.87
Other Amenities	17.07	18.20
Bonus/Exgratia	-	1.93
Gratuity	4.07	5.64
<b>TOTAL</b>	<b>235.80</b>	<b>268</b>

23.1 As per INDAS19 "Employee benefits", the disclosures as defined in the Accounting Standard are given below.

### Defined Contribution Plans

Contribution to Defined Contributions Plans, recognised as expense for the year is as under.

Particulars	2017-18	2016-17
Employer's Contribution to Provident Fund	7.31	8.17
Employer's Contribution to Pension Scheme	2.51	2.88
Employer's Contribution to ESI	0.83	0.75

### Defined Benefit Plans:

(a) Gratuity

(b) Earned Leave.

**NOTES ON CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018 Continued**

The Previous year figures have been regrouped/reclassified, where ever necessary to conform to the current year presentation

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

(₹ in Lakhs)

Particulars	2017-18		2016-17	
		Gratuity		Gratuity
<b>Change in the present value of obligation.</b>				
<b>Present value of Obligation as at the Beginning of the Period</b>	22.62		19.38	-
Acquisition adjustment	-		-	-
Interest Cost	1.42		1.08	-
Past Service Cost	-		-	-
Current Service Cost	2.65		3.45	-
Curtailment Cost/(credit)	-		-	-
Settlement Cost/(credit)	-		-	-
Benefits Paid	(2.14)		(4.39)	-
Actuarial Gain/(Loss)on the obligation	(5.59)		3.10	-
<b>Present value of Obligation as at the end of the Period</b>	<b>18.96</b>		<b>22.62</b>	-

Particulars	2017-18		2016-17	
		Gratuity		Gratuity
<b>Change in the fair value of plan assets</b>				
Fail value of Plan Assets as at the Beginning of the Period	-		-	-
Acquisition adjustment	-		-	-
Expected return on plan assets	-		-	-
Contributions	-		-	-
Benefits Paid	-		-	-
Actuarial Gain/(Loss)on the assets	-		-	-
Fair value of Plan Assets as at the end of the Period	-		-	-
<b>Fair value of Plan assets</b>				
Fail value of Plan Assets at the Beginning of Period	-		-	-
Acquisition adjustment	-		-	-
Actual return on plan assets	-		-	-
Contributions	-		-	-
Benefits Paid	-		-	-
<b>Fair value of Plan Assets as at the end of the Period</b>	-		-	-
Funded status	-		-	-
Excess of Actual over estimated return on plan assets	-		-	-
<b>Expense recognised in the statement of profit and loss</b>				
Current Service Cost	2.65		3.45	
Past Service Cost	-		-	
Interest Cost	1.42		1.08	
Expected return on plan assets	-		-	
Curtailment Cost/(credit)	-		-	
Settlement Cost/(credit)	-		-	
Net Actuarial Gain/(Loss) recognised in the period	(5.59)		3.10	
<b>Expenses recognised in the statement of profit and loss</b>	<b>7.63</b>	-	<b>6.63</b>	-
<b>Major categories of plan assets (as percentage of total plan assets)</b>				

**NOTES ON CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018 Continued**

The Previous year figures have been regrouped/reclassified, where ever necessary to conform to the current year presentation

Particulars	2017-18		2016-17	
		Gratuity		Gratuity
Government of India Securities	-		-	-
State Government securities	-		-	-
High quality corporate bonds	-		-	-
Equity shares of listed companies	-		-	-
Property	-		-	-
Special Deposit Scheme	-		-	-
Funds managed by insurer	-		-	-
Bank balance	-		-	-
TOTAL	-		-	-
<b>Assumptions</b>				
Discount Rate	7.9%		7.90%	
Salary Growth Rate	8%		8.00%	
Expected rate of return on Plan assets	0%		0.00%	
Retirement Age	60 years		60 years	
Mortality rates(as % of IALM 94-96):	100%		100.00%	
Withdrawal rates, based on age:	5%		5.00%	

PARTICULARS	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>24 FINANCE COSTS</b>		
LC & Other Charges	0.08	0.03
Interest on Vehicles Loan	-	-
<b>TOTAL</b>	<b>0.08</b>	<b>0.03</b>
<b>25 DEPRECIATION AND AMORTIZATION EXPENSE</b>		
Depreciation on Tangible Assets	4.29	18.86
<b>TOTAL</b>	<b>4.29</b>	<b>18.86</b>

# ALCHEMIST REALTY LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018 Continued

The Previous year figures have been regrouped/reclassified, where ever necessary to conform to the current year presentation

PARTICULARS	(₹ in Lakhs)	
	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>26 OTHER EXPENSES</b>		
<b>Administrative Overheads</b>		
Audit Fees	3.35	3.80
Adv for purchase of Flat Forfeiture A/c	0.00	45.00
Postage, Telegram & Telephone	1.45	1.55
Loss on sale of Assets	19.57	0.00
Bad Debts Written Off	0.00	0.00
Conveyance	7.35	8.19
Electricity and Water	5.53	12.19
Insurance Charges	0.24	0.40
Legal/ Professional Charges	33.68	19.59
Director Sitting Fees	1.05	0.94
Miscellaneous Expenses write off	98.25	98.25
Indadmissible Expenses	1.99	0.21
Miscellaneous Expenses	13.28	35.88
Office Expenses	4.01	8.13
Other Expenses	2.19	4.95
Written off	0.40	2.68
Printing and Stationary	1.37	1.61
Repair & Maintenance Charges	1.12	1.57
Rent	26.27	38.53
Reverse Charges IGST/CGST/SGST	1.42	
Travelling Expenses	4.90	4.87
<b>TOTAL</b>	<b>227.40</b>	<b>288.36</b>
<b>Marketing Overheads</b>		
Business Promotion	20.74	22.07
<b>TOTAL</b>	<b>20.74</b>	<b>22.07</b>
<b>GRAND TOTAL</b>	<b>248.14</b>	<b>310.43</b>
<b>27 EXCEPTIONAL ITEMS</b>		
	19.57	0.00
<b>TOTAL</b>	<b>19.57</b>	<b>0.00</b>
<b>28 DEFERRED TAX</b>		
	2.06	2.34
<b>TOTAL</b>	<b>2.06</b>	<b>2.34</b>
<b>29 OTHER COMPREHENSIVE INCOME</b>		
Remeasurements (Actuarial gain/loss)	5.59	0.00
	0.00	0.00
<b>TOTAL</b>	<b>5.59</b>	<b>0.00</b>
<b>30 Contingent Liabilities not provided for Particulars</b>	<b>Current Year</b>	<b>Previous Year</b>
Bills Discounted with bank since not realized	Nil	Nil
Bank Guarantees/Counter Guarantee issued	Nil	Nil
Estimated amount of contract remaining to be executed	Nil	Nil
Letter of Credit un-expired	Nil	Nil



**NOTES ON CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018 Continued**

The Previous year figures have been regrouped/reclassified, where ever necessary to conform to the current year presentation

**31 Related Party Disclosures**

As per IND AS-24, the disclosure of transactions with the related parties are given below.

**(i) List of related parties with whom transactions have taken place.**

S.No.	Name of the Related Party	Relationship
1	Alchemist Hill Resorts Limited	Subsidiary
2	Century 21 Properties India Private Limited	Subsidiary
3	Alchemist Airways Private Limited	Associates/Enterprises controlled by same management
4	Alchemist Limited	Associates/Enterprises controlled by same management
5	Alchemist Touchnology Limited	Associates/Enterprises controlled by same management
6	KDS Corporation Private Limited	Promoters
7	Alchemist Hospitals Limited	Associates/Enterprises controlled by same management
8	Technology Parks Limited	Associates/Enterprises controlled by same management
9	Mr. Vinay Kumar Mittal	Key Managerial Personnel
10	Mr. Suresh Kumar Bhardwaj	Key Managerial Personnel
11	Mrs. Nidhi Dhawan	Key Managerial Personnel

**(ii) Disclosure in Respect of Material Related Party Transactions during the year:**

- 1 Managerial Remuneration Paid ₹ 122.91 Lakhs (Previous Year ₹ 122.13 Lakhs)
- 2 Inter Corporates Loan Received from KDS Corporation Private Limited ₹ 21085.52 Lakhs (Previous Year ₹ 20590.95 Lakhs) and Technology Parks Limited ₹ 9712.48 Lakhs (Previous Year ₹ 9683.00)
- 3 Reimbursement of Expenses include from Alchemist Limited ₹ 7.69 Lakhs (Prev. Year ₹ 2.97 Lakhs) Alchemist Touchnology Limited ₹ 0.00 Lakhs (Prev. Year ₹ 0.26 Lakhs)

**(iii) Transactions with the related parties during the Financial Year (Pursuant to INDAS 24)**

Particulars	Subsidiary	Joint Venture	Key Management Personnel (KMP)	Directors	Others	Total	Outstanding as on March 31, 2018
<b>(A) Profit &amp; Loss A/c *</b>							
1 Purchase of Goods/Services	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
2 Sales of Goods	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
3 Royalty Expenses	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
4 General Expenses	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
5 Remuneration/Pension	-	-	122.91	-	-	122.91	110.17
	-	-	(122.13)	-	-	(122.13)	(2.99)
6 Post Separation Benefit	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
7 Reimbursement of Expenses	-	-	1.50	-	-	1.50	0.13
	-	-	(3.23)	-	-	(3.23)	(0.34)
8 Share based payment	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
9 Interest Received on Sec.Deposit	-	-	0.08	-	-	0.08	-
	-	-	(0.04)	-	-	(0.04)	-

**NOTES ON CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018 Continued**

The Previous year figures have been regrouped/reclassified, where ever necessary to conform to the current year presentation

Particulars	Subsidiary	Joint Venture	Key Management Personnel (KMP)	Directors	Others	Total	Outstanding as on March 31, 2018
10 Sitting Fee	-	-	-	0.10	-	0.10	-
	-	-	-	(0.45)	-	(0.45)	-
11 Post Employment Benefit Plan	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
<b>(B) Balance Sheet</b>							
12 Equity Contribution	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
13 Security Deposit	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
14 Loans & Advances	38.64	-	-	-	-	38.64	-
	(59.52)	-	-	-	-	(59.52)	-
<b>(C) Off Balance Sheet Items</b>							
15 Guarantees & Collaterals	-	-	-	-	-	-	-
	-	-	-	-	-	-	-

\*Figures in bracket relates to previous year as on 31.03.2017

Notes: There is no provision against the outstanding balance and no expenses booked during the year in respect of bad and doubtful debts due from related parties.

**32 Disclosure as required under INDAS 108 -Operating Segments**

The Company has only one reportable primary segment i.e. sale/purchase of Construction equipments and materials and development/consultancy of real estate and hence no separate segment disclosures made.

Particulars	Note	Total	
		Current Period	Previous Period
<b>Revenue</b>			
External Sales	20	-	-
Inter-segment sales		-	44.68
<b>Total Revenue</b>		-	44.68
<b>Result</b>			
Segment result		(464.60)	(644.07)
Exceptional Items		(19.57)	-
<b>Operating Profit</b>		(484.17)	(599.39)
Interest expenses		-	-
Interest income	21	0.08	0.04
Other income		2.49	-
Foreign exchange gain/(loss)	21	47.08	(342.36)
Income tax (Current+Deferred)	27	(2.06)	(2.34)
<b>Net Profit (inclusive other comprehensive income)</b>		<b>(436.57)</b>	<b>(944.04)</b>
<b>Other Information</b>		<b>As on 31.03.2018</b>	<b>As on 31.03.2017</b>
Segment assets	3-13	33,066.71	32,981.74
Unallocated corporate assets		-	-
<b>Total assets</b>		<b>33,066.71</b>	<b>32,981.74</b>
Segment liabilities	16-19	31,642.74	31,121.20
Unallocated corporate liabilities		-	-
<b>Total liabilities</b>		<b>31,642.74</b>	<b>31,121.20</b>
<b>Capital Expenditure</b>			
Depreciation	25	31,601.27	31,039.14
		4.29	18.86

**NOTES ON CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018 Continued**

The Previous year figures have been regrouped/reclassified, where ever necessary to conform to the current year presentation

**33 Financial Instruments-Accounting classifications and fair value measurements**

The fair value of the assets and liabilities are included at the amount at which the instrument could be exchanged in current transaction between willing parties, other than in force or liquidation sale.

**The following methods and assumptions were used to estimate the fair values:**

1. Fair Value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loan from banks and other financial instruments approximate their carrying amounts largely due to the short term maturities of these instruments.
2. Financial Instruments with fixed and variable interest rates are evaluated by the company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to the account for the expected losses of these receivables.

The company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data

33.1 Particulars	Note	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>					
Investments in debt instruments		-	-	-	-
<b>Total</b>		-	-	-	-
<b>Financial assets at fair value through other comprehensive income</b>					
Investments in debt instruments		-	-	-	-
Investments in equity instruments		-	-	-	-
<b>Total</b>		-	-	-	-
Financial assets at amortised cost		-	-	-	-
Investments in debt instruments		-	-	-	-
Investments in Subsidiaries and Joint Venture	4	248.42	-	-	248.42
Bank deposits	4(i)	0.65	-	-	-
Trade receivables	10	15,500.54	-	-	-
Cash and Bank balances	11	6.94	-	-	-
<b>Total</b>		<b>15,756.56</b>	-	-	<b>248.42</b>
Financial liabilities at amortised cost					
Term loans		-	-	-	-
Finance lease obligations		-	-	-	-
Short term borrowings		-	-	-	-
Trade Payables	18	449.09	-	-	-
Other financial liabilities (non-current)	16,17	29,827.69	-	-	-
Other financial liabilities (current)	19	626.79	-	-	-
<b>Total</b>		<b>30,903.56</b>	-	-	-

# ALCHEMIST REALTY LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018 Continued

The Previous year figures have been regrouped/reclassified, where ever necessary to conform to the current year presentation

33.2 Particulars	Note	Carrying amount As at 31-March-2017	Fair Value		
			Level 1	Level 2	Level 3
<b>Financial Assets at fair value through profit or loss</b>					
Investments in debt instruments		-	-	-	-
<b>Total</b>		-	-	-	-
<b>Financial assets at fair value through other comprehensive income</b>					
Investments in debt instruments		-	-	-	-
Investments in equity instruments		-	-	-	-
<b>Total</b>		-	-	-	-
Financial assets at amortised cost		-	-	-	-
Investments in debt instruments		-	-	-	-
Investments in Subsidiaries and Joint Venture	4	248.42	-	-	248.42
Bank deposits	4(i)	0.65	-	-	-
Trade receivables	10	15,158.58	-	-	-
Cash and Bank balances	11	5.06	-	-	-
<b>Total</b>		<b>15,412.72</b>	-	-	<b>248.42</b>
Financial liabilities at amortised cost					
Term loans		-	-	-	-
Finance lease obligations		-	-	-	-
Short term borrowings		-	-	-	-
Trade Payables	18	426.87	-	-	-
Other financial liabilities (non-current)	16,17	30,501.84	-	-	-
Other financial liabilities (current)	19	192.50	-	-	-
<b>Total</b>		<b>31,121.20</b>	-	-	-

33.3 Particulars	Note	Carrying amount As at 31-March-2018	Fair Value		
			Level 1	Level 2	Level 3
<b>Financial Assets at fair value through profit or loss</b>					
Investments in debt instruments		-	-	-	-
<b>Total</b>		-	-	-	-
<b>Financial assets at fair value through other comprehensive income</b>					
Investments in debt instruments		-	-	-	-
Investments in equity instruments		-	-	-	-
<b>Total</b>		-	-	-	-
Financial assets at amortised cost		-	-	-	-
Investments in debt instruments		-	-	-	-
Investments in Subsidiaries and Joint Venture	4	249.32	-	-	249.32
Bank deposits	4(i)	0.77	-	-	-
Trade receivables	10	15,205.27	-	-	-
Cash and Bank balances	11	4.80	-	-	-
<b>Total</b>		<b>15,460.16</b>	-	-	<b>249.32</b>
Financial liabilities at amortised cost					
Term loans		-	-	-	-
Finance lease obligations		-	-	-	-
Short term borrowings		-	-	-	-
Trade Payables	18	405.46	-	-	-
Other financial liabilities (non-current)	16,17	31,009.22	-	-	-
Other financial liabilities (current)	19	228.06	-	-	-
<b>Total</b>		<b>31,642.74</b>	-	-	-

**NOTES ON CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018 Continued**

The Previous year figures have been regrouped/reclassified, where ever necessary to conform to the current year presentation

**34 Financial Risk Management Objectives and Policies**

The Company's financial risk management is an integral part of how to plan and execute its business strategies.

**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.

**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.

**Foreign currency risk**

The Company operates internationally with transactions entered into USD currency. Consequently the Company is exposed to foreign exchange risk towards honouring of export/import commitments.

Management evaluates exchange rate exposure in this connection in terms of its established risk management policies which includes the use of derivatives like foreign exchange forward contracts to hedge risk of exposure in foreign currency.

<b>Foreign currency exposure as at March 31, 2017</b>	<b>USD</b>
Export receivables	229.11
Overseas creditors	-
Advance to suppliers	-
Advance from customers	-
Bank Balances in EEFC accounts	-
Packing Credit Loan (Hedged through future contract)	-

<b>Foreign currency exposure as at March 31, 2018</b>	<b>USD</b>
Export receivables	229.11
Overseas creditors	-
Advance to suppliers	-
Advance from customers	-
Bank Balances in EEFC accounts	-
Packing Credit Loan (Hedged through future contract)	-

**Foreign currency sensitivity**

1% increase or decrease in foreign exchange rates will have the following impact on profit before tax.

<b>Particulars</b>	<b>2017-18</b>		<b>2016-17</b>	
	<b>1% increase</b>	<b>1% decrease</b>	<b>1% increase</b>	<b>1% decrease</b>
USD	149.02	(149.02)	148.55	(148.55)
Others	-	-	-	-
<b>Increase/(decrease) in Profit or Loss</b>	<b>149.02</b>	<b>(149.02)</b>	<b>148.55</b>	<b>(148.55)</b>

**Credit risk**

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of account receivables. Individual risk limits are set accordingly.

**NOTES ON CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018 Continued**

The Previous year figures have been regrouped/reclassified, where ever necessary to conform to the current year presentation

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. The Company considers reasonable and supportive forward-looking information.

Financial assets are written off when there is no reasonable expectation of recovery, such as debtor failing to engage in a repayment plan with the Company. The Company provides for overdue outstanding for more than 90 days other than institutional customers which are evaluated on a case to case basis.

**Liquidity Risk**

Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury department is responsible for maintenance of liquidity (including quasi liquidity), continuity of funding as well as timely settlement of debts. In addition, policies related to mitigation of risks are overseen by senior management. Management monitors the Company's net liquidity position on the basis of expected cash flows vis a vis debt service fulfillment obligation.

**Maturity profile of financial liabilities**

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

As at March 31, 2017	Note	Less than 1 year/ On Demand	1 to 5 years	More than 5 years
Finance lease obligations		-	-	-
Deposits payable		-	-	-
Long term borrowings	16	670.91	29,807.31	-
Short term borrowings		-	-	-
Trade payables	18	426.87	-	-
Other financial liabilities	19	192.50	-	-

As at March 31, 2018	Note	Less than 1 year/ On Demand	1 to 5 years	More than 5 years
Finance lease obligations		-	-	-
Deposits payable		-	-	-
Long term borrowings	16	511.04	30,478.22	-
Short term borrowings		-	-	-
Trade payables	18	405.46	-	-
Other financial liabilities	19	228.06	-	-

**35 Exposure in Foreign Currency**

Particulars	Foreign Currency		Local Currency	
(A) Outstanding overseas exposure not being hedged against adverse currency fluctuation				
i) Export Receivable	CY	USD	-	-

**36 Reconciliation of Equity as at April 1, 2016**

Particulars	Note	GAAP	Adjustments	INDAS
<b>Equity &amp; Liabilities</b>				
<b>Equity</b>				
Equity Share Capital	14	1,482	0	1482.02
Other Equity	15	1370.83	48.27	1322.56
<b>Total Equity</b>		<b>2852.85</b>	<b>48.27</b>	<b>2804.58</b>

# ALCHEMIST REALTY LIMITED

## NOTES ON CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018 Continued

The Previous year figures have been regrouped/reclassified, where ever necessary to conform to the current year presentation

### 36.1 Reconciliation of Equity as at March 31, 2017

Particulars	Note	GAAP	Adjustments	INDAS
<b>Equity &amp; Liabilities</b>				
<b>Equity</b>				
Equity Share Capital	14	1482.02	0	1482.02
Other Equity	15	390.16	11.64	378.52
<b>Total Equity</b>		<b>1872.18137</b>	<b>11.64</b>	<b>1860.54</b>

### 36.2 Profit reconciliation March 31, 2017

Nature of Adjustment	Note	For the year ended March 31, 2017
<b>Profit as per Indian GAAP</b>		<b>(980.67)</b>
Adjustment of Prior Period Items (transferred to F Y 2015-16)		37.93
Adjustment of Prior Period Items (transferred from F Y 2017-18)		(1.30)
<b>Profit as per INDAS</b>	15	<b>(944.04)</b>

### 37 Disclosure as required by IND AS-33 - Earning Per Share.

PARTICULARS	Year ended	Year ended
	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2017
Net Profit After tax	(440.71)	(942.04)
Weighted Average number of equity shares for Basic EPS(Nos.)	74,101,000	74,101,000
Face Value Per share	₹ 2/-	₹ 2/-
Basic EPS (₹)	(0.59)	(1.27)
Diluted EPS (₹)	(0.59)	(1.27)

38 As per IND AS-36 impairment of Assets, the Company has assessed the conditions of all assets used in its operation and is of the opinion that there is no impairment of assets, hence no provision was made.

39 In the opinion of the management current assets, loan and advances are of the value stated, if realized in the ordinary course of business.

### 40 Assets Taken on Operating Lease

Some of the office premises has been taken on operating lease for a period less than 10 years and are generally renewable at the option of the lessee. The lease Agreements have an escalation clause for renewal of lease. There are no Sub-Leases and leases are generally cancellable in nature.

### 41 Disclosure of Micro and Small Enterprises(Creditors)

The company is in the process of compiling information from the suppliers regarding their status as Micro/Small Scale Enterprises, so as to disclose the information as required by MSMED Act and Schedule VI of the Companies Act relating to Micro, Small and Medium Enterprises. In the absence of confirmed information about the suppliers, it is practically not feasible to state the amount payable to them as on 31<sup>st</sup> March, 2018.

42 The Balances of debtors and creditors, loan and advances are subject to confirmation and their pending reconciliation. Such balances are reflected in the balance sheet as appearing in the books of accounts.

As per our report of even date attached.

For SOIN ASSOCIATES  
Chartered Accountants  
(Firm Regn. No. 010637N)

Sd/-  
Paramjit Soin  
(Prop.)  
Membership No. 086047

Place : New Delhi  
Dated : 21.05.2018

For and on behalf of the Board

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

Sd/-  
Suresh Kumar Bhardwaj  
(CFO)

Sd/-  
Maria Fernandes  
(Director)  
DIN: 07134540

Sd/-  
Nidhi Dhawan  
(Company Secretary)





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