

23rd
Annual Report
2011-2012

The logo for Alchemist Limited features the word "ALCHEMIST" in a bold, black, serif font. The text is centered and overlaid by a thick, black, curved line that forms a partial circle around the letters, starting from the top left and ending at the bottom left.

ALCHEMIST LIMITED

CONTENTS

	Page No.
1. Corporate Information	1
2. Notice	2
3. Directors report	8
4. Management Discussion & Analysis	16
5. Report on Corporate Governance	23
6. Auditor's Report	34
7. Balance Sheet	37
8. Statement of Profit and Loss	38
9. Cash flow Statement	39
10. Notes to Financial Statement	40

CONSOLIDATED FINANCIAL STATEMENT

1. Auditor's Report	58
2. Balance Sheet	59
3. Statement of Profit and Loss	60
4. Cash Flow Statement	61
5. Notes to Financial Statement	62

CORPORATE INFORMATION

Board of Directors	Mr. Karan Deep Singh, Chairperson Mr. R.P. Chhabra, Director Mr. Asoke K. Chatterjee, Director Mr. Tarlochan Singh, Additional Director Lt. Gen. (Retd.) Anil Oberoi, Additional Director
Auditors	N. Kumar Chhabra & co. Chartered Accountants, Chandigarh.
Company Secretary & Compliance Officer	Rajansh Thukral, 23 Nehru Place, New Delhi
Bankers	Punjab National Bank UCO Bank Bank of India HDFC Bank Ltd.
Registered & Head Office	23, Nehru Place, New Delhi- 110019
Chandigarh office	SCO 12-13, Sector 9-D, Madhya Marg, Chandigarh-160009 Phone : 0172-4680000 Fax: 2740099 E-mail: info@alchemist.co.in
Works	Vill. : Dappar, Ambala Chandigarh Highway, Distt. Mohali, Punjab(india)-140 506 Phone: ++91-1762-248666-248668 Vill.: Chanalon, Near Kurali, Distt. Ropar, Punjab (India) Phone: +91-0160-5003184-85 Vill. : Kanogata, Rajgarh, Distt. Sirmour (H.P) SCO 149-150, Sector 9-C, Madhya Marg, Chandigarh Electronic Complex, Chambaghat , Solan, Himachal Pradesh

NOTICE

NOTICE is hereby given that 23rd Annual General Meeting of the Shareholders of the Company will be held on Friday, the 28th day of September, 2012 at 9.00 A. M. at the Registered Office of the Company at 23, Nehru Place, New Delhi to consider the following business :

AS ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2012, the Statement of Profit & Loss for the year ended on that date together with the Report of the Auditors and Directors thereon.
2. To declare dividend on equity shares of the company.
3. To appoint a Director in place of Mr. Asoke Kumar Chatterjee, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of 24th Annual General Meeting and to fix their remuneration.

AS SPECIAL BUSINESS

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

"RESOLVED THAT" Mr. Tarlochan Singh, who was appointed as an Additional Director by the Board with effect from 30th September, 2011 and who holds office up to the date of the forthcoming Annual General Meeting in terms of Section 260 of the Companies Act, 1956 and the Articles of Association of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 257 of the Companies Act, 1956 proposing his candidature for the office of Director of the Company, be and is hereby appointed as Director liable to retire by rotation."

6. **To consider and, if thought fit, to pass, with or without modification, the following resolution as Ordinary Resolution:-**

"RESOLVED THAT Mr. Karan Deep Singh, who was appointed as additional director and who holds office up to the date of this Annual General Meeting pursuant to the provisions of Section 260 of the Companies Act, 1956 and the Article of Association, and in respect of whom the company has received a notice in writing from a member proposing his candidature for the appointment of Director as per the provisions of Section 257 of the Companies Act, 1956 be and is hereby appointed as a Director of the company, liable to retire by rotation."

7. **To consider and, if thought fit, to pass, with or without modification, the following resolution as Ordinary Resolution:-**

"RESOLVED THAT Lt. Gen. (Retd.) Anil Oberoi, who was appointed as additional director and who holds office up to the date of this Annual General Meeting pursuant to the provisions of Section 260 of the Companies Act, 1956 and the Article of Association, and in respect of whom the company has received a notice in writing from a member proposing his candidature for the appointment of Director as per the provisions of Section 257 of the Companies Act, 1956 be and is hereby appointed as a Director of the company, liable to retire by rotation."

8. **To consider and, if thought fit, to pass, with or without modification, the following resolution as Ordinary Resolution:-**

ALCHEMIST LIMITED

"RESOLVED THAT pursuant to provisions of sections 269, 198, 309 read with section 349, 350, Schedule XIII and other applicable provisions, if any of the Companies Act, 1956, Lt. Gen. (Retd.) Anil Oberoi, the Director of the company be and is hereby appointed as the Executive Director of the company for a period of 5 years w.e.f 01.10.2012 at a Remuneration comprised in Total Cost to the Company (CTC) of Rs 50 Lakhs P.A.

RESOLVED FURTHER THAT, upon the Recommendations of the Remuneration Committee in this behalf, the Board of Directors of the company be and is hereby authorised to fix monthly salary and other perquisites within the overall CTC as they may deem fit.

RESOLVED FURTHER THAT, upon the Recommendations of the Remuneration Committee, the Board of Directors of the company be and is hereby authorised to revise the remuneration (CTC) up to 15% P.A. and other terms and conditions of appointment without referring the matter to the general meeting of the Company."

Date: 30.08.2012
Place: New Delhi

By Order of the Board
For **ALCHEMIST LIMITED**
sd/-
Rajansh Thukral
COMPANY SECRETARY

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE VALID MUST BE RECEIVED BY THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. (A blank proxy form is enclosed herewith)**
2.
 - a) Members/ proxies should bring copies of the Annual Report to the meeting, since copies of the Annual Report will not be distributed at the Meeting.
 - b) Members should bring the enclosed attendance slip duly filled in, for attending the meeting.
 - c) Members who hold shares in dematerialized form, should write their client ID and DP ID numbers and those who holds shares in the physical form should write their folio number in the attendance slip.
 - d) In case of Joint holders attending the Meeting, only such joint holder who is higher in the order of their names will be entitled to vote.
 - e) Corporate Members intending to send their authorized representative to attend the meeting are requested to send duly certified copy of the Board Resolution authorizing their representative to attend and vote at the meeting.
3. The Register of Members and Share Transfer Books of the Company will be closed from Thursday, the 27th September, 2012 to Friday, 28th September, 2012 (both days inclusive).
4. The dividend, if declared at the Annual General Meeting, will be paid to those shareholders whose names appear on the Register of Members as on 27th September, 2012. In case of equity shares held in the electronic form, the dividend thereon, upon its declaration shall be paid to the beneficial owners as per details furnished by the depositories for this purpose.
5. Members are requested to notify immediately any change of address to their depository participants (DPs) in respect of their holdings in electronic form and to the Registrar and Share Transfer Agents of the Company in respect of the physical share folio, if any.
6. Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956, the company has transferred the unpaid or unclaimed dividends for the financial year 2003-2004 to the Investor Education and Protection Fund established by the Central Government.
7. Members having any queries, on the accounts of the Company are requested to intimate the Company at least 10 days in advance of the date of the meeting, to enable the company to keep the required information ready.
8. Members holding shares in demat form, should send/update their email id with their depository participant and those who hold shares in physical form should send their email id to the Registrar directly to enable us to send the Annual Report in electronic mode, in future.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF COMPANIES ACT 1956

In respect of item no. 5

In order to broad base the Board of Directors of the Company, your Board of Directors appointed Mr. Tarlochan Singh as an Additional Director of the Company pursuant to the provisions of Section 260 of the Companies Act, 1956 and Article No. 137 of the Article of Association of the Company with effect from 30th September, 2011 and he holds the office of director up to the date of this Annual General Meeting.

The Company has received a notice along with requisite deposit from member of the company under Section 257 of the Companies Act, 1956 proposing the candidature of Mr. Tarlochan Singh as Director of the Company.

Mr. Tarlochan Singh, aged 79 years, holds a Master's degree in Economics; he has been Ex Member of parliament and has served as Chairman of National Commission for minorities & members, National Human Rights Commission of India, from 2003-2006.

In view of his qualifications and experience, the board of directors propose to appoint him as director of the company and accordingly recommend the resolution as set out at item no. 5 of the notice for approval of the members.

Mr. Tarlochan Singh is considered interested or concerned in the proposed resolution as set out in the notice.

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

In respect of item no. 6

In order to broad base the Board of Directors of the Company, your Board of Directors appointed Mr. Karan Deep Singh as an Additional Director of the Company pursuant to the provisions of Section 260 of the Companies Act, 1956 and he holds the office of director up to the date of this Annual General Meeting.

The Company has received a notice along with requisite deposit from member of the company under Section 257 of the Companies Act, 1956 proposing the candidature of Mr. Karan Deep Singh as Director of the Company.

Mr. Karan Deep Singh, aged 23 years, is a Graduate in Commerce. At a very young age he has demonstrated leadership qualities and talent in various spheres of business activities, based on his interest, it has been thought he is ready to assume great responsibility and accordingly it has been proposed to induct him as non executive director of the company.

In view of his qualifications and experience, the board of directors propose to appoint him as director of the company and accordingly recommend the resolution as set out at item no. 6 of the notice for approval of the members.

Mr. Karan Deep Singh is considered interested or concerned in the proposed resolution as set out in the notice.

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

In respect of item no. 7

In order to broad base the Board of Directors of the Company, your Board of Directors appointed Lt. Gen. (Retd.) Anil Oberoi as an Additional Director of the Company pursuant to the provisions of Section 260 of the Companies Act, 1956 and he holds the office of director up to the date of this Annual General Meeting.

ALCHEMIST LIMITED

The Company has received a notice along with requisite deposit from member of the company under Section 257 of the Companies Act, 1956 proposing the candidature of Lt. Gen. (Retd.) Anil Oberoi as Director of the Company.

Lt. Gen. (Retd.) Anil Oberoi, aged 59 years, is a keen academician and his qualification include MPhil, MMS, MBA (HR), MBA (International Business), MSc, PG in Adult Education (Gold Medal), a Post Graduate in Human Rights and is also qualified in various other aspects of education; He has been the 'Additional Director General of Recruitment' at the Army Headquarters, looking after the complete selection of officers and jawans for the Army and was also approved for the rank of Lt Gen before leaving the service.

In view of his qualifications and experience, the board of directors propose to appoint him as director of the company and accordingly recommend the resolution as set out at item no. 7 of the notice for approval of the members.

Lt. Gen. (Retd.) Anil Oberoi is considered interested or concerned in the proposed resolution as set out in the notice.

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

In respect of item no. 8

Lt. Gen. (Retd.) Anil Oberoi shall be appointed as the Executive Director of the Company w.e.f. 1st October 2012 for a period of five years and the approval of the members needs to be obtained in the 23rd Annual General Meeting to be held on 28th September 2012 on the terms and conditions as set out in the Notice.

The Board of Directors of the Company has approved the appointment of Lt. Gen. (Retd.) Anil Oberoi as the Director of the Company, subject to the approval of the members in the General Meeting for a period of five years w.e.f. 1st October 2012 on the terms and conditions as mentioned below and duly recommended by the remuneration committee:

It has been proposed to pay a remuneration of total Cost to the Company (CTC) of Rs 50 Lakhs P.A. with authority granted to the Board of Directors. The annual increment will be effective from 1st October each year or such other date as the Board may decide and will be based on the Company's performance.

Other details to be mentioned as decided by the board

The above remuneration recommended / approved by the Remuneration Committee was approved by the Board of Directors in their meeting held on 30th August 2012.

The Board of Directors are also proposed to be authorised to revise the remuneration upto 15% per annum, upon recommendation by remuneration committee in this behalf.

**By Order of the Board
For ALCHEMIST LIMITED
sd/-
Rajansh Thukral
COMPANY SECRETARY**

**Date: 30.08.2012
Place: New Delhi**

ALCHEMIST LIMITED

DETAIL OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING PURSUANCE TO CLAUSE NO.49 OF THE LISTING AGREEMENT:

Mr. Asoke Kumar Chatterjee

Mr. Asoke Kumar Chatterjee is the Director liable to retire by rotation and being eligible offer himself for reappointment at this Annual General Meeting.

Mr. Asoke Kumar Chatterjee, aged 83 years is a Qualified Mechanical Engineer, Chartered Engineer and P.Engineering (I). He has a vast experience of more than three decades to his credit in the field of Management Consultancy, Management Information Systems and Valuation etc, both in India and abroad.

Mr. Tarlochan Singh

Mr. Tarlochan Singh, aged 79 years holds a Master's degree in Economics; he has been Ex Member of parliament and has served as Chairman of National Commission for minorities & members, National Human Rights Commission of India, from 2003-2006.

Mr. Karan Deep Singh

Mr. Karan Deep Singh, aged 23 years, is a Graduate in Commerce. At a very young age he has demonstrated leadership qualities and talent in various spheres of business activities, based on his interest, it has been thought he is ready to assume great responsibility and accordingly it has been proposed to induct him as non executive director of the company.

Lt. Gen. (Retd.) Anil Oberoi

Lt. Gen. (Retd.) Anil Oberoi, aged 59 years, is a keen academician and his qualification include MPhil, MMS, MBA (HR), MBA (International Business), MSc, PG in Adult Education (Gold Medal), a Post Graduate in Human Rights and is also qualified in various other aspects of education; He has been the 'Additional Director General of Recruitment' at the Army Headquarters, looking after the complete selection of officers and jawans for the Army and was also approved for the rank of Lt Gen before leaving the service.

By Order of the Board
For **ALCHEMIST LIMITED**
sd/-
Rajansh Thukral
COMPANY SECRETARY

Date: 30.08.2012
Place: New Delhi

DIRECTORS' REPORT

To

Dear Shareholders,

We are pleased to present the 23rd Annual Report on the business and operations of the Company along with the Annual Accounts and the Auditors' Report thereon for the financial year ended 31st March, 2012. The financial highlights for the year under review are given below:

**Financial Highlights
(Rs. In Lacs)**

	2011-2012	2010-2011
Sales & Other Income	53174	41179
Operating Profit (PBIDT)	2312	1658
Finance Charges	164	247
Profit before depreciation & Tax (PBDT)	2148	1485
Depreciation	294	294
Profit before Tax (PBT)	1854	1191
Taxation	242	309
Net Profit	1612	809
Proposed Dividend	257	245
Tax on Dividend*	-	-

During the year, the net revenue of the Company was Rs. 53174 lacs as compared to Rs. 41179 lacs during the previous year, thus registering a growth of 29 %. The profit before interest and depreciation during the year was Rs 2312 lacs as compared to Rs. 1658 lacs during the previous year, thus registering a growth of 39 %. The Company made a net profit after tax of Rs. 1612 lacs during the year as compared to Rs. 809 lacs during the previous year, thus registering a growth of 99%.

DIVIDEND

We are pleased to recommend a final Dividend of 20% (i.e. Rs. 2 per share) for the Financial Year 2011-12. The Dividend, if approved at the ensuing Annual General Meeting, will be paid to those shareholders whose names appear on the register of members of the Company as on 27th September, 2012 within the period as prescribed under the Companies Act, 1956.

The dividend would be tax-free in the hands of the shareholders.

FIXED DEPOSITS

During the year under review, the company has not accepted any fresh deposits. As on 31st March, 2012, your Company had fixed deposits of Rs. 1137.52 There were no overdue deposits as on 31st March, 2012 except deposits which were not claimed by the depositors on maturity, if any.

EXPANSION / GROWTH PLANS AND OUTLOOK

During the year under review, Alchemist Limited and its Group Companies continued its expansion and growth spree to achieve new heights in Pharmaceutical segment, Steel Segment, International business division, floriculture and other areas of interest. The Company also continued to strengthen its global positioning in line with the vision of the Company.

At Alchemist Ltd, year was dedicated to prepare Pharma Division for a sizeable growth in years to come, but the annual sales vis-à-vis 2011-12 was maintained. At field level lot of rectifications were made by eradicating

**The company has announced a dividend of 20 percent for the current financial year. However, the CDT liability of Rs. 41.80 Lacs accruing on the same, has not been provided, in light of the CDT of Rs. 47.95 Lacs provided by the subsidiary Alchemist Foods Limited. This netting benefit has been claimed on the basis of the provisions contained under section 115-O of the Income Tax Act, 1961.*

ALCHEMIST LIMITED

the obstructions in future growth. At factory level a new section of high generation antibiotics was installed with a sizeable capacity of oral solids & dry syrups. Production line was renovated to meet with the increasing market demands. From drug authorities approval for new products both in ethical & generic segments were taken.

During the year, Alchemist Foods Limited, expanding the business of its subsidiary, has opened retail outlets focusing on different markets in the North and has a total portfolio of over 55 outlets. Alchemist also focused extensively on other trade channels of sale such as Institutional market, Modern Trade etc., so as to have presence primarily in the markets where own retail outlets are not present.

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

DIRECTORS

Mr. Asoke Kumar Chatterjee, Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible expressed his willingness to be reappointed as Director at the Annual General Meeting. Your Board also recommends his reappointment to the Annual General Meeting.

Mr. Tarlochan Singh, was appointed as an Additional Director on the Board of the Company and he hold office of Director up to the date of ensuing Annual General Meeting. The Company has received notice from member under section 257 of the Companies Act, 1956, expressing his intention of proposing his appointment as Director of the Company along with the requisite deposit.

Mr. Karan Deep Singh, was appointed as an Additional Director on the Board of the Company and he hold office of Director up to the date of ensuing Annual General Meeting. The Company has received notice from member under section 257 of the Companies Act, 1956, expressing his intention of proposing his appointment as Director of the Company along with the requisite deposit.

Lt. Gen. (Retd.) Anil Oberoi, was appointed as an Additional Director on the Board of the Company and he hold office of Director up to the date of ensuing Annual General Meeting. The Company has received notice from member under section 257 of the Companies Act, 1956, expressing his intention of proposing his appointment as Director of the Company along with the requisite deposit. He is also proposed to be appointed as an executive director of the company.

In accordance with the requirement of Clause 49 of the listing agreement, brief resume of Mr. Asoke Kumar Chatterjee, Mr. Tarlochan Singh, Mr. Karan Deep Singh and Lt. Gen. (Retd.) Anil Oberoi giving detail of their expertise areas, are given by way of notes to the notice of Annual General Meeting.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- (i) that in preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same.

- (ii) that the Directors had selected such accounting policies and applied them consistently and made 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 31st March, 2012 and of the profit or loss of the Company for the year ended on that date.
- (iii) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors had prepared the annual accounts for the year ended 31st March, 2012 on a going concern basis.

AUDITORS AND AUDITORS REPORT

M/s N. Kumar Chhabra & Co., Chartered Accountants, Statutory Auditors retires at the conclusion of 23rd Annual General Meeting and being eligible have offered themselves for reappointment to hold office from the conclusion of the 23rd Annual General Meeting until the conclusion of the next Annual General Meeting.

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

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

The Statutory Auditors of the Company have submitted auditors report on the accounts of the Company for the accounting year ended 31st March, 2012, which is self-explanatory and needs no comments.

LISTING OF EQUITY SHARES

The Company's shares are listed on the National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Ltd. (BSE) and are actively traded. The Listing Fees for the year 2012-13 has already been paid.

CAPITAL STRUCTURE

During the year under review, the company allotted 640,000 Equity shares by way of preferential allotment.

SUBSIDIARY COMPANY & CONSOLIDATED FINANCIAL STATEMENT

As on 31st March, 2012, the company has three subsidiary companies namely Alchemist Foods Limited, Alchemist Infrastructures Private Limited and Alchemist Enterprise (S) Pte Ltd, Singapore.

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

In accordance with General Circular No. 2/2011 dated 8th February, 2011 issued by Ministry of Corporate Affairs, Government of India, read with resolution passed in the meeting of board of directors held on 30.08.2012, the Balance Sheet, Profit and Loss Accounts and other documents of subsidiary companies are not being attached with the Balance Sheet of the Company. The Company will make available the Annual

ALCHEMIST LIMITED

Accounts of the Subsidiary Companies and the related detailed information to any member of the Company who may be interested in obtaining the same. The annual accounts of the subsidiary companies will also be kept open for inspection at the Registered Office of the Company and that of the respective subsidiary companies. The Consolidated Financial Statements presented by the Company include the financial results of its subsidiary companies.

INFORMATION TECHNOLOGY

The Company is continuously strengthening its IT department by making investments in IT in strategic areas and simplifying processes with the objective to reduce costs, leveraging quality information to enhance decisions effectiveness and to achieve enhanced efficiencies in supply chain management.

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

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

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI. The Company has complied with the applicable provisions of Corporate Governance under clause 49 of the Listing Agreement with the Stock Exchanges.

A Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report.

The requisite Certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid Clause 49 is attached to this Report.

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

Management discussion & Analysis of financial condition and results of operation of the Company for the year under review are given as a separate statement in this Annual Report.

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.

RESEARCH AND DEVELOPMENT

Ever since the Company came into being, it has always given significant attention to Research & Development which has been providing significant support to the manufacturing capabilities of the Company and have helped in expanding its product basket significantly. This has also enabled Company to become the most preferred source for its customers and has helped in strengthening business relationship with them.

INDUSTRIAL RELATIONS

The Company maintained healthy, cordial and harmonious industrial relations at all levels. The enthusiasm and unstinting efforts of employees have enabled the Company to gain present level of growth.

ALCHEMIST LIMITED

PARTICULARS OF EMPLOYEES

A statement giving necessary Information as required under Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) (Amendment) Rules , 2002 as amended to date and forming part of the Directors' Report for the year ended 31st March, 2012, is given as an Annexure to this Report.

ACKNOWLEDGEMENT

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

By Order of the Board

For **ALCHEMIST LIMITED**

sd/-

Lt. Gen. (Retd.) Anil Oberoi

Chairman

Date: 30.08.2012

Place: New Delhi

ANNEXURE TO THE DIRECTORS' REPORT

Information as per Section 217(2A) of the Companies Act, 1956 and the Companies (Particulars of Employees) Rules, 1975, forming part of the Directors' Report for the year ended 31st March, 2012

Name	Age (Years)	Designation	Gross Remuneration (in lacs)	Qualification	Exp. (Yrs)	Date of Joining	Previous Employment
Mr. Kanwar	51	Managing	104.17	Graduate	30	31/5/1989	-
Deep Singh		Director					
Mr. Gautam Gulati*	52	Group Executive	64.02	B.Com. CA	26	03/09/2009	Aman Resorts
		Director					
Mr. Ashok Chauhan	61	Joint Managing Director	76.96	B.E. (Mech.) MBA	39	05/07/2010	Thapar Group

*employed for part of the year

By Order of the Board

For **ALCHEMIST LIMITED**

sd/-

Lt. Gen (Retd.) Anil Oberoi

Chairman

Date: 30.08.2012

Place: New Delhi

ALCHEMIST LIMITED

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO IN ACCORDANCE WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT1.

1. CONSERVATION OF ENERGY

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

Power and Fuel Consumption

		2011-2012	2010-2011
1.	Electricity		
	a) Purchased		
	No. of units	585154	705449
	Total Amount (Rs. in lacs)	34.48	36.20
	Rate/Unit (Rs.)	5.89	5.14
	b) Own generation		
	No. of Units	34974	50938
	Total Amount (Rs. in lacs)	5.75	8.15
	Rate per Unit	16.45	16.00
2.	Coal	Nil	Nil
3.	Furnace Oil	Nil	Nil
4.	Others	Nil	Nil

II TECHNOLOGY ABSORPTION

Research and Development

Your Company accord high priority to the Research and Development activities, being a continuous process. Research and Development Centre of the Company carries out research work in several areas with the objective to introduce new products, improve quality of existing products and to lower the cost of production. The Company has incurred Rs. 625 lacs on research and development during the year constituting 1.20% of turnover.

Technology absorption, adaptation and innovation

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

III. FOREIGN EXCHANGE EARNINGS AND OUTGO

Total Foreign Exchange Earned : Rs. lacs
Total Foreign Exchange Outgo : Rs. lacs

By Order of the Board
For **ALCHEMIST LIMITED**
sd/-

Lt. Gen . (Retd.) Anil Oberoi
Chairman

Date: 30.08.2012
Place: New Delhi

CERTIFICATION BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER OF THE COMPANY UNDER CLAUSE NO. 49 OF THE LISTING AGREEMENT WITH STOCK EXCHANGES

We, Lt. Gen. (Retd.) Anil Oberoi, Chief Executive Officer and Dinesh Vermani, Chief Financial Officer, of Alchemist Limited, do hereby certify, to the best of our knowledge and belief :-

1. That we have reviewed the Balance Sheet and Statement of Profit and Loss of the Company for the year ended 31st March, 2012 and all its schedules and notes on accounts as well as the Cash Flow Statements and the Directors' Report ;
2. That these statements do not contain any materially untrue statement or omit any material fact nor do they contain statements that might be misleading.
3. That these statements together present a true and fair view of the company affairs and are in compliance with the existing accounting standards and/or applicable laws/regulations.
4. That we accept responsibility for establishing and maintaining internal controls and have evaluated the effectiveness of internal control systems of the company and we have also disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and steps have been taken to rectify these deficiencies.
5. That we have disclosed to the auditors and as well as the Audit Committee, instances of significant fraud, if any, that involves management or employees having a significant role in the company's internal control systems and
6. That we have indicated to the auditors, the Audit Committee and in the notes on accounts, whether or not there were significant changes in internal control and /or of accounting policies during the year.

Date: 30.08.2012
Place: New Delhi

sd/-
Lt. Gen. (Retd.) Anil Oberoi
Chief Executive Officer

sd/-
Dinesh Vermani
Chief Financial Officer

ALCHEMIST LIMITED

Rs. In Lacs

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

Sr. No.	Particulars			
1	Name of Subsidiary	Alchemist Foods Limited	Alchemist Enterprise (S) Pte Ltd.	Alchemist Infrastructures Private Limited
2	Financial Year Ending	31st March, 2012	31st March, 2012	31st March, 2012
3	Extent of Holding Company interest in the Subsidiary Company	100 %	100%	100%
4	The net aggregate amount of subsidiary's company profits / losses so far they concern members of the holding company and not dealt with in holding Company's accounts :	Nil	Nil	Nil
i)	For financial year of subsidiary			
ii)	For subsidiary's previous financial year since it became subsidiary	551.10	(3.60)	230.22
5	Net aggregate amount of profits of subsidiary's company after deducting its losses or vice versa			
i)	For financial year of subsidiary	Nil	Nil	Nil
ii)	For subsidiary's previous financial year since it became subsidiary	494.18	Nil	Nil

Financial Information of Subsidiary Companies

Rs. In Lacs

Sr. No.	Particulars	Alchemist Food Limited	Alchemist Enterprise (S) Pte Ltd	Alchemist Infrastructures Private Limited
1	Capital	1005	1	203
2	Reserves	10886	(3.6)	220
3	Total Assets	29472	5.5	466
4	Total Liabilities	29472	5.5	466
5	Investment	Nil	Nil	Nil
6	Turnover	11584	Nil	24797
7	Profit before Taxation	975	(3.6)	260
8	Provision for Taxation	424	Nil	30
9	Profit after Taxation	551	(3.6)	230
10	Proposed Dividend	296	Nil	Nil

MANAGEMENT DISCUSSION AND ANALYSIS

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

1. VISION

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

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

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

2. Mission

Alchemist mission is to bring about an entrepreneurial revolution in India by identifying and infusing Alchemy into businesses and markets and transmuting them into Golden opportunities.

Alchemist aims to provide the best platform for shareholders, executives, employees and entrepreneurs to not only profit, prosper and succeed but also rise to the challenges and responsibilities of the new India being built in the 21st Century

Launched in 1981 by Sh. K.D Singh, Alchemist Group is one of India's fastest growing Conglomerates. Alchemist Group currently comprises of 11 companies with over 9,500 employees across India and the World. Alchemist vision is to become a Top 20 Indian diversified conglomerate by 2020 in all of India's 5 major "Sunrise Industries". Alchemist business interests fall under 5 main verticals: Food Processing, Hotels & Resorts, Restaurants, Road Technologies and Healthcare. He also has have interests in Pharmaceuticals, Steel Mesh, Aviation, Real Estate and Tea. We are a socially and ethically responsible Group and have a stellar record in human resources, global standards, environmental awareness and philanthropy. Come and experience the Alchemy of working with us and watch your aspirations turn into Gold.

3. INDUSTRY OVERVIEW

(A) PHARMA & CHEMICALS

Indian Market

The demand for pharmaceutical products in India is significant and is driven by low drug penetration, rising middle-class & disposable income, increased government & private spending on healthcare infrastructure, increasing medical insurance penetration etc.

The Indian pharmaceutical industry is growing at about 8 to 9 percent annually according to "A Brief Report Pharmaceutical Industry in India," published in January 2011. The Pharmaceutical industry in India meets around 70% of the country's demand for bulk drugs, drug intermediates, pharmaceutical formulations, chemicals, tablets, capsules, orals and injectables. There are approximately 250 large units and about 8000 Small Scale Units, which form the core of the pharmaceutical industry in India. India's pharmaceutical market grew at 15.7 per cent during December 2011.

Global Scenario

Globally, India ranks third in terms of manufacturing pharma products by volume. According to McKinsey, the Pharmaceutical Market is ranked 14th in the world. By 2015 it is expected to reach top 10 in the world beating Brazil, Mexico, South Korea and Turkey. More importantly, the incremental market growth of US\$ 14billion over the next decade is likely to be the third largest among all markets. The US and China are expected to add US\$ 200bn and US\$ 23bn respectively. Considering that the pharmaceutical industry involves sophisticated technology and stringent "Good Manufacturing Practice (GMP)" requirements, major share of Indian Pharma exports going to highly developed western countries bears testimony to not only the excellent quality of Indian pharmaceuticals but also its price competitiveness. More than 50% share of exports is by way of dosage forms.

McKinsey & Company's report, "India Pharma 2020: Propelling access and acceptance, realizing true potential," predicted that the Indian pharmaceuticals market will grow to US\$55 billion in 2020; and if aggressive growth strategies are implemented, it has further potential to reach US\$70 billion by 2020. While, Market Research firm Cygnus' report forecasts that the Indian bulk drug industry will expand at an annual growth rate of 21 percent to reach \$16.91 billion by 2014. The report also noted that India ranks third in terms of volume among the top 15 drug manufacturing countries. The Pharmaceutical Industry in India today is the third largest in the world and is in the front rank of India's science-based industries with wide ranging capabilities in the complex field of drug manufacture and technology. It ranks very high in terms of technology, quality and range of medicines manufactured.

(B) AGRI BUSINESS

Indian Market

India is the second largest producer of flowers after China. Flower cultivation has been practiced in India since times immemorial but it is only in the recent years that floriculture has blossomed into a viable business sector. A growing market as a result of improvement in the general level of well being in the country and increased affluence, particularly among the middle class, has led to transformation of the activity of flower growing into a burgeoning industry. Availability of diverse agro-climatic conditions facilitates the production of all major flowers throughout the year in some or the other part of the country.

The increased growing of contemporary cut flowers like rose, gladiolus, tuberose, carnation, etc has led to their use for bouquets and arrangements for gifts as well as decoration of both home and workplace. Floriculture is estimated to cover an area of 1.14 lac hac. with a production of 6,70,000 MT of loose flowers and 13009.3 million cut flowers.

Global Scenario

There has been an impressive growth in the export of cut flowers from Rs. 1 crores in 1987-88 to 100 crores in 1998. More than 170 EOUs have been approved in the sector out of which 70 units are operational. But many of them operate at less than 50 per cent of their capacity. With the growing competitiveness, floriculture units in India have been facing several constraints and with redressal of the problems, the industry may turn to be viable enterprise for earning foreign exchange.

(C) FOOD PROCESSING

Indian Market

The Indian Poultry Industry is some 5,000 years old. Since last 4 decades it began to witness remarkable growth from backyard to poultry industry.

The organized sector of poultry industry is contributing nearly 70% of the total output and the rest 30% in the unorganized sector. The broiler industry is well dominated in southern states in our country with nearly 60-70% total output coming from these states. The layer industry once again is represented more in southern states especially, Andhra Pradesh, Tamil Nadu and Maharashtra producing nearly 70% of the country's egg production. India's 75% of egg produce is consumed by the 25% population living in urban and semi-urban areas. Presently about 800 hatcheries are operating in the country.

The introduction of new poultry products and perceptible shift in eating habits are moving people to branded food such breaded and coated snacks, marinated snacks, chicken nuggets, canned chicken curry, freeze dried chicken pulao, meat soup, and fast food joints and all these are going to change the palatability of the chicken consumer.

(D) STEEL BUSINESS

Steel wire and wire products have been at the forefront of global capitalism since their inception. Technical improvements in the United States during the 1800's made it possible to draw high-quality wire that could be woven and twisted. Wire was produced to fence property what came to be known as barbed wire. The eventual succession of the American west to "parceling" land by barbed wire fence forever changed the culture and land management practices in the United States.

The demand for steel wire mesh in India remains robust and in fact continues to outstrip Supply. It will remain the undisputed major foundation material in the world. Its predominance in construction, infrastructure and fencing has not been substantially challenged and is unlikely to be for the foreseeable future. At the same time, steel consumption will be closely linked to the economic growth and prosperity of a nation or a particular region. Much of industrial processes used to make wire fence and wire mesh continue to be labor intensive work. Steel wire ropes, nets and mesh are provided in constructible forms for architects, engineers and builders working with structural steel solutions.

4. FINANCIAL REVIEW

The Gross income for the year ended 31.03.2012 was Rs.53174 lacs as compared to Rs 41179 lacs for the previous year ended 31.03.2011. The increase in turnover is around 29% mainly attributable to shift from volume to value.

The total expenditure for the year ended 31.03.2012 also increased by 28 % as compared to the expenditure during the previous year.

Interest cost of the Company as a percentage of sales was 0.31% during the year under review against 0.41% during the previous year 2010-11. Write something about debt structure of the company in relation to equity to show strength.

The Net Profit for the year ended 31st March, 2012 stands at Rs. 1612 lacs after providing for taxation against Rs. 809 lacs during the previous year, hence recording a net increase of 99 %.

5. COMPANY'S PERFORMANCE

(A) PHARMA & CHEMICALS

ALCHEMIST Pharmaceutical Division came into existence in December, 2004 when a Delhi based Pharma company, Valiant Health care Limited was taken over. In April 2006 a manufacturing unit at Solan (HP) was commissioned for manufacturing of Tablets, Capsules and Dry syrups with an installed capacity of over 10 crore units per month with fully automated GMP certified plant and machinery. At present it is accredited as an ISO certified unit.

At present, we are marketing our products in Domestic market PAN India through a strong marketing network through spread across the length and breadth of the country. The company has a range of 150 products and a network of CCF's and distributors to make its products available in every city and town of the country.

Alchemist products are well known to Doctors throughout the country who confidently prescribe the same to their patients. Alchemist Pharma Division is growing @ 35% proving the acceptance and confidence in our range of products.

Alchemist is also constantly adding new and latest products in its portfolio and is expanding the field force so as to penetrate into the whole country to increase the market share and contribute significantly to the bottom line of the organization.

AGRI BUSINESS

Alchemist The global commodity business accounts for over 4.4% of the World's GDP. The Commodity business is the single largest source of income world over, as well as the industry which employs the largest workforce in the world.

Our company has taken first steps in the business of Global Agri Trade during the year with reasonable success. Agriculture products such as wheat, barley, maize, dry peas, soybeans, rice, lentils (along with others) are typically traded within the agri commodities trading business — but this list varies largely depending on the country and market segment. The plan is to understand all the principal world markets for various agro based products and the end users in major consumption markets.

We believe in transforming opportunities into advantages. Hence taking inspiration from the initial success, we are striving to unravel the opportunities that the future has in store for the Business of Agri Commodities. While the company has limited itself to Trading activity in the business, future may include active foray into the business segment.

FOOD PROCESSING

ALCHEMIST is manufacturing processed food through its subsidiary company with diversified interests in Food processing and poultry integration and other food and hospitality ventures. Alchemist Foods is one of India's leading poultry integrators involved in the breeding, hatching, processing, marketing and distribution of poultry products across Pan India. We supply our premium chicken products to leading global institutions, large supermarkets, and government organizations, apart from servicing our own 55 retail stores under the name of "Republic of chicken". The company is poised to launch another 200 such outlets in next five years.

Our state of the art, automated primary and secondary processing facilities are HACCP and ISO 9001:2008 certified and maintain high quality standards resulting in products of premium and consistent quality.

Our primary processing unit has a capacity of slaughtering 2000 birds per hour, which currently gives us an output of 20,000 birds a day and we aim to reach 40,000 birds, very soon.

ALCHEMIST foods currently operate 4 commercial broiler farms which are environmentally controlled to ensure low mortality and healthier birds. Our egg producing facility in West Bengal produces quality table eggs under automated control systems. ALCHEMIST also plans to set up hatchery and breeder farms to ensure consistent supply of day "old chicks" to our broiler farms. At Alchemist we also maintain a dedicated, robust cold chain through our own fleet of refrigerated trucks and cold storage facilities. Our world class further processing facility produces a wide range of ready to cook and ready to heat products and always focuses on food innovation and maintaining consistent quality.

Leveraging from strong back end support of poultry operations, ALCHEMIST has recently entered the segment of quick service restaurants (QSR) under the name of "How Abt Chicken today" which is a cool Indian restaurant with a wide guilt free menu, where the flavors, ingredients and concept is all Indian. ALCHEMIST restaurants are bright, slick and cheerful and are clearly spoken by a vibrant interiors and cool ambience.

Alchemist Foods also has very recently ventured into the beverage category by launching Chatime the world's biggest bubble tea brand, from Taiwan, in India. The brand launched under the Alchemist Foods banner has more than 750 stores worldwide, spread across 15 countries like Taiwan, China, Hong kong, Thailand, Indonesia, USA, Malaysia, Australia and others.

STEEL

Our first company, Alchemist Steel launched in 1988 as "Toubro" and is now considered one of North India's leading producers of wire mesh and chain link fencing for poultry farming, security, construction and industrial use. Alchemist Steel manufactures world-class welded wire mesh in more than 100 grades. We are one of the largest manufacturers of welded wire mesh in the country and we have the distinction of being one of the premier exporters of welded wire mesh to the US and Middle Eastern countries.

The company has a state-of-the-art manufacturing plant at Kurali near Chandigarh, Punjab. The plant has a capacity of 4000 metric tons per annum of welded wire mesh and chain link fencing. Our standards are world-class and we are certified through various International bodies. Alchemist steel recently secured the contract to supply all the steel mesh and fencing needs for the Ranjit Sagar Dam project in the Punjab.

Alchemist Steel continues to grow and as the Conglomerate grows, its vision is to become India's premier steel mesh and chain link fencing company.

6. R & D CAPABILITIES

ALCHEMIST views its R&D capabilities as a vital component of its business strategy that will provide the company with a sustainable, long-term competitive advantage. New products have been a critical component of Alchemist's growth and have resulted in the development of substantial expertise in formulation development, synthetic and analytical chemistry. Alchemist Pharma owes its success in the domestic market to its thrust on frontline research.

The Company's R&D centre is in the hill of Himanchal Pradesh at solan, in India, with dedicated facilities for products research and innovative research. At Alchemist, laboratories are state-of-the-art and are driven by the intellectual competence of a team of highly skilled professionals. The Company's R&D environment for both formulation development & new products development is commensurate with the Company's commitment to be a leader in the market. The value added formulations based on its latest Drug Delivery System and New Chemical Entity in global market. The company's R & D focus is mainly on the development of oral products(tablet,capsule & dry Syrup) for the regulated markets.

7. STRENGTHS

The Promoters of the Company have long domain experience in the Industry. The promoters are involved in day-to-day affairs of the Company in the fields of marketing, procurement and business development.

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

8. THREATS

- a) There are certain concerns over the patent regime regarding its current structure. It might be possible that the government may change certain provisions of the patent act formulated by the preceding government.
- b) Threats from other low cost countries like China. However, on the quality front, India is better placed relative to China.
- c) The short-term threat for the pharma industry is the uncertainty regarding the implementation of GST. Though this is likely to have a negative impact in the short-term, the implications over the long-term are positive for the industry.

9. STRATEGIES

STRATEGIES

- a) ALCHEMIST has already made substantial investment creating manufacturing and other business infrastructure. The Company is consistently focusing on upgrading and expanding its facilities and infrastructure to Broad base the company in various diversified verticals and segments.
- b) The Company is also pursuing, several initiatives to set up some green field manufacturing facilities in verticals like Food Processing and pharmaceuticals.
- c) The Company is developing and producing value added products as per the market demand and new product developments in the international market. The research & development efforts involve developing patent non-infringing processes, achieving process improvements, achieving production cost efficiencies, optimizing raw material sourcing, produce new products, innovate and enhance manufacturing techniques and continually expand its general scientific and engineering capabilities.
- d) ALCHEMIST is also focusing on spending to further strengthening its research and development department by equipping it with capabilities both in terms of manpower and machines.

10. INTERNAL CONTROL SYSTEMS

ALCHEMIST has introduced strong internal control systems commensurate with the size and scale of business. Clearly defined policies and procedures supplement the Internal Control procedures. A Well established and empowered system of internal audits and control procedures independently reviews the financial and operational controls and reports deviations, if any, across all verticals and further enables rectification, as and when required. The Company is constantly engaged in practicing the best financial and operational control systems, as per international practices and standards.

The Company's internal audit team carries out extensive audits throughout the year, across all verticals and submits its report to the Audit Committee of the Board of Directors.

The Audit Committee addresses all important issues raised by the Internal and Statutory Auditors.

11. HEALTH, SAFETY & ENVIRONMENT POLICY

The company will assume its business and ethical responsibilities to exemplify its endeavour towards good corporate citizenship.

To continue to inspire innovation in methods and practises to ensure the highest standards of health, safety and environment.

To comply with all applicable laws and regulations with regards to HSE and continually aspire to the highest standards in the same.

To commit to the continual reduction of waste and implement processes to ensure the reusability of natural resources.

To continually invest in the upgradation of facilities, maintenance of machinery and welfare of our employees.

To constantly train and educate employees on contemporary best practices to ensure the highest levels of safety and sustainability in our operations.

12. INDUSTRIAL RELATIONS & HUMAN RESOURCE DEVELOPMENT

ALCHEMIST remains committed and focused on its most valuable resource viz. People. The Company believes that people play a pivotal role in driving performance and has effectively empowered them. In pursuance of the Company's commitment to retain and develop best available talents, several programmes are conducted at various levels on a regular basis. Employee relations continued to be cordial and harmonious at all levels and in all units of the Company.

13. CORPORATE SOCIAL RESPONSIBILITY

In India as in the rest of the world, there is a growing realization that the corporate sector is, after all, created by society and must therefore serve it. ALCHEMIST, thus, looks at corporate social responsibility as a new Responsibility of the company to reduce investment risks and maximize profits by taking all the key stake-holders into confidence. The company is also akin to the fact that from eco- social perspective, social and environmental stability and sustainability are two important prerequisites for the sustainability of the market in the long run. Accordingly we at ALCHEMIST pace added emphasis to the environment and well being of the society.

Alchemist strongly believes that the consumers, employees, communities, shareholders and other stake holders have a right to know about the company and its business. Therefore emphasis on accountability, transparency, social and environmental are the key aspects of corporate social responsibility at ALCHEMIST.

14. CONTRIBUTION TO SOCIETY

Launched in 1981 by Sh. K.D Singh, Alchemist Group is now one of India's fastest growing Conglomerates. The Group currently comprises of several verticals like Agri business, Aviation, Pharmaceutical, Food processing, Healthcare, Hospitality, Real estate, Road Technologies, Steel, Tea, etc companies with over 9,500 employees across India and the World. The vision of the Company is to become a Top 20 Indian diversified conglomerate by 2020 in all of India's 5 major "Sunrise Industries". Our business interests fall under 5 main verticals namely Food Processing, Hotels & Resorts, Restaurants, Road Technologies and Healthcare. ALCHEMIST is a socially and ethically responsible Group and has a stellar record in human resources, global standards, environmental awareness and philanthropy.

ALCHEMIST is also preparing to venture in Education through Non profit making Educational Institutions and the ALCHEMIST education initiative has been accredited by ASIC, London. Alchemist upcoming educational institutions are the first to have received ASIC accreditation in India.

Report on Corporate Governance

The detailed report on Corporate Governance as per Clause 49 of the Listing Agreement is set out below:

COMPANY'S PHILISOPHY ON CODE OF GOVERNANCE

At Alchemist, 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, we believe in maximizing stockholder's value, profitability and growth including interaction with employees, shareholders, institutions, banks and all its business associates.

We take pleasure in informing that your company existing policies are in complete conformity with the requirements prescribed under Clause 49 of the listing agreement.

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

BOARD OF DIRECTORS

i) Composition

The Board of Directors of the Company comprises of five Directors.

Name of the Director	Office/Designation	Executive/Non Executive	Independent/ Non Independent
Sh. Kanwar Deep Singh*	Chairman cum Managing Director	Executive	Promoter
Sh. R.P.Chhabra	Director	Non Executive	Independent
Sh. Asoke Kumar Chatterjee	Director	Non Executive	Independent
Sh. V.K. Bhardwaj**	Director	Non Executive	Independent
Sh. Tarlochan Singh*** Lt. Gen. (Retd.)	Additional Director	Non Executive	Independent
Anil Oberoi****	Additional Director	Non-Executive	Independent
Sh. Karan Deep Singh*****	Additional Director	Non-Executive	Independent

*Sh. Kanwar Deep Singh resigned from directorship w.e.f. 30/08/2012

**Sh. V.K. Bhardwaj resigned from directorship w.e.f 20/08/2012

***Sh. Tarlochan Singh appointed as an additional director w.e.f. 30/09/2011

****Lt. Gen. (Retd.) Anil Oberoi appointed as an additional director w.e.f. 30/08/2012

*****Sh. Karan Deep Singh appointed as an additional director w.e.f. 30/08/2012

As on 31st March 2012, Board of Directors of your Company consists of five directors, out of which one was Promoter Executive Director and four were Independent Non Executive Directors. The Chairman of the Board was Promoter Executive Director. The composition of Board of Directors of the Company during the financial year was in conformity with Clause No. 49 of the Listing Agreement.

ALCHEMIST LIMITED

ii) Number and date of Board meetings held during the year 2011-2012

During the year 2011-2012, Board Meetings were held on following dates namely 10th May 2011, 12th August 2011, 1st September 2011, 30th September 2011, 14th November 2011 and 14th February 2012.

Name of the Director	No. of Board Meetings attended	Attendance at the Last AGM	No. of Other Directorships*
Sh. Kanwar Deep Singh	5	Yes	1
Sh. R.P.Chhabra	6	Yes	9
Sh. Ashok Kumar Chatterjee	6	Yes	9
Sh. V.K. Bhardwaj	6	Yes	2
Sh. Tarlochan Singh	1	No	2

*This excludes Directorship in Indian Private Limited Companies/Private Companies with unlimited Liability and Firms.

iii) Detail of Directorship in other Companies

The detail of Directorships of the Company's Directors in other Companies as on March 31, 2012 are given below:

Name of the Director	Name of the Company/Firm	Nature of Interest
Sh. Kanwar Deep Singh	Alchemist Realty Limited	Managing Director
	Optimum Constructors and Developers Limited,	Director
Sh. Ashok Kumar Chatterjee	Alchemist Life Sciences Limited,	Director
	Platinum Ventures Limited,	Director
	Alchemist Realty Limited,	Director
	Alchemist Foods Limited,	Director
	Alchemist Media Limited,	Director
	Alchemist Developers Limited,	Director
	Dhaneshwari Wood Products Limited,	Additional Director
	Alchemist Medisphere Limited	Director
	MSL Industries Limited,	Director
	REI Agro Limited,	Director
	SPS Steels Rolling Mills Limited,	Director
	Graintec India Limited,	Director
	Varsana Ispat Limited,	Director
	REI Retail Limited,	Director
REI Foods and Beverages Limited,	Director	
REI Six Ten Retail Limited,	Director	
MyGrahak Shopping Online Limited,	Director	
Sh. V.K. Bhardwaj	Alchemist Realty Limited	Director
	Alchemist Hotels & Resorts Limited	Additional Director
Sh. Tarlochan Singh	C & C Constructions Limited,	Director
	Alchemist Realty Limited	Additional Director

iv) Detail of membership/chairmanship of Directors in Board Committee

Name of the Director	Name of the Indian Public Limited Company	Nature of the Committee	Member/Chairman
Sh. Kanwar Deep Singh	Alchemist Limited	Audit Committee	Member
		Investor Grievances Committee	Member
Sh. R.P.Chhabra	Alchemist Limited	Audit Committee	Chairman
		Investor Grievances Committee	Chairman
		Remuneration Committee	Chairman

ALCHEMIST LIMITED

Sh. Asoke Kumar Chatterjee Alchemist Limited

Audit Committee

Member

Remuneration Committee

Member

Sh. V.K. Bhardwaj

Sh. Tarlochan Singh

Sh. Tarlochan Singh

Sh. Karan Deep Singh

Lt. Gen. (Retd.) Anil Oberoi

v) Certificate on code of conduct

As provide under Clause 49 of the Listing Agreement 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, 2012.

By Order of the Board
For **ALCHEMIST LIMITED**
sd/-

Lt. Gen. (Retd.) Anil Oberoi
Chairman

Date: 30.08.2012

Place: New Delhi

CEO/CFO Certification

As required by sub clause V of Clause 49 of the listing Agreement with the Stock Exchanges, we have certified to the Board that for the financial year ended March 31, 2012 the Company has complied with the requirements of the said sub-clause.

Date: 30.08.2012

Place: New Delhi

sd/-

Lt. Gen. (Retd.) Anil Oberoi
Chief Executive Officer

sd/-

Dinesh Vermani
Chief Financial Officer

3. CODE OF CONDUCT

As required by clause no.49 of the listing agreement, the Company has adopted a Code of Conduct for its Directors and Senior Executives. The CEO has given a declaration that all the Directors and Senior Executives have affirmed the compliance with the Code of Conduct. A declaration to this effect signed by Lt. Gen. (Retd.) Anil Oberoi, Chief Executive Officer is attached to this report.

4. AUDIT COMMITTEE

The following were the members of the Audit Committee as on 31st March, 2012.

- | | |
|-------------------------------|--|
| 1. Mr. R.P. Chhabra | CHAIRMAN (Independent & Non-Executive) |
| 2. Mr. Asoke Kumar Chatterjee | MEMBER (Independent & Non-Executive) |
| 3. Mr. Kanwar Deep Singh | MEMBER (Executive Promoter Director) |

The terms of reference to the Audit Committee as contained in Clause 49 of the Listing Agreement as well as under Section 292A of Companies Act, 1956 are as under:-

1. 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.
2. Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.

3. Reviewing with management the annual financial statements before submission to the Board, focusing primarily on;
 - I. Any changes in accounting policies and practices.
 - II. Major accounting entries based on exercise of judgment by management.
 - III. Qualifications in draft audit report.
 - IV. Significant adjustments arising out of audit.
 - V. The going concern assumption.
 - VI. Compliance with accounting standards.
 - VII. Compliance with Stock Exchanges and legal requirements concerning financial statements.
 - VIII. Any related party transactions i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of Company at large.
4. Reviewing with the management, external and internal auditors, the adequacy of internal control systems.
5. Reviewing the adequacy of internal audit function, 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.
6. Discussion with auditors, any significant findings and follow up there on.
7. Reviewing the findings of any internal investigations by the 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.
8. Discussion with external auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
9. Reviewing the Company's financial and risk management policies.
10. 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.
11. Investigate into any matter in relation to the items specified in Section 292A of the Companies Act, 1956.

i) Meetings & Attendance during the financial year ended 31st March, 2012

Name	No. of meetings held	No. of meetings attended
Mr. R.P. Chhabra	5	5
Mr. Asoke Kumar Chatterjee	5	5
Mr. Kanwar Deep Singh	5	4

During the year 2011-12, Audit Committees met 5 times on 10th May 2011, 12th August 2011, 1st September 2011, 14th November 2011 & 14th February 2012. Meetings were also attended by the Statutory Auditors and certain senior Financial Executives of the Company. The Company Secretary acted as Secretary of the Audit Committee.

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

5. REMUNERATION COMMITTEE

No meeting of Remuneration Committee was held during the year under review.

6. INVESTORS GRIEVANCE COMMITTEE

ALCHEMIST LIMITED

The Investors Grievance Committee consists of 2 Directors as on 31st March 2012, namely Mr. R.P Chhabra -Chairman and Mr. Kanwar Deep Singh Member. This committee oversees and reviews all matters connected with redressal of Investor Grievances and complaints. The transfer of shares is undertaken by M/s. Link Intime India Pvt. Ltd., New Delhi and they are fully equipped to deal with transfers and all related complaints of Investors.

Meeting and Attendance during the financial year ended 31st March, 2012:

Name	No. of meetings held	No. of meetings attended
Mr. R.P. Chhabra	4	4
Mr. Kanwar Deep Singh	4	4

The Board has also constituted a Share Transfer Committee to register share transfers as and when required. During the year under review 28 cases (10800 shares) received for transfer out of which 17 cases (7000 shares) transferred and 11 cases (3800 shares) returned to shareholders objection remarked.

7. Compliance Officer

Sh. Rajansh Thukral, Company Secretary of the Company has been designated as Compliance Officer under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 for overseeing/ addressing the investor complaints.

Detail of Shareholders Complaints for the Period 2011-12

Nature of Complaint	Opening Balance	No. of Complaints received	No. of Complaints resolved	No. of Complaints Pending
Non Receipt of Demat Credit	0	0	0	0
Non Receipt of Dividend	0	0	0	0
Non Receipt of Annual Report	0	1	1	0
Non Receipt of Share Certificate	0	2	2	0
SEBI	0	7	7	0
Total	0	10	10	0

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

8. SUBSIDIARY COMPANIES

As on 31st March, 2012, the Company have 'Alchemist Foods Limited', 'Alchemist Enterprise (S) Pte Ltd.' and 'Alchemist Infrastructures Private Limited' wholly owned subsidiary companies. Mr. Kanwar Deep Singh, Promoter-Executive Director and Mr. R. P. Chhabra, Independent Non Executive Director are on the Board of Alchemist Enterprise (S) Pte. Ltd. Mr. R.P. Chhabra is also on the board of Alchemist Infrastructures Private Limited & Alchemist Foods Ltd.

9. GENERAL BODY MEETINGS

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

Financial Year	Location of the Meeting	Type of Meeting	Date	Time
2008-09	Registered Office: 23-24, Nehru Place New Delhi	Annual General Meeting	30.09.2009	10.00 A.M
2009-10	Registered Office: 23, Nehru Place, New Delhi	Annual General Meeting	28.09.2010	9.30 A.M
2010-11	Registered Office: 23, Nehru Place, New Delhi	Annual General Meeting	30.09.2011	9.30 A.M

No resolution was passed through postal ballot during the year under review.

10. DISCLOSURES

Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its Promoters, the Directors or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interests of Company at large.

Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years are Nil. There are no disclosures required to be made under this point.

11. MEANS OF COMMUNICATIONS

- | | | |
|------|--|--|
| i) | Half yearly report sent to each house hold of shareholders | Nil |
| ii) | Quarterly Results | The quarterly Results are taken on record by Board of Directors of the Company for each quarter and notified to Stock Exchanges in compliance with Clause 41 of the Listing Agreement. |
| iii) | Publications in Newspapers | English: Business Standard
Vernacular: Business Standard |
| iv) | Website where displayed? | BSE/NSE website |
| v) | Whether it also displays official news releases? | NO |
| vi) | Whether presentation made to Institutional Investors or to Analysts? | NO |
| vii) | Whether Management. Discussion & Analysis is part of Annual Report? | YES |

12. GENERAL SHAREHOLDER INFORMATION

i)	Annual General Meeting: Date & Time: Venue:	28th September, 2012 at 9.30 A.M. Regd. Office of the Company at 23, Nehru Place, New Delhi
ii)	Financial Calendar (2011-12) (Tentative): AGM Quarterly Results: Quarter ended 30.06.2011 Quarter ended 30.09.2011 Quarter ended 31.12.2011 Quarter ended 31.03.2012	28.09.2012 On or before August 14, 2011 On or before November 14, 2011 On or before February 14, 2012 On or before May 14, 2012
iii)	Date of Book Closure	27.09.2012 - 28.09.2012
iv)	Dividend payment date	On or before 27.10.2012
v)	Listing of Equity Shares on Stock Exchanges	National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Ltd. (BSE) The Annual Listing Fees in respect of both the Stock Exchanges for the financial year 2011-12 has already been paid.
vi)	Stock Code - The Bombay Stock Exchange Limited - National Stock Exchange of India Limited - ISIN Number (For Demat Trading)	526707 "ALCHEM" INE 964B01033

ALCHEMIST LIMITED

vii)	Market Price Data	As per Table-I below
viii)	Performance in comparison to broad-based BSE Sensex	As per Figure-I to II below
ix)	Registrar and Transfer Agents	M/s. LINK INTIME INDIA PVT. LTD. A-40, 2nd Floor, Naraina Industrial Area, Phase II, Near Batra Banquet Hall, New Delhi - 110028 Contact No. - 011-41410592-94
x)	Share Transfer System	Trading in the Equity Shares of the Company is permitted only in dematerialised form. However, there are certain shares still in physical form with the pre-issue shareholders. All the share transfers in respect of physical shares are handled by the Registrar & Share Transfer Agents. Whenever transfers are lodged, the certificates of registration of transfers are returned within 1- 2 weeks and in case of rejections, average time is 7 days.
xi)	Distribution of Shareholding	As per Table-2 & 3 given below
xii)	Dematerialization of Shares and Liquidity	Shares held in Demat Form as on 31.03.2012:- With NSDL: 10055405(78.04.%) With CDSL: 2010557 (15.60%) Physical: 818838 (6.36%) Company's Equity Shares are tradable in Demat form and there is good liquidity of the shares as the shares are actively traded both on NSE & BSE.
xiii)	Outstanding GDRs/ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity	No
xiv)	Plant Locations	1. Village: Dapar Distt. Mohali, Punjab 2. Village: Chanalon, Near Kurali, Distt. Ropar Punjab 3. Village: Kanogata, Rajgarh, Distt. Sirmour, Himachal Pradesh 4. Electronic Complex, Chambaghat, Solan, Himachal Pradesh
xv)	Company Secretary & Compliance Officer	Mr. Rajansh Thukral Alchemist Limited 23, Nehru Place, New Delhi - 110019
xvi)	Address for Correspondence	<ul style="list-style-type: none"> ● Registered Office & Head Office: 23, Nehru Place, New Delhi - 110019 Tel. No. - 011-40600800 ● Chandigarh Office: SCO 12-13, Sector 9D, Madhya Marg, Chandigarh Tel. No.: 0172-4680000, Fax No. 0172-4680003 Email: investors@alchemist.co.in

ALCHEMIST LIMITED

TABLE-I

Market Price Data:

Monthly high and low quotations of shares and volume of Equity Shares traded on Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE) for the year ended 31st March, 2012 are as follows:-

Month	BSE			NSE		
	High (Rs.)	Low (Rs.)	Monthly Vol. (Qty.)	High (Rs.)	Low (Rs.)	Monthly Vol. (Qty.)
April, 2011	243.90	202.00	14,99,775	242.00	224.70	17,93,635
May, 2011	242.05	223.00	21,44,206	250.00	222.60	23,67,512
June, 2011	244.20	225.20	22,50,484	235.00	225.00	25,55,494
July, 2011	243.75	228.50	22,41,961	243.40	224.00	24,43,716
August, 2011	260.00	212.90	21,02,944	266.60	226.75	25,52,271
September, 2011	277.00	251.10	20,17,835	278.00	240.00	22,17,367
October, 2011	261.00	256.85	18,58,477	265.00	255.00	20,83,244
November, 2011	263.00	256.80	20,22,210	264.95	256.50	22,89,718
December, 2011	259.00	100.60	11,58,375	268.70	101.60	13,91,662
January, 2012	95.60	51.90	7,19,151	96.55	52.35	15,41,647
February, 2012	84.00	64.20	6,99,449	84.50	64.20	6,00,703
March, 2012	76.00	58.10	3,89,092	73.20	57.80	1,81,679

TABLE-II

Distribution of Shareholding as on 31st March, 2012:

No. of Equity Shares held	Number of Shareholders	% of shareholders	No. of Shares held	% of shareholding
1-5000	6651	91.89	819584	6.36
5001-10000	267	3.69	221286	1.72
10001-20000	176	2.43	294845	2.29
20001-30000	35	0.48	89465	0.69
30001-40000	29	0.40	105622	0.82
40001-50000	12	0.17	55229	0.43
50001-100000	21	0.29	154502	1.20
100001 & above	47	0.65	11144267	86.49
Grand Total	7238	100	12884800	100
Physical Mode	1612	22.27	818838	6.36
Electronic Mode	5626	77.73	12065962	93.64

TABLE-III

Category of Shareholders as on 31st March, 2012:

Category	Number of Shareholders	% of shareholders	No. of Shares held	% of shareholding
Indian Promoter (s) and Persons acting in concert	11	0.15	40,69,541	31.59
Private Bodies Corporate	251	3.47	2731732	21.20
Indian Public	6615	91.39	2051334	15.92
NRI / OCBs / FIIs	210	2.90	3432702	26.64
Nationalized Bank	0	0	0	0
Others-Clearing Member	151	2.09	599491	4.65
Trust	0	0	0	0
TOTAL	7238	100	12884800	100

CHART I

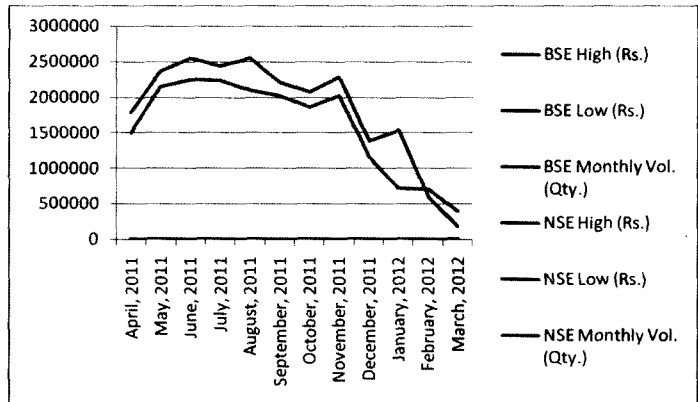


CHART II

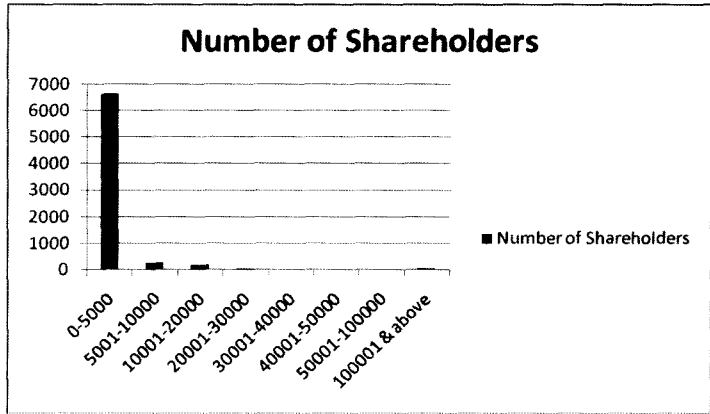


CHART III

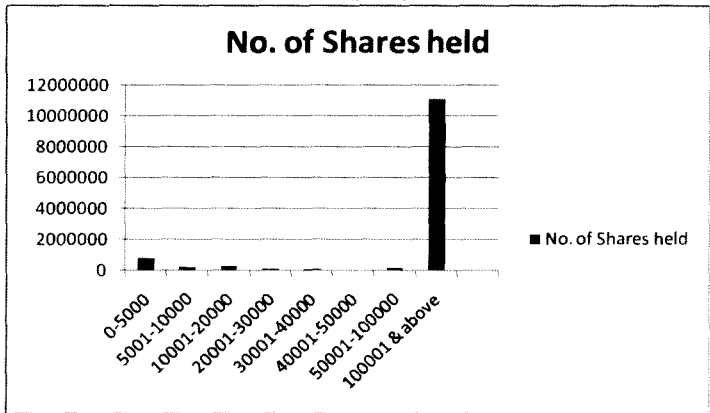
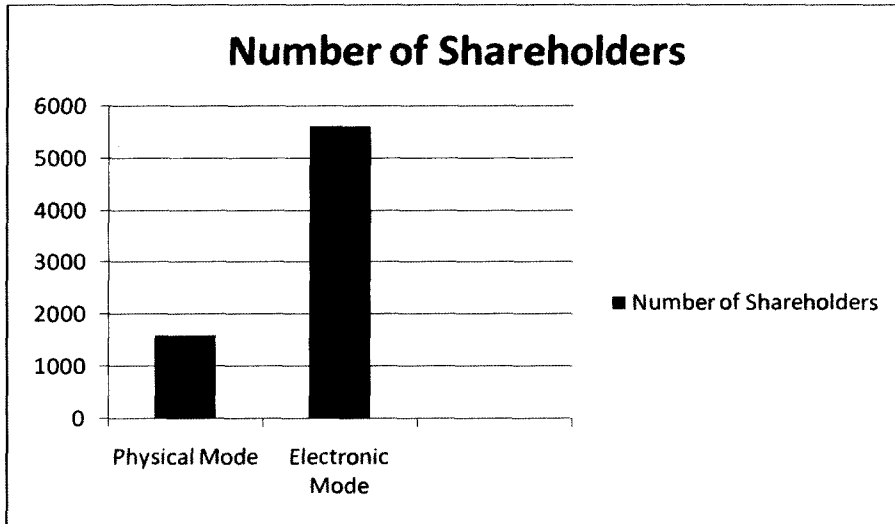


CHART IV



☐

13. NON MANDATORY REQUIREMENTS

The Company has not, so far, adopted any non mandatory requirements as stated in Annexure 3 of the Listing Agreement.

CERTIFICATE ON CORPORATE GOVERNANCE

The Members,
Alchemist Limited,
23, Nehru Place,
New Delhi - 110019

Sub: CERTIFICATE ON CORPORATE GOVERNANCE

We have examined the compliance of conditions of Corporate Governance by M/s. Alchemist Limited, for the year ended 31st March, 2012 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

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

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

We state that in respect of investor grievances received during the year ended 31st March, 2012, no investor grievances are unattended/pending for a period exceeding one month against the Company as certified by the Registrars of the Company and details presented to the Investor Grievance Committee of the Company.

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: 30.08.2012

Place: New Delhi

sd/-
CA. Ashish Chhabra
Partner
Membership No. 507083
N. Kumar Chhabra & Co.
Chartered Accountants
Firm Registration No. 000837N

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

I, hereby declare that to the best of my knowledge and belief, all the members of the Board and Senior Management personnel of the Company have affirmed compliance with the Code of Conduct for the year ended 31st March, 2012.

Date: 30.08.2012
Place: New Delhi

By Order of the Board
For **ALCHEMIST LIMITED**
sd/-
Lt. Gen. (Retd.) Anil Oberoi
Chairman

AUDITORS' REPORT

To the Members of
Alchemist Limited

We have audited the Balance Sheet of **Alchemist Limited** as at 31st March, 2012, the related Statement of Profit and Loss and Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our Audit.

We conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We Report that:

1. As required by the Companies (Auditors' Report) Order, 2003 as amended by the Companies (Auditor's Report) Amendment Order, 2004, issued by the Central Government of India in terms Section 227(4A) of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in Paragraph 4 & 5 of the said order.
2. Further to our comments in the Annexure referred to in paragraph 1 above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit
 - (ii) In our opinion the proper books of account, as required by law, have been kept by the Company, so far as appears from our examination of those books of account.
 - (iii) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement are in agreement with the books of account;
 - (iv) Based on representations received from the Directors as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2012 from being appointed as a Director in terms of clause(g) of sub-section(1) of section 274 of the Companies Act, 1956;
 - (v) In our opinion and to the best of our information and according to the explanations given to us, the financial statement dealt within by this report comply with the Accounting Standards referred to in Sub Section (3C) of Section 211 of the Act and 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:
 - (a) in the case of the Balance Sheet, of the state of the company's affairs as at 31st March, 2012.
 - (b) in the case of the Statement of Profit & Loss, of the Profit of the Company for the year ended on that date and,
 - (c) in the case of Cash Flow Statement of the cash flow for the year ended on that date.

Dated: 30th August,2012
Place: New Delhi

sd/-
CA. Ashish Chhabra
Partner
Membership No: 507083
N. Kumar Chhabra & Co.
Chartered Accountants
Firm Registration No: 000837N

ANNEXURE TO THE AUDITORS' REPORT

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

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The company has formulated a regular program of verification by which all the assets of company have been physically verified. No material discrepancies were noticed on physical verification conducted by the management during the year as compared with the book records.
- (c) There was no disposal of a substantial part of fixed assets.
- (ii) (a) The physical verification of stocks of finished goods, stores, spare parts and raw materials was carried out during the year by the management.
- (b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventories followed by the management was reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material having regard to the size of operations of the company.
- (iii) (a) According to the information & explanations given to us the company has granted loans to Subsidiary Company, Alchemist Foods Limited (Party covered in the register maintained under section 301 of the Companies Act, 1956) for which the maximum amount outstanding during the year was Rs. 11813.43 Lac and amount outstanding on 31st March, 2012 was Rs. 11774.38 Lac, also granted loan to subsidiary company, Alchemist Infrastructures Pvt. Ltd. (Party covered in the register maintained under section 301 of the Companies Act, 1956) for which the maximum amount outstanding during the year was Rs. 7.50 Lacs and amount outstanding on 31st March 2012, was Rs. 7.50 Lacs and also the Company has taken unsecured loan from KDS Corporation Pvt. Ltd. (Party covered in the register maintained under section 301 of the Companies Act, 1956) for which the maximum amount outstanding during the year was Rs. 37561.69 Lacs and amount outstanding on 31st March, 2012 was Rs 27917.69 Lacs.
- (b) The Company has taken/given interest free loans and other term and conditions of the loan taken/given by the company to/from parties covered in register maintained under Section 301 are not prima-facie prejudicial to the interest of the company.
- (c) The company is regular in repayment.
- (d) There is no overdue amount in respect of the loan taken/given by the company.
- (iv) In our opinion, the internal control procedures are adequate and commensurate with the size and the nature of its business for purchase of inventories and fixed assets and with regard to the sale of goods.
- (v) (a) In our opinion and according to the information and explanations given to us, the transactions made in the pursuance of contracts or arrangements, that need to be entered into the register maintained under section 301 of the Companies Act, 1956 for the year have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transaction made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 aggregating during the year to Rs.5,00,000/- or more in respect of each party have been made at prices which in our opinion, are reasonable having regard to prevailing market price at relevant time.
- (vi) The Company has not accepted deposits from the public during the year covered by our audit report. However, the deposits have been repaid during the year and also the balance stands in the books at the year end, the Company has complied with the provisions of Section 58A and 58AA of the Act and the rules framed there under.

ALCHEMIST LIMITED

- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) We have broadly examined the books of account maintained by the company pursuant to the rules by the Central Government for the maintenance of cost records under section 209 (I)(d) of the Companies Act, 1956 and are of the opinion that, prima facie, the prescribed accounts and record have been made and maintained. We have however, not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (ix) (a) Undisputed Statutory dues including provident fund, investors education and protection fund, employees state insurance, income tax, sales tax, wealth tax, service-tax, customs duty, excise duty, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities, though there has been a slight delay in the few cases. No undisputed amount payable in respect thereof were outstanding at the year-end for a period of more than six month from the date they became payable.
(b) According to the information and explanations given to us, there are no dues outstanding in respect of Sales tax, Income tax, Customs Duty, Excise Duty, Cess and any other Statutory Dues to be deposited on account of any dispute.
- (x) The company has no accumulated losses and has not incurred any cash losses during the financial year and in the immediately preceding financial year.
- (xi) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions, banks and other securities.
- (xii) According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The Company is not a Chit fund or a nidhi/mutual benefits fund/society. Therefore the provisions of Clause 4(xiii) of the Order are not applicable to the company.
- (xiv) According to the information and explanations given to us, the company is not dealing or trading in shares, securities and debentures. Therefore, provisions of clause 4(xiv) of the Order are not applicable to the Company.
- (xv) In our opinion and according to the information & explanation given to us, the terms and conditions on which the company has given guarantee to the tune of Rs. 1877 Lacs for loans taken by others from banks and financial institutions are prima-facie not prejudicial to the interest of the company.
- (xvi) In our opinions and according to the information and explanation given to us, the term loans have been applied for the purpose for which they were raised
- (xvii) According to the information and explanations given to us, and on an overall examination of the Balance sheet of the Company, we report that no funds raised on short term basis have been utilized for long term investments and vice versa.
- (xviii) The Company has made preferential allotment of 6,40,000 shares to KDS Corporation Pvt. Ltd., Company covered in the register maintained u/s 301 of the Companies Act, 1956, during the year. In our opinion the price at which shares have been issued is not prejudicial to the interest of the company.
- (xix) According to the information and explanations given to us, the Company has not issued any secured debentures during the year. Accordingly, the provision of Clause (xix) of the Order is not applicable to the Company.
- (xx) During the year, the Company has not raised any money by way of the public issue.
- (xxi) To the best of our knowledge and belief and according to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the year.

sd/-

CA. Ashish Chhabra

Partner

Membership No: 507083

N. Kumar Chhabra & Co.

Chartered Accountants

Firm Registration No: 000837N

Dated: 30th August, 2012

Place: New Delhi

ALCHEMIST LIMITED

Balance Sheet

Amount in (Rs.)

As at		31 March, 2012	31 March, 2011
Particulars	Note		
Equity and Liabilities			
1 Shareholders' Funds:			
Share Capital	2	275046000	405657000
Reserves & Surplus	3	530584719	640710639
Money received against Share Warrants	4	36281250	-
		<u>841911969</u>	<u>1046367639</u>
2 Non Current Liabilities			
Long term borrowings	5	2865366412	1489717823
Deferred Tax Liabilities (Net)	6	36611502	20930635
Other Long Term Liabilities	7	5254681	4220000
Long Term Provisions	8	13052478	11851962
		<u>2920285073</u>	<u>1526720420</u>
3 Current Liabilities			
Short-term borrowings	9	26832273	35903096
Trade payables	10	65419763	81576559
Other current liabilities	11	445677488	472366507
Short-term provisions	12	27348696	26218360
		<u>565278220</u>	<u>616064522</u>
Total Equity and Liabilities		<u>4327475262</u>	<u>3189152581</u>
Assets			
1 Non Current Assets			
Fixed Assets			
	13		
i) Tangible Assets		355812086	365235736
ii) Intangible Assets		43458985	33197490
iii) Capital work in Progress		584485534	258017763
		<u>983756605</u>	<u>656450989</u>
Non Current Investments	14	1039781582	1231840793
Long Term Loan & Advances	15	1314049718	871054857
Other Non Current Assets	16	17329257	25993887
		<u>3354917162</u>	<u>2785340526</u>
2 Current Assets			
Current Investments	17	1389675	1632699
Inventories	18	84914410	69788978
Trade Receivables	19	172453004	170435491
Cash and Cash Equivalents	20	681561603	110252604
Short Term Loans and Advances	21	29808002	49837700
Other Current assets	22	2431406	1864583
		<u>972558100</u>	<u>403812055</u>
Total Assets		<u>4327475262</u>	<u>3189152581</u>

Significant Accounting Policies & Notes to the Financial Statement (1 to 48)

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

sd/- CA. Ashish Chhabra Partner	sd/- Rajansh Thukral Company Secretary	sd/- Dinesh Vermani CFO	sd/- R.P. Chhabra Director	Lt. Gen. (Retd.) Anil Oberoi Director
---------------------------------------	--	-------------------------------	----------------------------------	--

MEMBERSHIP NO. 507083
N. KUMAR CHHABRA & CO.
 CHARTERED ACCOUNTANTS
 FIRM REGISTRATION NO-000837N
 Place : New Delhi
 Date : 30th August, 2012

ALCHEMIST LIMITED

Statement of Profit & Loss

For the Year ended	Particulars	Note	Amount in (Rs.)	
			31 March, 2012	31 March, 2011
Income				
	Revenue from Operations	23	5219727895	4105486925
	Other Income	24	97642925	12457600
			<u>5317370820</u>	<u>4117944525</u>
Expenses				
	Cost of Material Consumed	25A	166280246	150191901
	Purchase of Stock in Trade	25B	4765352750	3647109833
	Change in Inventories of Finished Goods, Work in Progress and Store & Spares	25C	(14499982)	(9314630)
	Employees Benefit Expenses	26	63747330	51207844
	Finance Cost	27	16414249	16841326
	Depreciation & Amortisation Expenses	28	29410478	29330929
	Other Expenses	29	105239470	120747359
			<u>5131944541</u>	<u>4006114562</u>
	Profit Before Taxes		185426279	111829963
Tax Expenses:				
	Current Tax		36277735	30245413
	Deferred Tax Charge/ (Benefit)		15680867	655478
	Tax Relating to Previous Years		(27700214)	-
	Profit After Taxes		<u>161167891</u>	<u>80929072</u>
	Net Profit For The Year		<u>161167891</u>	<u>80929072</u>
Earning Per Shares				
(Equity shares, Per value Rs 10/- each)				
	- Basic & Diluted			
	-Basic EPS	30	13.15	6.61
	-Diluted EPS	30	13.15	6.61
Significant Accounting Policies & Notes to the Financial Statement (1 to 48)				

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

sd/-
CA. Ashish Chhabra
Partner

sd/-
Rajansh Thukral
Company Secretary

sd/-
Dinesh Vermani
CFO

sd/-
R.P. Chhabra
Director

sd/-
Lt. Gen. (Retd.) Anil Oberoi
Director

MEMBERSHIP NO. 507083
N. KUMAR CHHABRA & CO.
CHARTERED ACCOUNTANTS
FIRM REGISTRATION NO-000837N
Place : New Delhi
Date : 30th August, 2012

ALCHEMIST LIMITED

Cash Flow Statement for the year Ended March 31,2012 (Rs. in Lacs)

PARTICULARS	31.03.2012	31.03.2011
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	1854.27	1118.30
Adjustments For :		
Depreciation & Amortisation	380.75	442.57
Interest Received	(461.03)	(26.00)
Dividend Received	(251.44)	(0.17)
Operating profit before working capital changes	1522.55	1534.71
Adjustments for changes in		
Inventories	(151.25)	2257.29
Trade Receivable	(20.18)	27.69
Other Receivables	(4235.32)	(7221.35)
Trade Payable	(161.57)	(1178.47)
Other Liabilities and Provisions	(233.23)	(248.38)
Deferred Tax Liabilities	156.81	(1008.29)
Cash Generated From Operation	(3122.19)	(5836.80)
Opening Profits Transfer to Demerge Company	-	(1477.07)
Deffered Tax Assets/(Liability)	(156.81)	(6.55)
Provision For Income Tax	(85.78)	(302.45)
Net Cash Flow From Operating Activities	(3364.78)	(7622.87)
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets (Gross)	(3590.11)	13979.11
Sale of Fixed Asset (Net of Depreciation)	22.95	288.05
Deferred Expenses	-	10.27
(Purchase)/Sale of non current Investments	1920.59	(10000.35)
(Purchase)/Sale of current Investments	2.43	79.12
Foreign Currency Translation reserve	1.17	-
Interest Received	461.03	26.00
Dividend Received	251.44	0.17
Net Cash Used in Investing Activities	(930.50)	4,382.36
C) CASH FLOW FROM FINANCING ACTIVITIES		
Increase in Capital (Incl Shares Premium)	1376.00	-
Redemption of Preference Shares	(1370.11)	(1270.17)
Preference Shares Redemption Premium	(3768.41)	(2961.20)
Money Received against Share Warrant	362.81	-
Long Term Borrowings	13756.49	7610.14
Short Term Borrowings	(90.71)	(871.48)
Dividends Paid and Includings Dividend Tax	(257.70)	(244.90)
Net Cash From Financing Activities	10008.37	2,261.95
D) Net Increase & Decrease in Cash & Cash Equivalents (D=A+B+C)	5713.09	(978.56)
E) Cash & Cash Equivalents (Opening Balance)	1102.53	2081.09
F) Cash & Cash Equivalents (Closing Balance) (F=D+E)	6815.62	1102.53

For and on behalf of the Board

sd/-
Rajansh Thukral
Company Secretary

sd/-
Dinesh Vermani
CFO

sd/-
R.P. Chhabra
Director

sd/-
Lt. Gen. (Retd.) Anil Oberoi
Director

AUDITOR'S CERTIFICATE

We have examined the attached Cash flow statement of Alchemist Limited for the year ended 31st March 12. 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 31st March 2012.

sd/-
(CA. Ashish Chhabra)
Partner
Membership No. 507083
For N. Kumar Chhabra & Co.
Chartered Accountants
Firm No. 000837N

Place : New Delhi
Dated: 30.08.2012

Notes to the financial statement for the year ended March 31,2012.**1) Significant Accounting Policies****i) Accounting Convention**

The accompanying financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis. GAAP comprises mandatory accounting standards issued by the Institute of Chartered Accountants of India (ICAI) and the provisions of the Companies Act, 1956.

ii) Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. The Estimate and assumptions used in the accompanying financial statement are based upon management evaluation of relevant facts and circumstances as at the date of the financial statements, which in its opinion are prudent and reasonable. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current & future periods.

iii) Fixed Assets

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

iv) Capital Work In Progress

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

v) Depreciation

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

vi) Government Grants

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

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

vii) Inventories

The basis of valuation of inventories is as under:

Raw material, semi finished goods and finished goods are valued at lower of cost or net realizable value. The raw material costs are based on weighted average method. Further, in respect of the

Notes to the financial statement for the year ended March 31,2012 *continued*

manufactured inventories i.e. process stock and finished goods; cost includes raw material cost plus conversion cost and other relatable manufacturing overheads.

Stores, spares and scrap are valued at lower of cost or under.

In Compliance with AS-2 Prescribed by ICAI, the company has included excise duty on stock of finished goods, however this has no impact on profit of the company for the year under review

viii) Foreign Currency Transaction

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

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

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

ix) Intangible Assets and its Amortisation

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

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

(x) Revenue Recognition

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

(xi) Retirement Benefits

Company's Contribution to Provident Fund and Family Pension fund are charged to Profit & Loss Account.

Contribution to Provident Fund is accounted for on accrual basis with corresponding contribution to recognised Fund.

Gratuity liability is defined benefit or obligation and is provided for on the basis of an actuarial valuation made at the end of each financial year. The liability so provided is unfunded.

Leave encashment is provided for on the basis of an actuarial valuation made at the end of each financial year.

(xii). Taxes On Income

Income Tax for the year comprises of current tax and deferred tax. Current tax provision is made on the tax liability computed after considering tax allowances and exemption in accordance with the Income Tax Act 1961.

Deferred tax charge or credit and the corresponding deferred tax liability or asset is recognised for timing differences between the profit/losses offered for income tax and profit/loss as per financial

Notes to the financial statement for the year ended March 31,2012 *continued*

statements. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future.

(xiii) Borrowing Costs

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

(xiv) Deferred Revenue Expenditure

Expenses incurred by Company under various head for Brand building /launching of new projects have been charged to deferred expenditure. These expenditure are written off over a period of 5 year as the benefit of these expenditure will be available to the company during this period.

(xv) Earning Per Share

The earning considered in ascertaining the Company's EPS comprises as the net profit after tax. The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the year. The number of shares used in computing diluted EPS comprises the weighted average **number** of shares considered for deriving basic EPS & also the weighted average no of shares that could have been issued on the conversion of all diluted potential equity shares.

(xvi) Common Expenses

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

(xvii) Investments

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

(xviii) Operating Leases

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

(xix). Impairment Of Assets

As at each Balance Sheet date, the carrying amount of assets is tested for impairment so as to determine the provision for impairment loss, if any, required or the reversal, if any, required of impairment loss recognised in previous periods. Impairment loss is recognised when the carrying amount of assets exceeds its recoverable amount.

(xx) Rounding Off

Amounts have been rounded off to the nearest Rupee.

(xxi) Provision, Contingent Liabilities & Contingent Assets

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

ALCHEMIST LIMITED

Notes to the financial statement for the year ended March 31,2012 *continued*

	Note	Amount in (Rs.)	
		31 March, 2012	31 March, 2011
Shareholders' Funds	2		
Share Capital			
a) AUTHORISED			
Equity Shares - 3,00,00,000 of Rs. 10/- each (Previous year -3,00,00,000 of Rs. 10/- each)		300000000	300000000
Preference Shares - 50,00,000 of Rs 100/- each (Previous year -50,00,000 of Rs 100/- each)		500000000	500000000
b) ISSUED,SUBSCRIBED AND PAID-UP			
Equity Shares - 1,28,84,800 of Rs.10/- each (Previous year 1,22,44,800 of Rs.10/- each)		128848000	122448000
Redeemable Preference Shares 14,61,980 of Rs 100/- Each (Previous year 28,32,090 of Rs 100/-Each)		146198000	283209000
Total		275046000	405657000

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

Equity Shares	As at 31 March 2012		As at 31 March 2011	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	12244800	122448000	12244800	122448000
Shares Issued during the year*	640000	6400000	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	12884800	128848000	12244800	122448000

* Preferential Allotment of 6,40,000 Shares, par value of Rs. 10/- was made to KDS Corporation Pvt Ltd, Promoter Group Company on 28th March 2012 at Rs. 215 per share.

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

Preference Shares	As at 31 March 2012		As at 31 March 2011	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	2832090	283209000	4102260	410226000
Shares Issued during the year	-	-	-	-
Shares bought back during the year (Redemption)	1370110	137011000	1270170	127017000
Shares outstanding at the end of the year	1461980	146198000	2832090	283209000

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

Names of Shareholder	As at 31 March 2012		As at 31 March 2011	
	No. of share held	% of holding	No. of share held	% of holding
Mr. Kanwar Deep Singh	1257020	9.76	1257020	10.27
KDS Corproation Pvt Ltd	2384000	18.50	1744000	14.24
Mavi Investment Fund Ltd	-	-	1170000	9.56
HS FII Investments Ltd	727457	5.65	1224457	10.00
Davos International Fund	746000	5.79	-	-

ALCHEMIST LIMITED

Notes to the financial statement for the year ended March 31,2012 *continued*

	Note	Amount in (Rs.)	
		31 March, 2012	31 March, 2011
Reserves and Surplus	3		
Capital Redemption Reserve			
Balance Brought Forward		238382000	111365000
Add :-Transfer from General Reserve		137011000	127017000
		<u>375393000</u>	<u>238382000</u>
Preference Shares Redemption Reserve			
Balance Brought Forward		163416129	236706973
Add :- Transferred from General Reserve		166583209	222828673
Add :- Transferred from Share Premium		131200000	-
Less :- Utilized for the Redemption of Preference Shares		376840750	296119517
		<u>84358588</u>	<u>163416129</u>
Share Premium			
Opening Balance		9408000	9408000
Add : Premium On Issue of Shares		131200000	-
Less : Transfer to Preference Shares Redemption Reserve		131200000	-
		<u>9408000</u>	<u>9408000</u>
General Reserve			
Balance Brought Forward		4207707	347983700
Add :-Transfer from Statement of Profit & Loss		315681801	6069680
Less :- Transfer to Preference Shares Redemption Reserve		166583209	222828673
Less :- Transfer to Capital Redemption Reserve		137011000	127017000
		<u>16295299</u>	<u>4207707</u>
Surplus in Statement of Profit & Loss			
Balance Brought Forward		225296803	322634117
Add : Transfer from Statement of Profit & Loss		161167891	80929072
Less : Transfer to General Reserves		315681801	6069680
Less : Profit Transfer to Demerged Unit (Alchemist Foods Limited)		-	147707106
		<u>70782893</u>	<u>249786403</u>
Less : Proposed Dividend		25769600	24489600
Less : Corporate Dividend Tax *		-	-
		<u>45013293</u>	<u>225296803</u>
Foreign Currency Translation Reserve			
Current Year Recognition		116539	-
		<u>116539</u>	<u>-</u>
Total		<u>530584719</u>	<u>640710639</u>

*The company has announced a dividend of 20 percent for the current financial year. However, the CDT liability of Rs. 41.80 Lacs accruing on the same, has not been provided, in light of the CDT of Rs. 47.95 Lacs provided by the subsidiary Alchemist Foods Limited. This netting benefit has been claimed on the basis of the provisions contained under section 115-O of the Income Tax Act, 1961.

Money Received against Share Warrant	4		
Money Received against Share Warrant*		36281250	-
Total		<u>36281250</u>	<u>-</u>

*Money Received against 6,75,000 Warrants convertible into equity shares issuable to KDS Corporation Pvt. Ltd @ 215/- Per share (25% Received as advance).

ALCHEMIST LIMITED

Notes to the financial statement for the year ended March 31,2012 *continued*

		Amount in (Rs.)	
	Note	31 March, 2012	31 March, 2011
Long-term Borrowings	5		
Secured			
Term Loans From Banks			
Punjab National Bank		62342517	8972079
		<u>62342517</u>	<u>8972079</u>
Vehicle Loans from Banks			
Vehicle loan		18824474	28234249
Less : Current Maturities of long-term borrowing		(7569349)	(9409775)
		<u>11255125</u>	<u>18824474</u>
		<u>73597642</u>	<u>27796553</u>
Un-Secured			
Deposit from Public		113752500	145253500
Less : Current Maturities of long-term borrowing		(113752500)	(31501000)
Deposit from Public		-	113752500
Inter Corporate Deposits		2791768770	1348168770
		<u>2791768770</u>	<u>1348168770</u>
		<u>2791768770</u>	<u>1461921270</u>
Total		<u>2865366412</u>	<u>1489717823</u>
From Banks			
Punjab National Bank: Secured Loan of Rs. 6,23,42,517/- (Rs. Six Crore Twenty Three Lac Forty Two Thousand Five Hundred Seventeen Only) (Previous Year Rs.89,72,079/- (Rs. Eighty Nine Lac Seventy Two Thousand Seventy Nine Only) secured through exclusive Charge on Fixed Assets Block, situated at F-5, Kishangarh Rajiv Gandhi I.T. Park, Chandigarh.			
- The Sanctioned amount of the Term Loan is Rs. 21,00 Crore, which at present is partially utilised. Term Loan carries interest @ base rate + 4% and is repayable in 84 monthly instalment of Rs. 25,00,000/- (Rs. Twenty Five Lac Only) each, commencing from 30th April, 2013.			
Vehicle Loans: Vehicle Loans of Rs. 1,88,24,474/- (Rupees One Crore Eighty Eight Lac Twenty Four Thousand Four Hundred Seventy Four Only) (Previous Year Rs. 2,82,34,248/- (Rs. Two Crore Eighty Two Lacs Thirty Four Thousand Two Hundred Forty Eight Only) are Secured against hypothecation of vehicles. Due with in one year is Rs. 75,69,349/- (Rs. Seventy Five Lac Sixty Nine Thousand Three Hundred Forty Nine Only) (Previous year Rs. 94,09,775/- (Rs. Ninty Four Lac Nine Thousand Seven Hundred Seventy Five Only).			
- Vehicle Loans have been procured from various banks with rate of interest varying from 9% to 12% with repayment term of 3 to 5 Years.			
Deposit from Public: Deposit from Public Rs 11.37 Crore (Previous year Rs 14.52 Crore). Out of This Rs. 3.33 Crore (Previous Year Rs 3.93 Crore) are guraranteed by Directors. Due with in one year Rs. 11.37 Crore (Previous Year Rs 3.15 Crore)			
Inter Corporate Loan: Intercorporate loan has received from KDS Corporation Pvt Ltd., a promoter group Company			
Deferred Tax Liabilities (Net)	6		
Deferred Tax Liability			
Fixed assets : Impact of Difference between carrying amount of Tax			
Depreciation and depreciation charged in the books		41290788	25198994
Gross deferred tax liability		<u>41290788</u>	<u>25198994</u>
Deferred tax assets			
Carrying amount of provisions for Gratuity, Bonus and Leave			
Encashment		4679286	4268359
Gross deferred tax assets		<u>4679286</u>	<u>4268359</u>
Deferred tax liabilities (Net)		<u>36611502</u>	<u>20930635</u>

ALCHEMIST LIMITED

Notes to the financial statement for the year ended March 31,2012 *continued*

		Amount in (Rs.)	
	Note	31 March, 2012	31 March, 2011
Other Long-term Liabilities	7		
Security Received		5254681	4220000
		Total	4220000
		5254681	4220000
Long-term Provisions	8		
Provision for Employees Benefits			
- Gratuity		7716907	7284928
- Earned Leave		5335571	4567034
		Total	11851962
		13052478	11851962
Short-term Borrowings	9		
Loan Repayable on demand, from Banks			
Bank of India		23202299	28949433
		23202299	28949433
Demand Loans (Against FDR)			
Punjab National Bank		3629974	6953663
		3629974	6953663
		Total	35903096
		26832273	35903096

Loan Repayable on demand, from Banks

Bank of India: Working Capital facility of Rs. 2,32,02,299/- (Rupees Two Crore Thirty Two Lac Two Thousand Two Hundred Ninety Nine Only) (Previous Year Rs. 2,89,49,433/- (Rupees Two Crore Eighty Nine Lacs Forty Nine Thousand Four Hundred Thirty Three Only) secured against hypothecation of stocks and book debt of the company's unit located at Chambaghat, Solan (H.P). It is further secured by collaterally secured of Land and Building and other structures (erected or to be erected), other immovable properties of the Unit situated at Rajgarh, Distt. Sirmour (H.P.) and personal guarantee of Managing Director.

Demand Loans (Against FDR)

Punjab National Bank: Demand Loan Of Rs. 36,29,974 /- (Rs. Thirty Six Lac Twenty Nine Thousand Nine Hundred Seventy Four Only) (Previous Year Rs. 69,53,663 /- (Rs. Sixty Nine Lacs Fifty Three Thousand Six Hundred Sixty Three Only) secured against the Term Deposit Receipts of the company.

Trade Payable	10		
Trade Payables		65419763	81576559
		65419763	81576559
Other Current Liabilities	11		
Current maturities of long-term borrowings *			
Vehicle Loan		7569349	9409775
Deposit from Public		113752500	31501000
Interest Accrued and Due on Borrowings		800275	97989
Liabilities for Capital Goods		4224758	1323888
Expenses and Statutory Dues Payable		25269288	13254542
Advance received		75552135	119117757
Unclaimed Dividend **		11255098	10435398
Securities Refundable		193230992	265000000
Other Liabilities		14023093	22226158
		Total	472366507
		445677488	472366507

* Refer Note No: 5

** A sum of Rs. 11255098/- (Rs. One Crore Twelve Lac Fifty Five Thousand Ninty Eight only) (Previous year 10435398/ - Rs. One Crore Four Lac Thirty Five Thousand three Hundred Ninty Eight only) is lying as unclaimed dividend in separate accounts with HDFC Bank.

ALCHEMIST LIMITED

Notes to the financial statement for the year ended March 31, 2012 *continued*

Amount in (Rs.)

	Note	31 March, 2012	31 March, 2011
Short Term Provisions	12		
Provision for Employees			
- Gratuity		1045382	1128589
- Earned Leave		533714	600171
Proposed Dividend		25769600	24489600
Total		27348696	26218360

Fixed Assets 13

Particulars	GROSS BLOCK				DEPRECIATION & AMORTISATION				NET BLOCK	
	AS AT 01-Apr-11	SALE/ ADJ	ADDITIONS/ CAPITALISED	AS AT 31-Mar-12	AS AT 01-Apr-11	ON SALE / ADJ	FOR THE YEAR	AS AT 31-Mar-12	AS AT 31-Mar-12	AS AT 31-Mar-11
Tangible Assets										
-Land	150441816	-	6830090	157271906	-	-	-	-	157271906	150441816
-Building	41081660	-	-	41081660	18006779	-	2133736	20140515	20941145	23074881
-Plant & Machinery	96966697	-	1003546	97970243	35511594	-	4696479	40208073	57762170	61455103
-Sapling	68553762	-	1011827	69565589	68525273	-	133978	68659251	906338	28489
-Green House	54258089	-	52191	54310280	24959646	-	2581717	27541363	26768917	29298443
-Office Equipments	8965789	-	562427	9528216	2270360	-	444461	2714821	6813395	6695429
-Computer & Peripherals	29644865	-	5012517	34657382	11287246	-	4533451	15820697	18836685	18357619
-Furniture & Fixtures	13141704	-	294714	13436418	6750036	-	864023	7614059	5822359	6391668
-Vehicles	107013945	3076821	3284775	107221899	37521657	781719	9792791	48532729	60689170	69492288
Sub Total	570068327	3076821	18052087	585043593	204832591	781719	25180635	229231507	355812086	365235736
Previous Year	2022928776	1510269292	61741531	570068327	426598596	248104296	26038291	204832591	365235736	
Intangible Assets										
- R & Developments	45483258	-	14491336	59974594	12285768	-	4229841	16515609	43458985	33197490
Sub Total	45483258	-	14491336	59974594	12285768	-	4229841	16515609	43458985	33197490
Previous Year	118707893	82596663	9372028	45483258	26037458	17044328	3292638	12285768	33197490	
Grand Total	615551585	3076821	32543423	645018187	217118359	781719	29410476	245747116	399271071	398433226
Previous Year	2141636669	1592865955	71113559	615551585	452636054	265148624	29330929	217118359	398433226	
Capital Work in Progress									584485534	258017763

Non Current Investments 14

Non Trade Investments (In Equity Instruments)

- Unquoted

- Dooteriah & Kalej Valley Tea Estate Pvt Ltd. (Current Year Equity shares 36000 (Previous year 36000) of Rs 100/- Each)	18180173	18180173
- Alchemist Foods Ltd (Current Year Equity Shares 100050000 (Previous Year 100050000.) of Rs.10/- Each)	1000500000	1000500000
- Alchemist Medisphare Limited (Current Year Equity Shares 22500 (Previous year 22500 Shares) of Rs. 10/- Each)	225000	225000
- AUSA LLC (Current Year Equity Shares -NIL- (Previous year . 49951.) of US\$ 100 Each)	-	212400750
- Alchemist Infrastructures Pvt Ltd (Current Year Equity Shares 10000 (Previous year .Nil .) of Rs. 10/- Each)	100000	-
- Alchemist Enterprises Pte. Ltd (Current Year Equity Shares 501000 (Previous year 1000.) of SGD\$ 1 Each)	20276409	34870
	1039281582	1231340793

ALCHEMIST LIMITED

Notes to the financial statement for the year ended March 31,2012 *continued*

		Amount In (Rs.)	
	Note	31 March, 2012	31 March, 2011
Non current investment continued			
Non Trade Investments (In Mutual Funds)			
Quoted			
- Religare Buisness Leader Fund (Units 50000) (Previous yearUnits 50000) of Rs. 10/- Each		500000	500000
		<u>500000</u>	<u>500000</u>
	Total	1039781582	1231840793
Aggregate Market Value of Quoted Investments		582000	630000
Long Term Loan and Advances 15			
Capital Advances		125555167	71991786
Loan to Subsidiary *		1178188073	792773178
Mat Credit Entitlements		920442	-
Security Deposits		<u>9386036</u>	<u>6289893</u>
	Total	1314049718	871054857
* <u>Loan to Subsidiary</u> : Loan to Alchemist Foods Limited of Rs 117.74 Crore (Previous Year 79.27 Crore) and to Alchemist Infrastructures Pvt. Ltd of Rs. 0.07 Crores (Previous Year -Nil-)			
Other Non Current Assets 16			
Deferred Revenue Expenditure			
Balance Brought Forward		25993887	41947547
Add :- During The Year		-	10490221
Less : Transfer to Demerged Company		-	11517449
Less : Written off		<u>8664630</u>	<u>14926432</u>
Balance Carried Forward		17329257	25993887
Current Investments 17			
Non Trade Investments (In Equity Shares)			
Quoted			
- Andhra Bank*			
(Current Year Equity Shares 3394 (Previous Year 3394) of Rs 10/- Each)		305460	154223
- Marksans Pharma Ltd *			
(Current Year. Equity Shares 657100 of Rs, 1/- each (Prev. Year 657100 of Rs 1/- each)		1084215	1478476
	Total	1389675	1632699
Aggregate Market Value of Quoted Investments		1489119	1990800
* Reduction in the value of current investments has been considered in the books.Current year reduction of Rs. 3,94,261/- (Previous year Rs. 8,03,683/-).			
Inventories 18			
(Inventories taken as valued and certified by the Management)			
- Raw Materials #		17101986	16476536
- Finished Goods#		20710720	15634819
- Work In Progress/Semi finished goods.#		47097931	37671623
- Store, Spares and Scrap ##		<u>3773</u>	<u>6000</u>
	Total	84914410	69788978
# Valued at lower of cost and net realizable value.			
## Valued at cost or under.			

ALCHEMIST LIMITED

Notes to the financial statement for the year ended March 31,2012 *continued*

		Amount in (Rs.)	
	Note	31 March, 2012	31 March, 2011
Trade Receivable	19		
Trade Receivable outstanding for a period exceeding six months from the date they were due for payment			
Unsecured - Considered good		92694356	2835754
Other Trade Receivable			
Unsecured - Considered good		79758648	167599737
		Total	170435491
		172453004	170435491
Cash & Cash Equivalents	20		
Cash in hand		18796360	9695009
Balance with Banks - Current Accounts		197521690	59124427
Balance with Banks - Fixed Deposit *		465243553	41433168
		Total	110252604
		681561603	110252604
* (Including deposit of Rs. 48.98 Lacs (Previous Year 83.69 Lacs) under Lien against demand Loan and Rs. 32.37 Lacs (Previous Year 22.31 Lac) under lien for guarantee given by banks to various Government Authorities)			
Short Term Loans and Advances	21		
Unsecured, Considered good			
Advances Paid to Suppliers for Goods\Services		9210247	19816557
Advances Recoverable in Cash or in Kind or for value to be received		20597755	30021143
		Total	49837700
		29808002	49837700
Other Current Assets	22		
Unsecured, Considered good			
Interest Accrued		2431406	1864583
		Total	1864583
		2431406	1864583
Revenue from Operations	23		
Gross Sales		5231426965	4115326671
Less :- Excise Duty		11699070	9839746
Net Sale		Total	4105486925
		5219727895	4105486925
Other Income	24		
Dividend received*		25143667	16970
Interest received		46103205	2599513
Net Foreign Exchange Difference		25273814	-
Misc Other Income		1122239	9841117
		Total	12457600
		97642925	12457600
* Dividend Income of Rs.2,51,25,000/- (Rs Two Crore Fifty One Lac Twenty Five Thousand Only) (Previous Year - Nil-) received from Alchemist Foods Limited which is a wholly owned subsidiary of company.			
Cost of Material Consumed	25		
25A Cost of Material Consumed			
Opening Stock		16476536	40924420
Less : Transfer to Demerge Company		-	28556971
Add : Purchases		166905696	154300988
		183382232	166668437
Less : Closing Stock		17101986	16476536
		Total	150191901
		166280246	150191901
25B Purchase of Stock in Trade		4765352750	3647109833
		4765352750	3647109833

ALCHEMIST LIMITED

Notes to the financial statement for the year ended March 31, 2012 *continued*

		Amount in (Rs.)	
	Note	31 March, 2012	31 March, 2011
25C Change in Inventories of Finished Goods, Work in Progress and Store, Spares and Scrap			
Opening Stock			
- Finished goods		15634819	84724870
- Work in Progress		37671623	169164560
- Store & Spares		6000	704549
		<u>53312442</u>	<u>254593979</u>
Less : Transfer to Demerged Company			
- Finished goods		-	68540041
- Work in Progress		-	141389273
- Store & Spares		-	666853
		<u>-</u>	<u>210596167</u>
Closing Stock :-			
- Finished goods		20710720	15634819
- Work in Progress		47097931	37671623
- Store & Spares		3773	6000
		<u>67812424</u>	<u>53312442</u>
(Increase) /(Decrease in Stock)		<u>(14499982)</u>	<u>(9314630)</u>
Employees Benefit Expenses	26		
Salaries & Wages including Bonus, Gratuity, Welfare Expenses		59455390	47810790
Employer's Contribution towards Provident & other Funds		4291940	3397054
		<u>63747330</u>	<u>51207844</u>
Finance Cost	27		
Interest Paid		10394056	10505692
Other Borrowing Cost		6020193	6335634
		<u>16414249</u>	<u>16841326</u>
Depreciation and Amortisation Expenses	28		
Depreciation on Tangible Assets		25180637	26038291
Amortisation on Intangible Assets		4229841	3292638
		<u>29410478</u>	<u>29330929</u>
Other Expenses	29		
Consumable, Stores & Spares		17410019	15943199
Power & Fuel Expenses		4024227	4434523
Rent		5302221	2760254
Postage, Telegram & Courier		705553	476503
Repair & Maintenance		1086593	727122
Travelling Expenses		4761012	5287314
Fee & Taxes		2271207	1272729
Insurance Charges		2017175	2937683
Telephone, Internet & Communication Charges		2075518	1972142
Vehicle Running & Maintenance		5032822	3749450
Director Sitting Fees		145000	110000
Misc. and General Expenses		8438673	15713463
Misc Expenses Written off		8664630	14926432
Prior Period Item		2743935	7341263
Marketing Expenses		20801928	22953124
Advertisement & Publicity		2818037	2830692
Printing and Stationery		710047	1051230
<u>Auditor's Remuneration</u>			
- Statutory Audit Fee		1164948	952992
- Tax Audit Fee		194158	158832
- For Others		419050	311043
<u>Cost Auditor's Remuneration</u>			
- Audit Fee		157000	
Legal & Professional Charges		7671992	3584395
Business Promotion / Entertainment Expenses		6623725	3355723
Net Loss on Foreign Exchange Translation		-	7897251
		<u>105239470</u>	<u>120747359</u>

Notes to the financial statement for the year ended March 31,2012 continued
30. Earning Per Shares (EPS)

Particulars	Year	Year
	31.03.2012	31.03.2011
	(Rs)	(Rs)
Profit After Tax as per the Statement of Profit and Loss attributable to Equity Share Holders	16,11,67,891	8,09,29,072
Weighted Average No of Equity Shares	1,22,51,796	1,22,44,800
Nominal value of Equity Shares (Rs.)	10/-	10/-
Earning Per Share (Rs.)		
- Basic EPS	13.15	6.61
- Diluted EPS	13.15	6.61

31. Contingent Liabilities and Commitments

(Rs. In Lacs)

Particulars	Year	Year
	31.03.2012	31.03.2011
Contingent Liabilities		
Corporate Guarantees	1877.00	1877.00
Commitments		
Estimated amount of Contract remaining to be executed on capital account and not provided for (Net of Advances)	428.44	-Nil-

32. Detail of raw material and components consumed:

(Rs. In Lacs)

Particulars	Year	Year
	31.03.2012	31.03.2011
Raw Material Consumed	1662.80	1501.92
Consumables, Store & Spares Consumed	174.10	159.43
Total	1836.90	1661.35

33. Imported and Indigenous consumed:

(Rs. In Lacs)

Particulars	Year	Indigenous		Imported		Total
		Value	Amount	Value	Amount	
		Value Amount		Value Amount		
Raw Material	2011-12	1662.80	100 %	Nil	Nil	1662.80
	2010-11	1501.92	100 %	Nil	Nil	1501.92
Consumables, Store & Spares	2011-12	174.10	100 %	Nil	Nil	174.10
	2010-11	159.43	100 %	Nil	Nil	159.43

34. The Revised Schedule VI has become effective from April 1, 2011 for the preparation of financial statements, this has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figure have been reworked, regrouped, rearranged and reclassified wherever deemed necessary to make them comparable.

35. In the opinion of the management the current assets, loans and advances are of the value stated, if realised in the ordinary course of business. Out of the total amount of Loan and Advances a sum of Rs. 4.60 Crores is outstanding from Medisphare Marketing Limited. The company has initiated a legal action in the Kolkata High Court for recovery of the same.

36. The Company had entered into a scheme of arrangement under section 391-394 of the Companies Act, 1956 with Alchemist Foods Limited, a wholly owned subsidiary which had been approved by the Hon'ble High Court of Delhi and High Court of Punjab and Haryana at Chandigarh vide its order dated 1st November, 2010 & 2nd December, 2010 respectively. The same had been registered with the

Notes to the financial statement for the year ended March 31,2012 *continued*

Office of Registrar of Companies at Delhi and Chandigarh dated 2nd December, 2010 & 23rd December, 2010. Hence, appointed date for the implementation of the scheme was 23rd December, 2010 with effect from 1st April 2008, being the effective date. The scheme of arrangement was duly implemented in the previous financial year 2010-11.

- As per scheme, food division of Alchemist limited had been demerged from the Company and merged with Alchemist Foods Limited. All the properties, assets, both movable and immovable, liabilities including contingent liabilities and reserves, all income and expenses of the Food Division have without further act all deed been transferred to and vested with Alchemist Foods Limited at their book values, as a going concern with effect from the appointed date i.e. 1st April, 2008. In consideration, thereof, Alchemist Foods Limited had issued 1,00,00,000 Equity Shares of Rs. 10/- each at a premium of Rs. 90/- per shares to Alchemist Limited and an amount of Rs. 27.44 Crores was treated as unsecured loan from Alchemist Limited to Alchemist Foods Limited.

- As per Scheme of arrangement, Authorized share capital of Alchemist Limited i.e. Rs. 121.25 Crores as on effective date i.e. 1st April, 2008 had been partly clubbed with Authorized Share Capital of the Transferee Company i.e. Alchemist Foods Limited. Accordingly, after implementation of scheme of arrangement, authorized share capital of Alchemist Limited had been reduced to Rs. 80.00 Crores consisting of 3.00 Crore equity shares of Rs. 10/- each aggregating to Rs. 30.00 Crores and 50.00 Lac redeemable preference shares of Rs. 100/- each aggregating to Rs. 50.00 Crores.

37. Alchemist Limited has three wholly owned subsidiary companies Alchemist Foods Limited, Alchemist Infrastructures Pvt. Ltd. and Alchemist Enterprises Pte. Ltd. In Accordance with General Circular No. 2/2011 dated 8th February 2011 issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Statement of Profit and Loss and other documents of subsidiary companies are not being attached with the Financial Statement of the Company.

38. Related Party Disclosures**- Key Managerial Personnel :**

- o Mr Kanwar Deep Singh

- Subsidiary:

- o Alchemist Foods Limited
- o Alchemist Enterprise (S) Pte Ltd.
- o Alchemist Infrastructures Pvt. Ltd.

- Associates:

- o Alchemist Lifesciences Limited
- o Alchemist Hospitals Limited
- o Alchemist Airways Pvt. Ltd.
- o Alchemist Realty Limited
- o Black Cat Protection Services Pvt. Ltd.
- o KDS Corporation Pvt. Ltd
- o Optimum Constructors and Developers Limited

- Relatives of Key Management Personnel

- o Mr.Karan Deep Singh
- o Mr. Kaman Deep Singh
- o Mr. Ravinder Singh
- o Mrs. Hapreet Kaur
- o Mrs. Isher Kaur

ALCHEMIST LIMITED

Notes to the financial statement for the year ended March 31,2012 *continued* Detail of Related Parties Transactions (Rs. in Lacs)

Sr. No.	Transactions	Subsidiary		Key Managerial Persons & Their Relative		Associates	
		2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
1	Managerial Remuneration - Mr. Kanwar Deep Singh	-	-	104.17	90.12	-	-
2	Inter Corporate Loans (Paid) - Alchemist Food Ltd (WOS) -AlchemistInfstructures Pvt Ltd (WOS)	11774.38 7.50	7638.08 -	-	-	-	-
3	Inter Corporate Loans (Received) KDS Corporation Pvt. Ltd.	-	-	-	-	27917.69	13481.68
4	Investments - Alchemist Foods Limited(WOS) - Alchemist Enterprise (S) Pte. Ltd.(WOS) -Alchemist Infrastructures Pvt Ltd (WOS)	10005.00 206.60 1.00	10005.00 - -	- - -	- - -	- - -	- - -
5	Rent Paid - Mr. Kanwar Deep Singh - Mr. Karan Deep Singh - Mr. Kaman Deep Singh	- - -	- - -	36.00 0.67 0.67	36.00 0.68 0.68	- - -	- - -
6	Supply of Material - Alchemist Life Sciences Ltd - Alchemist Hospitals Ltd	- -	- -	- -	- -	1032.84 9.75	773.67 13.54
7	Services Received - Black Cat Protection Services Pvt. Ltd - Alchemist Realty Limited	- -	- -	- -	- -	68.64 72.54	60.28 -
8	Rent Received - Alchemist Airways Pvt. Ltd.	-	-	-	-	0.72	0.72
9	Dividend Paid - Mr. Kanwar Deep Singh - Mr. Karan Deep Singh - Mrs. Harpreet Kaur - Mrs. Isher Kaur - Mr. Ravinder Singh - KDS Corporation Pvt. Ltd - Optimum Constructions and Developers Pvt. Ltd.	- - - - - - -	- - - - - - -	25.14 2.35 0.008 0.004 4.42 - -	25.14 2.35 0.008 0.004 4.42 - -	- - - - - 34.88 1.19	- - - - - 34.88 1.19
10	Dividend Received -Alchemist Foods Limited (WOS)	251.25	-	-	-	-	-

39. As per Accounting Standard - 28 "Impairment of Assets", the company has assessed the conditions of all the assets used in its operation and is of the opinion that there is no impairment of assets, hence no provision was made.
40. Finished Goods Stock of Steel Division for year 2012 has been carried over including excise duty.
41. Common Expenses relating to Head Office and other administrative office have been allocated to various divisions on the following basis.
- | | | | |
|-----|----------------|---|---------------------------------|
| i) | Financial Cost | - | Fixed & Current Assets Employed |
| ii) | Other Expenses | - | Sales/Reasonable Estimations |

Notes to the financial statement for the year ended March 31,2012 continued
42. Segment Reporting

a) The Business Segments comprise the following:

- Agri Business
- Pharma & Chemical

b) Business segments have been identified based on the nature and class of products and services, their customers and assessment of the differential risks and returns and financial reporting system within the Company.

c) The company operates through in India, hence, no distinction on the basis of geographical segment has been made.

d) Segment accounting policies

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

(i) Segment assets and liabilities:

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

(ii) Segment revenue and expenses :

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

(iii) Inter Segment Sales:

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

(e) Primary Segment information (Business Segments) for the year ended March 2012. (Rs. in Lacs)

Sr. No.	Particulars	Agri Business	Pharma & Chemicals	Unallocated	Total
a)	Segment Revenue :				
	Revenue from Sales	19959.85	32237.43	-	52197.28
	Total Revenue	19959.85	32237.43	-	52197.28
b)	Segment Results :				
	Operating Profit(Loss)	239.00	638.83		877.83
	Add :- Unallocated Incomes			976.43	976.43
	Profit Before Tax				1854.26
	Provision for Taxes			(519.59)	(519.59)
	Previous year Taxes			277.00	277.00
	Profit After Tax				1611.68
c)	Other Information :				
	Segment Assets				
	Investments	-	-	10411.71	10411.71
	Other Segment Assets	11398.93	21464.11	-	32863.04
		11398.93	21464.11	10411.71	43274.75
	Segment Liabilities				
	Share Capital (Including Money Receive against Share Warrant)			3113.27	3113.27
	Other Segment Liabilities	13930.48	26231.00		40161.48
		13930.48	26231.00	3113.27	43274.75
	Fixed Assets	6887.41	1287.24	1662.91	9837.56
	(Incl. Capital Work in Progress)				
	Depreciation	73.78	71.17	149.15	294.10

Notes to the financial statement for the year ended March 31, 2012 continued

43. During the year 13,70,110 preference shares were redeemed and as per provisions of the Companies Act, 1956 a sum of Rs. 13,70,11,000/- has been transferred to Capital Redemption Reserve out of General Reserve. Further a sum of Rs 16,65,83,209/- has been transferred from General Reserve and a sum of Rs. 13,12,00,000/- has been Transferred from Share Premium account to Preference Shares redemption reserve on account of premium amount of preference shares redeemed.
44. **Disclosure of Micro and Small Enterprises (Creditors)**
The company is in the process of compiling information from the suppliers regarding their status as Micro/ Small Scale Enterprises, so as to disclose the information as required by MSMED Act and Schedule VI of the Companies Act relating to Micro, Small and Medium Enterprises. In absence of confirmed information about the suppliers, it is practically not feasible to state the amount payable to them as on 31st March, 2012.
45. The balances of some Debtors and Creditors, Loan and Advances are subject to confirmation and are pending reconciliation. Such balances are reflected in the Balance Sheet as appearing in the books of accounts..
46. **Assets Taken on Operating Lease:**
Some of the Office premises have been taken on operating leases for a period of less than 10 years and are generally renewable at the option of the lessee. The agreements have an escalation clause. There are no sub leases and the leases are generally cancellable in nature.
47. **Retirement Benefits:**
Defined Benefit Plans:
(a) Gratuity
(b) Earned Leave
These are unfunded schemes, the present value of obligation is determined based on actuarial valuation, the disclosure of which is given as under:

Alchemist Ltd.
Gratuity & Leave computations as on 31-03-2012
Disclosure as per AS 15 (Defined Benefit Plans)

(Amt in Rs.)

Particulars	Gratuity		Leave	
	2011-12	2010-11	2011-12	2010-11
Change in benefit obligations				
Obligations at period beginning - Current	985,467	1,398,563	600,171	1,381,890
Obligations at period beginning - Non-current	7,284,928	4,991,167	4,567,034	2,094,059
Service Cost	1,406,253	1,361,459	1,750,436	1,425,397
Interest on Defined benefit obligation	643,545	561,775	380,482	313,122
Benefits settled	(1,398,563)	-	(1,381,890)	-
Actuarial (gain)/loss	(159,341)	(42,569)	(46,948)	(47,263)
Obligations at period end	8,762,289	8,270,395	5,869,285	5,167,205
Current Liability (within 12 months)	1,045,362	985,467	533,714	600,171
Non Current Liability	7,716,927	7,284,928	5,335,571	4,567,034
Change in plan assets				
Plans assets at period beginning, at fair value	-	-	-	-
Expected return on plan assets	-	-	-	-

Notes to the financial statement for the year ended March 31,2012 continued

Particulars	Gratuity		Leave	
	2011-12	2010-11	2011-12	2010-11
Defined Benefit Plans				
Actuarial gain/(loss)	-	-	-	-
Contributions	1,398,563	-	1,381,890	-
Benefits settled	(1,398,563)	-	(1,381,890)	-
Plans assets at period end, at fair value	-	-	-	-
Funded Status				
Closing Fair value of plan assets	-	-	-	-
Closing value of obligations	8,762,289	8,270,395	5,869,285	5,167,205
Liability recognized in the balance sheet	(8,762,289)	(8,270,395)	(5,869,285)	(5,167,205)
Details of Gratuity / Leave cost				
Service cost	1,406,253	1,361,459	1,750,436	1,425,397
Interest cost	643,545	561,775	380,482	313,122
Expected return on plan assets	-	-	-	-
Actuarial (gain)/loss	(159,341)	(42,569)	(46,948)	(47,263)
Net gratuity / leave cost	1,890,457	1,880,665	2,083,970	1,691,256
Experience Adjustment on Plan Liabilities	(159,341)	(42,569)	(46,948)	(47,263)
Experience Adjustment on Plan Assets	-	-	-	-
Assumptions				
Interest rate	8.50%	8.00%	8.50%	8.00%
Discount factor	8.50%	8.00%	8.50%	8.00%
Estimated rate of return on plan assets	0.00%	0.00%	0.00%	0.00%
Salary Increase	11.00%	6.00%	11.00%	6.00%
Attrition rate	3.00%	5.00%	3.00%	5.00%
Retirement age	60	60	60	60

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

a) Loan and advance in the nature of loan to subsidiary: (Rs, in Lacs)

Name of Company	Relationship	As At 31st March 2012	As At 31st March 2011	Maximum balance outstanding during the year 2011-12
Alchemist Foods Limited	Wholly owned subsidiary	11774.38	7927.68	11813.43
Alchemist Infrastructure Pvt. Ltd.	Wholly owned subsidiary	7.50	Nil	7.50

Notes to the financial statement for the year ended March 31,2012 *continued*

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

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

sd/-

CA. Ashish Chhabra

Partner

MEMBERSHIP NO. 507083

N.KUMAR CHHABRA & CO.

CHARTERED ACCOUNTANTS

FIRM REGISTRATION NO-000837N

Place : New Delhi

Date : 30th August, 2012

sd/-

Rajansh Thukral

Company Secretary

sd/-

Dinesh Vermani

CFO

sd/-

R.P. Chhabra

Director

Lt. Gen. (Retd.) Anil Oberoi

sd/-

Director

AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENT

To the Board of Director of

Alchemist Limited

1. We have audited the attached Consolidated Balance Sheet of **Alchemist Limited** and its subsidiaries hereinafter collectively referred to as 'the Group' , as at 31st March, 2012 and also the Consolidated Statement of Profit and Loss and Consolidated Cash Flow statement for the year ended on the date, annexed thereto (collectively referred as the 'Consolidated Financial Statements'). These Consolidated Financial Statements are the responsibility of the Group's Management and have been prepared by the Group's management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance whether the Consolidated Financial Statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the Consolidated Financial Statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We report that:
 - (a) The Consolidated Financial Statements have been prepared by the Group's Management in accordance with the requirements of Accounting Standard 21 on 'Consolidated Financial Statement' notified pursuant to the Companies (Accounting Standards) Rules 2006.
 - (b) We did not audit the financial statement of Alchemist Enterprise (S) Pte. Ltd, Singapore. These financial statements and other financial information have been audited by other auditor whose report has been furnished to us by the management, and our opinion is based solely on the reports of the other auditor.
4. Based on our audit and on consideration of report of other auditor on the separate financial statement and on the other financial information of the subsidiaries and to the best of our information and according to the explanation given to us, in our opinion, the attached Consolidated Financial Statements given a true and fair view in conformity with the accounting principles generally accepted in India. :
 - (a) in the case of Consolidated Balance Sheet, of the Consolidated state of affairs of the Company as at 31st March, 2012.
 - (b) in the case of the Consolidated Statement of Profit & Loss, of the Consolidated Profit of the Company for the year ended on that date and,
 - (c) in the case of Consolidated Cash Flow Statement of the Consolidated cash flow for the year ended on that date.

Dated: 30th August,2012
Place: New Delhi

sd/-
CA. Ashish Chhabra
Partner
Membership No: 507083
N. Kumar Chhabra & Co.
Chartered Accountants
Firm Registration No: 000837N

ALCHEMIST LIMITED

Consolidated Balance Sheet

Amount in (Rs.)

As at		31 March, 2012	31 March, 2011
Particulars	Note		
Equity and Liabilities			
1 Shareholders' Funds:			
Share Capital	2	275046000	405657000
Reserves & Surplus	3	740847926	808635821
Money Received against share warrant	4	36281250	-
		<u>1052175176</u>	<u>1214292821</u>
2 Non Current Liabilities			
Long term borrowings	5	3018594677	1688182598
Deferred Tax Liabilities (Net)	6	224141783	158585638
Other Long Term Liabilities	7	5254681	4220000
Long Term Provisions	8	16122127	15084818
		<u>3264113268</u>	<u>1866073054</u>
3 Current Liabilities			
Short-term borrowings	9	89919623	98328379
Trade payables	10	79033401	121803462
Other current liabilities	11	575497453	582065741
Short-term provisions	12	62046428	55771976
		<u>806496905</u>	<u>857969558</u>
TOTAL		<u>5122785349</u>	<u>3938335433</u>
Assets			
1 Non Current Assets			
Fixed Assets	13		
(i) Tangible Assets		1779721549	1762406329
(ii) Intangible Assets		218098059	163523282
(iii) Capital work in Progress		1348753340	743794906
		<u>3346572948</u>	<u>2669724517</u>
Non Current Investments	14	18905173	231340793
Long Term Loan & Advances	15	226533890	132087916
Other Non Current Assets	16	30586146	45879217
		<u>3622598157</u>	<u>3079032443</u>
2 Current Assets			
Current Investments	17	1389675	1632699
Inventories	18	385369499	362341276
Trade Receivables	19	266815670	209204428
Cash and Cash Equivalents	20	792179645	221061147
Short Term Loans and Advances	21	51915139	63191084
Other Current assets	22	2517564	1872356
		<u>1500187192</u>	<u>859302990</u>
TOTAL		<u>5122785349</u>	<u>3938335433</u>

Significant Accounting Policies & Notes to the Financial Statement (1 to 41)

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

sd/- CA. Ashish Chhabra Partner	sd/- Rajansh Thukral Company Secretary	sd/- Dinesh Vermani CFO	sd/- R.P. Chhabra Director	Lt. Gen. (Retd.) Anil Oberoi Director
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MEMBERSHIP NO. 507083
N. KUMAR CHHABRA & CO.
 CHARTERED ACCOUNTANTS
 FIRM REGISTRATION NO-000837N
 Place : New Delhi
 Date : 30th August, 2012

ALCHEMIST LIMITED

Statement of Consolidated Profit and Loss

		Amount in (Rs.)	
For the Year ended		31 March, 2012	31 March, 2011
Particulars	Note		
Income			
Revenue from Operations	23	8857851634	5028585225
Other Income	24	117523608	12486535
		<u>8975375242</u>	<u>5041071760</u>
Expenses			
Cost of Material Consumed	25A	532375028	452805917
Purchase of Stock in Trade	25B	7618395763	3928128365
Change in Inventories of Finished Goods, Work in Progress and Store & Spares	25C	(20710254)	(58868409)
Employees Benefit Expenses	26	124756650	101350840
Finance Cost	27	41251091	44246710
Depreciation & Amortisation Expenses	28	107611281	98334885
Other Expenses	29	263228099	256350055
		<u>8666907658</u>	<u>4822348363</u>
PROFIT BEFORE TAX		308467584	218723397
Tax Expenses:			
Current Tax		58730582	51549809
Minimum Alternative Tax (MAT) Credit Entitlements		(11093164)	-
Deferred Tax Charge/ (Benefit)		65556144	36825538
Tax Relating to Previous Years		(43590943)	-
Profit After Taxes		<u>238864965</u>	<u>130348050</u>
Net Profit For The Year		238864965	130348050
Earning Per Shares			
(Equity shares, Per value Rs 10/- each)			
- Basic & Diluted			
- Basic EPS	30	19.50	10.65
- Diluted EPS	30	19.50	10.65

Significant Accounting Policies & Notes to the Financial Statement (1 to 41)

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

<p>sd/- CA. Ashish Chhabra Partner</p>	<p>sd/- Rajansh Thukral Company Secretary</p>	<p>sd/- Dinesh Vermani CFO</p>	<p>sd/- R.P. Chhabra Director</p>	<p>Lt. Gen. (Retd.) Anil Oberoi Director</p>
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MEMBERSHIP NO. 507083
N. KUMAR CHHABRA & CO.
 CHARTERED ACCOUNTANTS
 FIRM REGISTRATION NO-000837N
 Place : New Delhi
 Date : 30th August, 2012

ALCHEMIST LIMITED**Consolidated Cash Flow Statement for the year 2011-12****(Rs. in Lacs)**

PARTICULARS	31.03-2012	31.03.2011
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before,Tax	3084.68	2187.23
Adjustments For :		
Depreciation & Amortisation	1229.04	1188.56
Interest Received	(251.44)	(0.17)
Dividend Received	(461.90)	(26.00)
Operating profit before working capital changes	3600.38	3349.62
Adjustments for changes in		
Inventories	(230.28)	(668.23)
Trade Receivable	(576.11)	(360.00)
Other Receivables	(838.15)	(154.66)
Trade Payable	(427.70)	(693.88)
Other Payable & Provisions	17.78	586.12
Cash Generated from Operation	1545.92	2058.97
Provision For Income Tax	(40.46)	(515.50)
Net Cash Flow From Operating Activities	1505.46	1543.47
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets (Gross)	(7891.97)	(6676.28)
Sale of Fixed Asset (Net of Depreciation)	29.63	291.50
Deferred Expenses	-	(235.96)
(Purchase)/Sale of non current Investments	2124.36	(0.35)
(Purchase)/Sale of current Investments	2.43	79.12
Foreign Currency translation reserve	8.87	-
Dividend Received	461.90	26.00
Interest Received	251.44	0.17
Net Cash Used in Investing Activities	(5013.34)	(6515.80)
C) CASH FLOW FROM FINANCING ACTIVITIES		
Increase in Capital (Incl Shares Premium)	1376.00	-
Money Received against Share Warrant	362.81	-
Re-payment of Preference Shares	(1370.11)	(1270.17)
Preference Shares Redemption Premium	(3768.41)	(2961.20)
Long Term Borrowings	13304.12	10102.47
Short Term Borrowings	(84.09)	(247.23)
Dividends Paid and Includings Dividend Tax	(601.25)	(536.91)
Net Cash From Financing Activities	9219.07	5086.96
D) Net Increase & Decrease in Cash & Cash Equivalents (D=A+B+C)	5711.19	114.63
E) Cash & Cash Equivalents (Opening Balance)	2210.61	2095.98
F) Cash & Cash Equivalents (Closing Balance) (F=D+E)	7921.80	2210.61

For and on behalf of the Board

sd/-
Rajansh Thukral
Company Secretary

sd/-
Dinesh Vermani
CFO

sd/-
R.P. Chhabra
Director

sd/-
Lt. Gen. (Retd.) Anil Oberoi
Director

AUDITOR'S CERTIFICATE

We have examined the attached Consolidate Cash flow statement of Alchemist Limited for the year ended 31st March 12. 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 31st March 2012.

Place : New Delhi
Dated: 30.08.2012

sd/-
(CA. Ashish Chhabra)
Partner
Membership No. 507083
For N. Kumar Chhabra & Co.
Chartered Accountants
Firm No. 000837N

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED
MARCH 31,2012**

1) Significant Accounting Policies

(a) Principles Of Consolidation

The Consolidated Financial Statements have been prepared in accordance with the Accounting Standard (AS) 21, "Consolidated Financial Statements", issued by The Institute of Chartered Accounts of India. The financial statement of Alchemist Limited the parent company of Alchemist Foods Limited, Alchemist Infrastructures Pvt Ltd. and Alchemist Enterprise(S) Pte. Ltd. has been combined on 31st March 2012. 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

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

(c) Other Significant Accounting Policies

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

ALCHEMIST LIMITED

Notes to the consolidated financial statements for the year ended March 31, 2012 *continued*

Amount in (Rs.)

Shareholders' Funds	Note 2	31 March, 2012	31 March, 2011
Share Capital			
a) AUTHORISED			
Equity Shares - 3,00,00,000 of Rs. 10/- each (Previous year -3,00,00,000 of Rs. 10/- each)		300000000	300000000
Preference Shares - 50,00,000 of Rs 100/- each (Previous year -50,00,000 of Rs 100/- each)		500000000	500000000
b) ISSUED, SUBSCRIBED AND PAID-UP			
Equity Shares - 1,28,84,800 of Rs.10/- each (Previous year 1,22,44,800 of Rs.10/- each)		128848000	122448000
Redeemable Preference Shares 14,61,980 of Rs 100/- Each (Previous year 28,32,090 of Rs 100/-Each)		146198000	283209000
Total		275046000	405657000

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

Equity Shares	As at 31 March 2012		As at 31 March 2011	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	12244800	122448000	12244800	122448000
Shares Issued during the year*	640000	6400000	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	12884800	128848000	12244800	122448000

* Preferential Allotment of 6,40,000 Shares, par value of Rs. 10/- was made to KDS Corporation Pvt Ltd, Promoter Group Company on 28th March 2012 at Rs. 215 per share.

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

Preference Shares	As at 31 March 2012		As at 31 March 2011	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	2832090	283209000	4102260	410226000
Shares Issued during the year	-	-	-	-
Shares bought back during the year (Redemption)	1370110	137011000	1270170	127017000
Shares outstanding at the end of the year	1461980	146198000	2832090	283209000

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

Names of Shareholder	As at 31 March 2012		As at 31 March 2011	
	No. of share held	% of holding	No. of share held	% of holding
Mr. Kanwar Deep Singh	1257020	9.76	1257020	10.27
KDS Corproation Pvt Ltd	2384000	18.50	1744000	14.24
Mavi Investment Fund Ltd	-	-	1170000	9.56
HS FII Investments Ltd	727457	5.65	1224457	10.00
Davos International Fund	746000	5.79	-	-

ALCHEMIST LIMITED

Notes to the consolidated financial statements for the year ended March 31, 2012 *continued*

Amount in (Rs.)

	Note	31 March, 2012	31 March, 2011
Reserves and Surplus	3		
Capital Redemption Reserve			
Balance Brought Forward		238382000	111365000
Add:- Transfer from General Reserve		<u>137011000</u>	<u>127017000</u>
		<u>375393000</u>	<u>238382000</u>
Preference Shares Redemption Reserve			
Balance Brought Forward		163416129	236706973
Add :- Transferred from General Reserve		166583208	222828673
Add :- Transferred from Share Premium Account		131200000	-
Less :- Utilized for the Redemption of Preference Shares		<u>376840750</u>	<u>296119517</u>
		<u>84358587</u>	<u>163416129</u>
Share Premium			
Opening Balance		9408000	9408000
Add : Premium On Issue of Shares		131200000	-
Less : Transfer to Preference Shares Redemption Reserve		<u>131200000</u>	<u>-</u>
		<u>9408000</u>	<u>9408000</u>
General Reserve			
Balance Brought Forward		9149605	347983700
Add :-Transfer from Statement of Profit & Loss		319068896	11011578
Less :- Transfer to Preference Shares Redemption Reserve		166583208	222828673
Less :- Transfer to Capital Redemption Reserve		<u>137011000</u>	<u>127017000</u>
		<u>24624293</u>	<u>9149605</u>
Surplus in Statement of Profit & Loss			
Balance Brought Forward		388280087	322634117
Add : Transfer from Statement of Profit & Loss		238864965	130348050
Less : Transfer to General Reserve		<u>319068896</u>	<u>11011578</u>
		<u>308076156</u>	<u>441970589</u>
Less :			
Proposed Dividend		55329713	49614600
Corporate Dividend Tax		<u>4795389</u>	<u>4075902</u>
		<u>247951054</u>	<u>388280087</u>
Foreign Currency Translation Reserve			
Current Year Recognition		<u>887008</u>	<u>-</u>
		<u>887008</u>	<u>-</u>
		Total	808635821
Money Received against Share Warrant	4		
Money Received against Share Warrants *		<u>36281250</u>	<u>-</u>
		Total	-
		<u>36281250</u>	<u>-</u>

*Money Received against 6,75,000 Warrants convertible into equity shares issuable to KDS Corporation Pvt. Ltd @ 215/- Per share. (25% received as advance)

**Notes to the consolidated financial statements for the year ended
March 31,2012 *continued***
Amount in (Rs.)

Note	31 March, 2012	31 March, 2011
Long-term Borrowings	5	
Secured		
Term Loans From Banks		
- Punjab National Bank	260570782	252272079
Less : Current Maturities of long-term borrowing	(45000000)	(45000000)
- UCO Bank	-	2506758
Less : Current Maturities of long-term borrowing	-	(2506758)
	<u>215570782</u>	<u>207272079</u>
Vehicle Loans from Banks		
Vehicle Loans	18989249	28627754
Less : Current Maturities of long-term borrowing	(7734124)	(9638505)
	11255125	18989249
	<u>226825907</u>	<u>226261328</u>
Un-Secured		
Deposit from Public	113752500	145253500
Less : Current Maturities of long-term borrowing	(113752500)	(31501000)
Deposit from Public	-	113752500
	<u>2791768770</u>	<u>1348168770</u>
Inter Corporate Deposits		
	<u>2791768770</u>	<u>1348168770</u>
	<u>2791768770</u>	<u>1461921270</u>
Total	<u>2865366412</u>	<u>148917823</u>

From Banks

Punjab National Bank: Secured Loan of Rs. 6,23,42,517 (Rs. Six Crore Twenty Three Lac Forty Two Thousand Five Hundred Seventeen Only) (Previous Year Rs 89,72,079/- (Rs. Eighty Nine Lacs Seventy Two Thousand Seventy Nine Only) secured through exclusive Charge on Fixed Assets Block, situated at F-5, Kishangarh Rajiv Gandhi I.T. Park, Chandigarh.

-The Sanctioned amount of the there Term Loan is Rs. 21,00 Crore, which at present is partially utilised. Term Loan carries interest @ base rate + 4% and is repayable in 84 monthly instalment of Rs. 25,00,000/- (Rupees Twenty Five Lac Only) each, commencing from 30th April, 2013.

Punjab National Bank: Secured Loan of Rs. 19,82,28,265/- (Rs. Nineteen Crore Eighty Two Lac Twenty Eight Thousand Two Hundred Sixty Five Only) (Previous Year Rs. 24,33,00,000/- (Rs. Twenty Four Crore Thirty Three Lacs Only) secured through first charge against Fixed Assets of plant situated at village Banmajra, Tehsil Kharar, Distt. Ropar, Punjab & Commercial Broiler Farms at Boothgarh and Ranjitpura, Poultry Feed Mill at Pathankot & Misc fixed Assets of retail outlets at different locations. Due with in one year is Rs. 4.50 Crore (Rs. Four Crore Fifty Lac Rupees) (Previous Year Rs. 4.50 Crore (Rupees Four Crore Fifty Lac Only).

-Term Loan carries interest at base rate + 4.25%+0.50% and is repayable in 84 monthly instalment of Rs. 37,50,000/- (Rupees Thirty Seven Lac Fifty Thousand Only) each.

Vehicle Loans : Vehicle Loans of Rs. 1,89,89,249/- (Rupees One Crore Eighty Nine Lac Eighty Nine Thousand Two Hundred Forty Nine Only) (Previous Year Rs. 2,86,27,754/- (Rupees Two Crore Eighty Six Lacs Twenty Seven Thousand Seven Hundred Fifty Four Only) are Secured against hypothecation of vehicles. Due with in one year is Rs. 77,34,125/- (Rupees Seventy Seven Lac Thirty Four Thousand One Hundred Twenty Five Only) (Previous Year Rs. 96,38,505/- (Rupees Ninety Six Lac Thirty Eight Thousand Five Hundred Five Only)

-Vehicle Loans have been procured from various banks with rate of interest varying from 9% to 12% with repayment term of 3 to 5 Years.

Deposit from Public: Deposit from Public Rs. 11.37 Crore (Previous year Rs. 14.52 Crore). Out of Rs. 3.33 Crore (Previous year Rs. 3.93 Crore) are guaranteed by directors. Due with in one year Rs. 11.37 Crore (Previous year Rs. 3.15 Crore)

Inter Corporate Deposits: Intercorporate loan is received from KDS Corporation Pvt Ltd., a promoter group Company

Notes to the consolidated financial statement for the year ended March 31, 2012 continued

	Note	Amount in (Rs.)	
		31 March, 2012	31 March, 2011
Deferred Tax Liabilities (Net)	6		
Deferred Tax Liability			
Fixed assets : Impact of Difference between carrying amount of Tax Depreciation and depreciation charged in the books		231534295	164092766
Gross deferred tax liability		231534295	164092766
Deferred tax assets			
Carrying amount of provision for bad and doubtful debts		1374228	-
Carrying amount of provisions for Gratuity, Bonus and Leave Encashment		6018284	5507128
Gross deferred tax assets		7392512	5507128
Deferred tax liabilities (Net)	Total	224141783	158585638
Other Long-term Liabilities	7		
Securities Received		5254681	4220000
Total		5254681	4220000
Long-term Provisions	8		
Provision for Employees Benefits			
Gratuity		8749494	9241749
Earned Leave		7372633	5843069
Total		16122127	15084818
Short-term Borrowings	9		
Loan Repayable on demand, from Banks			
(i) Bank of India		23202299	28949433
(ii) Punjab National Banks		50600876	47688455
(iii) UCO Bank		12486474	14736828
		86289649	91374716
Demand Loans (Against FDR)			
(i) Punjab National Bank		3629974	6953663
		3629974	6953663
Total		89919623	98328379

Loan Repayable on demand, from Banks

Bank of India: Working Capital facility of Rs. 2,32,02,299/- (Rupees Two Crore Thirty Two Lac Two Thousand Two Hundred Ninety Nine Only) (Previous Year 2,89,49,433/- (Rupees Two Crore Eighty Nine Lacs Forty Nine Thousand Four Hundred Thirty Three Only) secured against hypothecation of stocks and book debt of the company's unit located at Chambaghat, Solan (H.P.). It is further secured by collaterally secured of Land and Building and other structures (erected or to be erected) and other structure of above unit, immovable properties of the Unit situated at Rajgarh, Distt. Sirmour (H.P.) and personal guarantee of Managing Director.

Punjab National Bank: Working Capital facility of Rs. 5,06,00,876/- (Rs. Five Crore Six Lac Eight Hundred Seventy Six Only) (Previous Year 4,76,88,455/- (Rs. Four Crore Seventy Six Lacs Eighty Eight Thousand Four Hundred Fifty Five Only) secured against hypothecation of Stocks & Receivables of the company Plant at Village Banmajra, Tehsil Kharar, Distt. Ropar, (Punjab), two poultry farms at Boothgarh & Ranjitpura and Feed Meal at Pathankot and ROC DELI and Diner Retail Outlets. It is further secured by Personal Guarantee of Managing Director, The Working capital facilities will also be collaterally secured by way of first charge on the block assets of food divisions except Durgapur unit of the company.

UCO Bank: Cash Credit Limit of Rs. 1,24,86,474/- (Rupees One Crore Twenty Four Lac Eighty Six Thousand Four Hundred Seventy Four Only) (Previous Year Rs. 1,47,36,828/- (Rupees One Crore Forty Seven Lacs Thirty Six Thousand Eight Hundred Twenty Eight Only) secured against hypothecation of entire current assets of the Company's Egg layer Farm including Stocks, SIP, Loans and advances and receivable of the Company's Durgapur Unit in District Burdwan (West Bengal). Its further secured by Personal Guarantee of Managing Director and collaterally secured by way of EMTD/exclusive charge on Land & Building and other assets movable & immovable fixed assets of the company's Egg Layer Farm (present & future) located at District Burdwan (West Bengal).

Demand Loans (Against FDR)

Punjab National Bank: Demand Loan Of Rs. 36,29,974/- (Rs. Thirty Six Lac Twenty Nine Thousand Nine Hundred Seventy Four Only) (Previous Year Rs. 69,53,663/- (Rs. Sixty Nine Lacs Fifty Three Thousand Six Hundred Sixty Three Only) secured against the Term Deposit Receipts of the company.

ALCHEMIST LIMITED

Notes to the consolidated financial statements for the year ended March 31, 2012 continued

Amount in (Rs.)

	Note	31 March, 2012	31 March, 2011
Trade Payable	10		
Trade Payable		79033401	121803462
		79033401	121803462
Other Current Liabilities	11		
Current Maturities of Long term provisions*			
Term Loan		45000000	47506758
Vehicle Loan		7734124	9638505
Deposit from Public		113752500	31501000
Interest Accrued and Due on Borrowings		3454970	3130671
Liabilities For Capital Goods		18415270	9555739
Expenses and Statutory Dues Payable		46386369	19960379
Advance received		105001009	130237932
Unclaimed Dividend **		11255098	10435398
Securities Refundable		193231000	265000000
Other Liabilities		31267113	55099359
		575497453	582065741

* Refer Note No: 5

** A Sum of Rs.1,12,55,098 (Rs. One Crore Twelve Lac Fifty Five Thousand Ninety Eight Only (Previous year Rs. 1,04,35,398/- (Rs. One Crore Four Lac Thirty Five Thousand Three Hundred Ninety Eight Only) is lying as unclaimed dividend in separate accounts with HDFC Bank.

Short Term Provisions		12	
Short Term Provisions			
- Gratuity		1137855	1290055
- Earned Leave		783471	791419
Proposed Equity Dividend		55329713	49614600
Corporate Dividend Tax		4795389	4075902
	Total	62046428	55771976

Fixed Assets		13								
Particulars	GROSS BLOCK				DEPRECIATION & AMORTISATION				NET BLOCK	
	AS AT 01-Apr-11	SALE/ ADJ	ADDITIONS/ CAPITALISED	AS AT 31-Mar-12	AS AT 01-Apr-11	ON SALE/ ADJ	FOR THE YEAR	AS AT 31-Mar-12	AS AT 31-Mar-12	AS AT 31-Mar-11
Tangible Assets										
-Land	349976165	-	6830090	356806255	-	-	-	-	356806255	349976165
-Building	978065163	-	28529891	1006595054	178393884	-	32556777	210950661	795644393	799671279
-Plant & Machinery	593621191	526697	45553707	638648201	160392485	46525	28825163	189171123	449477078	433228706
-Sapling	68553762	-	1011827	69565589	68525273	-	133978	68659251	906338	28489
-Green House	54258089	-	52191	54310280	24959646	-	2581717	27541363	26768917	29298443
-Office Equipments	16531892	-	1096775	17628667	4443063	-	977504	5420567	12208100	12088829
-Computer & Peripherals	52564605	-	10787250	63351855	15951282	-	8340386	24291668	39060187	36613323
-Furniture & Fixtures	20661109	-	5938907	26600016	7673310	-	1760862	9434172	17165844	12987799
-Vehicles	131605515	3273151	7819493	136151857	43092219	781719	12156921	54467421	81684436	88513296
Sub Total	2265837491	3799848	107620131	2369657774	503431162	828244	87333307	589936225	1779721549	1762406329
Previous Year	2058187359	37924834	245574968	2265837491	426898596	8778093	85307659	503431162	1762406329	
Intangible Assets										
-Computer Software Licencing	26001857	-	-	26001857	869103	-	2607309	3476412	22525445	25132754
-Technical Know How	8595792	-	4115938	12711730	617688	-	863059	1480747	11230983	7978104
-Master Agreement	-	-	8206973	8206973	-	-	292305	292305	7914668	-
-R & Developments	168002187	-	62529840	230532027	37589763	-	16515301	54105064	176426963	130412424
Sub Total	202599836	-	74852751	277452587	39076554	-	20277974	59354526	218098059	163523282
Previous Year	123040580	-	75296151	202599836	26049328	-	13027226	39076554	163523282	
Grand Total	2468437327	3799848	182472882	2647110361	542507716	828244	107611281	649290753	1997819608	1925929611
Previous Year	2181227939	37924834	320871119	2468437327	452947924	8778093	98334885	542507716	1925929611	
Capital Work in Progress									1305612184	723685404
Intangible under development									43141156	20109502

ALCHEMIST LIMITED

Notes to the consolidated financial statements for the year ended 31, 2012 *continued*

	Note	31 March, 2012	31 March, 2011
Non Current Investments	14		
Investments in Equity Instruments			
Unquoted			
- Dooteriah & Kalej Valley Tea Estate Pvt Ltd. (Current Year Equity shares 36000 (Previous year 36000) of Rs 100/- Each)		18180173	18180173
- Alchemist Medisphare Limited (Current Year Equity Shares 22500 (Previous year 22500 Shares) of Rs. 10/- Each)		225000	225000
AUSA LLC (Current Year Equity Shares 49951 (Previous year .49951.) of US\$ 100 Each)		-	212400750
- Alchemist Enterprise (S) Pte. Ltd (Current Year Equity Shares 501000 (Previous year 1000.) of SGD\$ 1 Each)		-	34870
		<u>18405173</u>	<u>230840793</u>
Non Trade Investments (In Mutual Funds)			
Quoted			
- Religare Buisness Leader Fund (Units 50000 (Previous Year 50000) of Rs. 10/- Each)		500000	500000
		<u>500000</u>	<u>500000</u>
	Total	<u>18905173</u>	<u>231340793</u>
Aggregate Market Value of Quoted Investments		582000	630000
Long Term Loan and Advances	15		
Capital Advances		153090833	94455400
Mat Credit Entitlements		29408461	-
Security Deposits		44034596	37632516
	Total	<u>226533890</u>	<u>132087916</u>
Other Non Current Assets	16		
Deferred Revenue,Preliminary & Pre operative Expenditure			
Balance Brought Forward		45879217	42804698
Add :- During The Year		-	23595981
Less : Written off		15293071	20521462
Balance Carried Forward		<u>30586146</u>	<u>45879217</u>
Current Investments	17		
Investments in Equity Instruments			
Quoted			
- Andhra Bank*			
(Current Year Equity Shares 3394 (Previous Year 3394) of Rs 10/- Each)		305460	154223
- Marksans Pharma Ltd*			
(Current Year. Equity Shares 657100 of Rs, 1/- each (Prev.Year 657100 of Rs 1/- each)1		1084215	1478476
	Total	<u>1389675</u>	<u>1632699</u>
Aggregate Market Value of Quoted Investments		1489119	1990800

* Reduction in the value of current investments has been considered in the books,. Current year reduction of Rs. 3,94,261/- (Previous year Rs. 8,03,683/-).

ALCHEMIST LIMITED

Notes to the consolidated financial statements for the year ended March 31, 2012 *continued*

Amount in (Rs.)

	Note	31 March, 2012	31 March, 2011
Inventories	18		
(Inventories taken as valued and certified by the Management)			
- Raw Materials #		51196856	48878888
- Finished Goods#		116191288	103880826
- Work In Progress/Semi finished goods.#		217467924	209024920
- Store, Spares and Scrap ##		513431	556642
	Total	385369499	362341276
# Valued at lower of cost and net realizable value. ## Valued at cost or under.			
Trade Receivables	19		
Trade Receivable outstanding for a period exceeding six months from the date they were due for payment			
Unsecured - Considered good		106589918	11185329
Less : Provision for doubtful trade receivable		4235563	-
Unsecured - Considered good		102354355	11185329
Other Trade Receivable			
Unsecured - Considered good		164461315	198019099
	Total	266815670	209204428
Cash & Cash Equivalents	20		
Cash in hand		21566731	11107543
Balance with Banks - Current Accounts		262444904	76980869
Balance with Banks - Escrow Account With Punjab National Bank		37027728	89557258
Balance with Banks - Fixed Deposit A/c*		471140282	43415477
	Total	792179645	221061147
*(Including deposit of Rs. 48.98 Lacs (Previous Year 83.69 Lacs) under Lien against demand Loan and Rs. 91.28 Lacs (Previous Year 42.13 Lac) under lien for guarantee given by banks to various Government Authorities)			
Short Term Loans and Advances	21		
Unsecured, Considered good			
Advances Paid to Suppliers for Goods\Services		19846686	31521353
Advances Recoverable in Cash or in Kind or for value to be received		32068453	31669731
	Total	51915139	63191084
Other Current Assets	22		
Unsecured, Considered good			
Interest Accrued		2517564	1872356
	Total	2517564	1872356
Revenue from Operation	23		
Gross Sales		8867165260	5036159679
By Products and Scrap		2385444	2265292
Less :- Excise Duty		11699070	9839746
Net Sale	Total	8857851634	5028585225

**Notes to the consolidated financial statements for the year ended
March 31, 2012 continued**

Amount in (Rs.)

	Note	31 March, 2012	31 March, 2011
Other Income	24		
Dividend received		25143667	16970
Interest received		46190280	2599513
Net Foreign Exchange Difference		25273814	9777939
Misc Other Income		20915847	92113
	Total	117523608	12486535
Cost of Material Consumed	25		
25A Cost of Material Consumed			
Opening Stock		48878888	40924420
Add : Purchases		534692996	460760385
		583571884	501684805
Less : Closing Stock		51196856	48878888
		532375028	452805917
25B Purchase of Stock in Trade		7618395763	3928128365
		7618395763	3928128365
25C Change in Inventories of Finished Goods, Work in Progress and Store & Spares			
Opening Stock			
- Finished goods		103880827	84724870
- Work in Progress		209024920	169164560
- Store & Spares		556642	704549
		313462389	254593979
Closing Stock			
- Finished goods		116191288	103880826
- Work in Progress		217467924	209024920
- Store & Spares		513431	556642
		334172643	313462388
(Increase)/ Decrease in Stock		(20710254)	(58868409)
Employees Benefit Expenses	26		
Salaries & Wages including Bonus, Gratuity ,Welfare Expenses		112943518	92454206
Employer's Contribution towards Provident & other Funds		11813132	8896634
	Total	124756650	101350840
Finance Cost	27		
Interest Paid		33671385	36039694
Other Borrowing Cost		7579706	8207016
	Total	41251091	44246710
Depreciation and Amortisation Expenses	28		
Depreciation on Tangible Assets		87333307	85307659
Amortisation on Intangible Assets		20277974	13027226
	Total	107611281	98334885

**Notes to the consolidated financial statements for the year ended
March 31, 2012 continued**

	Note	Amount in (Rs.)	
		31 March, 2012	31 March, 2011
OTHER EXPENSES	29		
Consumable, Stores & Spares		40437962	35401576
Power & Fuel Expenses		42832301	31899554
Rent		31465772	28770633
Postage, Telegram & Courier		773696	765418
Repair & Maintenance		6747216	5465518
Travelling Expenses		17008359	9666212
Fee & Taxes		5878225	2503069
Insurance Charges		3642146	6489170
Telephone, Internet & Communication Charges		2339488	6312746
Vehicle Running & Maintenance		13476692	11580217
Director Sitting Fees		145000	110000
Misc. and General Expenses		19164237	24309712
Misc Expenses Written off		15293071	20521462
Prior Period Items		2750985	7341263
Marketing Expenses		24271055	31440259
Advertisement & Publicity		10542883	7835767
Printing and Stationery		1521006	2280515
<u>Auditor's Remuneration</u>			
- Statutory Audit Fee		1645849	1394192
- Tax Audit Fee		275057	158832
- For Others		419050	311043
<u>Cost Auditor's Remuneration</u>			
- Audit Fee		257000	-
Legal & Professional Charges		11606263	6311994
Business Promotion / Entertainment Expenses		10734786	7583652
Net Loss on Foreign Exchange Transalation		-	7897251
	Total	263228099	256350055

30. Earning Per Shares (EPS)

Particulars	Year	Year
	31.03.2012	31.03.2011
	(Rs)	(Rs)
Profit After Tax as per the Statement of Profit and Loss attributable to Equity Share Holders	23,88,64,965	13,03,48,050
Weighted Average No. of Equity Shares	1,22,51,795	1,22,44,800
Nominal value of Equity Shares (Rs.)	10/-	10/-
Earning Per Share (Rs.)		
- Basic EPS	19.50	10.65
- Diluted EPS	19.50	10.65

31. Contingent Liabilities and Commitments

(Rs. In Lacs)

Sr. No	Particulars	Year	Year
		31.03.2012	31.03.2011
Contingent Liabilities			
	Corporate Guarantees	1877.00	1877.00
Commitments			
	Estimated amount of Contract remaining to be executed on capital account and not provided for (Net of Advances)	634.71	276.99

32. Alchemist Limited has three wholly owned subsidiary companies Alchemist Foods Limited, Alchemist Infrastructures Pvt. Ltd and Alchemist Enterprises Pte. Ltd., Singapore.

33. The Company had entered into a scheme of arrangement under section 391-394 of the Companies Act, 1956 with Alchemist Foods Limited, a wholly owned subsidiary which had been approved by the Hon'ble High Court of Delhi and High Court of Punjab and Haryana at Chandigarh vide its order dated 1st November, 2010 & 2nd December, 2010 respectively. The same had been registered with the Office of Registrar of Companies at Delhi and Chandigarh dated 2nd December, 2010 & 23rd December, 2010. Hence, appointed date for the implementation of the scheme was 23rd December, 2010 with effect from 1st April 2008, being the effective date. The scheme of arrangement was duly implemented in the previous financial year 2010-11.

- As per scheme, food division of Alchemist limited had been demerged from the Company and merged with Alchemist Foods Limited. All the properties, assets, both movable and immovable, liabilities including contingent liabilities and reserves, all income and expenses of the Food Division have without further act all deed been transferred to and vested with Alchemist Foods Limited at their book values, as a going concern with effect from the appointed date i.e. 1st April, 2008. In consideration, thereof, Alchemist Foods Limited had issued 1,00,00,000 Equity Shares of Rs. 10/- each at a premium of Rs. 90/- per shares to Alchemist Limited and amount of Rs. 27.44 Crores be treated as unsecured loan from Alchemist Limited to Alchemist Foods Limited.

- As per Scheme of arrangement, Authorized share capital of Alchemist Limited i.e. Rs. 121.25 Crores as on effective date i.e. 1st April, 2008 had been partly clubbed with Authorized Share Capital of the Transferee Company i.e. Alchemist Foods Limited. Accordingly, after implementation of scheme of arrangement, authorized share capital of Alchemist Limited had been reduced to Rs. 80.00 Crores consisting of 3.00 Crore equity shares of Rs. 10/- each aggregating to Rs. 30.00

ALCHEMIST LIMITED

Notes to the Consolidated financial statement for the year ended March 31,2012 *continued*

Crores and 50.00 Lac redeemable preference shares of Rs. 100/- each aggregating to Rs. 50.00 Crores and authorised share capital of Alchemist Foods Limited had been increased from Rs. 10,00,00,000/- to Rs. 51,25,00,000/- consisting of 5,12,50,000 equity shares of Rs. 10/- each.

34. Related Party Disclosures

- **Key Managerial Personnel**
 - o Mr Kanwar Deep Singh
- **Subsidiary:**
 - o Alchemist Foods Limited
- **Associates:**
 - o Alchemist Lifesciences Limited
 - o Alchemist Hospitals Limited
 - o Alchemist Airways Pvt. Ltd.
 - o Alchemist Realty Limited
 - o Black Cat Protection Services Pvt. Ltd.
 - o KDS Corporation Pvt. Ltd
 - o Optimum Constructors and Developers Limited
- **Relatives of Key Management Personnel**
 - o Mr.Karan Deep Singh
 - o Mr. Kaman Deep Singh
 - o Mr. Ravinder Singh
 - o Mrs. Hapreet Kaur
 - o Mrs. Isher Kaur

Detail of Related Parties Transactions

(Rs. In Lacs)

Sr. No.	Transactions	Subsidiary		Key Managerial Persons & Their Relative		Associates	
		2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
1	<u>Managerial Remuneration</u>						
	- Mr. Kanwar Deep Singh	-	-	104.17	90.12	-	-
2	<u>Inter Corporate Loans</u>						
	- KDS Corporation Pvt. Ltd.	-	-	-	-	27917.69	13481.68
3	<u>Rent Paid</u>						
	- Mr. Kanwar Deep Singh	-	-	36.00	36.00	-	-
	- Mr. Karan Deep Singh	-	-	0.67	0.68	-	-
	- Mr. Kaman Deep Singh	-	-	0.67	0.68	-	-
4	<u>Supply of Material</u>						
	- Alchemist Life Sciences Ltd	-	-	-	-	1032.84	773.67
	- Alchemist Hospitals Ltd	-	-	-	-	9.75	13.54
5	<u>Services Received</u>						
	- Black Cat Protection Services Pvt. Ltd	-	-	-	-	68.64	60.28
	- Alchemist Realty Limited	-	-	-	-	72.54	-

ALCHEMIST LIMITED

Notes to the Consolidated financial statement for the year ended March 31,2012 *continued*

Sr. No.	Transactions	Subsidiary		Key Managerial Persons & Their Relative		Associates	
		2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
6	Rent Received						
	- Alchemist Airways Pvt. Ltd.	-	-	-	-	0.72	0.72
7	Dividend Paid						
	- Mr. Kanwar Deep Singh	-	-	25.14	25.14	-	-
	- Mr. Karan Deep Singh	-	-	2.35	2.35	-	-
	- Mrs. Harpreet Kaur	-	-	0.008	0.008	-	-
	- Mrs. Isher Kaur	-	-	0.004	0.004	-	-
	- Mr Ravinder Singh	-	-	4.42	4.42	-	-
	- KDS Corporation Pvt. Ltd	-	-	-	-	34.88	34.88
	- Optimum Constructions and Developers Pvt. Ltd.	-	-	-	-	1.19	1.19
8	Dividend Received						
	- Alchemist Foods Limited	251.25	-	-	-	-	-

35. Segment Reporting

a) The Business Segments comprise the following:

- Agri Business
- Pharma & Chemical

b) Business segments have been identified based on the nature and class of products and services, their customers and assessment of the differential risks and returns and financial reporting system within the Company.

c) The company operates through in India, hence, no distinction on the basis of geographical segment has been made.

d) Segment accounting policies

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

(i) Segment assets and liabilities:

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

(ii) Segment revenue and expenses :

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

(iii) Inter Segment Sales:

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

(e) Primary Segment information (Business Segments) for the year ended March 2012.

Notes to the Consolidated financial statement for the year ended March 31,2012 continued

(Rs. in Lacs)

Sr. No.	Particulars	Agri Business	Pharma & Chemicals	Unallocated	Total
	Segment Revenue :				
a)	Revenue from Sales	31544.07	57034.45	-	88578.52
	Total Revenue	31544.07	57034.45	-	88578.52
b)	Segment Results :				
	Operating Profit(Loss)	1249.16	660.27		1909.43
	Add :- Unallocated Incomes			1175.24	1175.24
	Profit Before Tax				3084.67
	Provision for Taxes			(1242.87)	(1242.87)
	Previous year Taxes			546.84	546.84
	Profit After Tax				2388.65
c)	Other Information :				
	Segment Assets				
	Investments	-	-	202.95	202.95
	Other Segment Assets	29094.77	21930.13	-	51024.90
		29094.77	21930.13	202.95	51227.85
	Segment Liabilities				
	Share Capital (Including Money Receive against Share Warrant)			3113.27	3113.27
	Other Segment Liabilities	21417.56	26697.02		48114.58
		21417.56	26697.02	3113.27	51227.85
	Fixed Assets (Incl. Capital Work in Progress)	30468.56	1334.26	1662.91	33465.73
	Depreciation	851.95	75.01	149.15	1076.11

36. As per Accounting Standard - 28 "Impairment of Assets", the company has assessed the conditions of all the assets used in its operation and is of the opinion that there is no impairment of assets, hence no provision was made.
37. The Revised Schedule VI has become effective from April 1, 2011 for the preparation of financial statements, this has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have been reworked, regrouped, rearranged and reclassified wherever deemed necessary to make them comparable
38. The Company has received a subsidy of Rs. 13,79,200/- (Rupees Thirteen Lac Seventy Nine Thousand Two Hundred only) from the Ministry of Food Processing out of the total subsidy of Rs. 17,24,000/- (Rupees Seventeen Lac Twenty Four Thousand Only) receivable as contribution for setting up a laboratory in the processing division of Alchemist Foods Limited. The subsidy is in relation to specific fixed assets. However, since the fixed assets have not been capitalised till 31st March, 2012, the subsidy is deducted from the balance of Capital WIP.
39. **Retirement Benefits:**
- Defined Benefit Plans:**
- (a) Gratuity (b) Earned Leave

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

Notes to the Consolidated financial statement for the year ended March 31,2012 *continued*

Alchemist Ltd. Gratuity & Leave computations as on 31-03-2012 Disclosure as per AS 15 (Defined Benefit Plans)

(Amt in Rs.)

Particulars	Gratuity		Leave	
	2011-12	2010-11	2011-12	2010-11
Change in benefit obligations				
Obligations at period beginning - Current	1,169,543	1,420,633	791,419	1,788,173
Obligations at period beginning - Non-current	9,241,209	6,234,010	5,843,069	2,563,930
Service Cost	1,711,898	2,211,602	2,910,871	2,008,569
Interest on Defined benefit obligation	824,537	612,371	487,934	348,168
Benefits settled	(1,420,633)	-	(1,788,173)	-
Actuarial (gain)/loss	(1,639,205)	(67,865)	(89,016)	(74,352)
Obligations at period end	9,887,349	10,410,751	8,156,104	6,634,488
Current Liability (within 12 months)	1,137,835	1,169,543	783,471	791,419
Non Current Liability	8,749,514	9,241,209	7,372,633	5,843,069
Change in plan assets				
Plans assets at period beginning, at fair value	-	-	-	-
Expected return on plan assets	-	-	-	-
Actuarial gain/(loss)	-	-	-	-
Contributions	1,420,633	-	1,788,173	-
Benefits settled	(1,420,633)	-	(1,788,173)	-
Plans assets at period end, at fair value	-	-	-	-
Funded Status				
Closing Fair value of plan assets	-	-	-	-
Closing value of obligations	9,887,349	10,410,751	8,156,104	6,634,488
Liability recognized in the balance sheet	(9,887,349)	(10,410,751)	(8,156,104)	(6,634,488)
Details of Gratuity / Leave cost				
Service cost	1,711,898	850,143	2,910,871	2,008,569
Interest cost	824,537	50,597	487,934	348,168
Expected return on plan assets	-	-	-	-
Actuarial (gain)/loss	(1,639,205)	(67,865)	(89,016)	(74,352)
Net gratuity / leave cost	897,230	832,875	3,309,789	2,282,385
Experience Adjustment on Plan Liabilities	(1,639,205)	(25,296)	(89,016)	(74,352)
Experience Adjustment on Plan Assets	-	-	-	-
Assumptions				
Interest rate	8.50%	8.00%	8.50%	8.00%
Discount factor	8.50%	8.00%	8.50%	8.00%
Estimated rate of return on plan assets	0.00%	0.00%	0.00%	0.00%
Salary Increase	11.00%	6.00%	11.00%	6.00%
Attrition rate	3.00%	5.00%	3.00%	5.00%
Retirement age	60	60	60	60

40. The balances of some Debtors and Creditors, Loan and Advances are subject to confirmation and are pending reconciliation. Such balances are reflected in the Balance Sheet as appearing in the books of accounts.
41. Assets taken on operating lease:
Some of the Stores and Office premises have been taken on operating leases for a period of Less than 10 years and are generally renewable at the option of the lessee. The agreements have an escalation clause. There are no sub leases and the leases are generally cancellable in nature.

sd/- CA. Ashish Chhabra Partner MEMBERSHIP NO. 507083 N. KUMAR CHHABRA & CO. CHARTERED ACCOUNTANTS FIRM REGISTRATION NO-000837N Place : New Delhi Date : 30th August, 2012	sd/- Rajansh Thukral Company Secretary	sd/- Dinesh Vermani CFO	sd/- R.P. Chhabra Director	Lt. Gen. (Retd.) Anil Oberoi Director
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ALCHEMIST LIMITED

ALCHEMIST LIMITED
Regd. Office : Alchemist House, 23, Nehru Place,
New Delhi - 110019.

ATTENDENCE SLIP Annual General Meeting

I hereby record my/our presence at the 23rd Annual General Meeting held on Friday, the 28th September, 2012 at 09.00 A.M. in the premises of Alchemist House, 23, Nehru Place, New Delhi - 110019.

Full Name of Shareholder/Proxy* attending the Meeting _____

Folio No. /DP ID No. and Client ID No. _____ No. of Shares _____

Signature of Shareholder/Proxy

* Delete whichever is not applicable.

(Member/Proxy attending the Meeting must fill in this attendance slip and hand it over at the entrance of the Meeting hall).

..... (TEAR HERE)

ALCHEMIST LIMITED
Regd. Office : Alchemist House, 23, Nehru Place,
New Delhi - 110019.

PROXY FORM

Folio No. _____ No. of Shares held _____

DP ID No. and Client ID No. _____

I/We _____

of _____ in the district of _____

being a Member(s) of the above named Company hereby appoint
Mr. / Ms. _____ of _____

in the district of _____ or failing

him/her Mr. / Ms. _____ of _____

in the district of _____

..... as my/our proxy to vote for me/us and on my/our behalf at the 23rd Annual General Meeting of the Company to be held on Friday, the 28th September, 2012 at 09.00 A.M. and at any adjournment thereof.

Signed this _____ day of _____, 2012.

Affix Re. 1/-
Revenue
Stamp

Signature of Shareholder

Notes :

1. A member entitled to attend and vote is entitled to appoint a proxy to attend & vote on poll instead of himself/herself.
2. The Proxy form, in order to be valid should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the Meeting. The Proxy need not be a member of the Company.

If undelivered please return to :

ALCHEMIST LIMITED

**Regd. Office : Alchemist House, 23, Nehru Place,
New Delhi - 110019.**