

**Annual Report
2010-2011**

The logo consists of two light gray, curved, swoosh-like shapes that form a stylized, elongated oval or ring around the word "ALCHEMIST".

ALCHEMIST

Alchemist Realty Limited

ALCHEMIST REALTY LIMITED

BOARD OF DIRECTORS

MR. KANWAR DEEP SINGH : CHAIRMAN CUM MANAGING DIRECTOR
MR. R.P. CHHABRA : DIRECTOR
MR. GAUTAM GULATI : DIRECTOR
MR. VIRENDER KUMAR BHARDWAJ : ADDITIONAL DIRECTOR

AUDITORS

M/S K. SINGH & ASSOCIATES
CHARTERED ACCOUNTANTS
SCO 90, 1st FLOOR,
SECTOR 44-C, CHANDIGARH-160 047

BANKERS

HDFC BANK LIMITED

REGISTERED OFFICE

62-B, MITTAL TOWERS,
210, NARIMAN POINT
MUMBAI-400021

DELHI OFFICE

23, NEHRU PLACE,
NEW DELHI-110019

REGISTRAR & SHARE TRANSFER AGENT

SHAREPRO SERVICES (INDIA) PVT. LTD.
13AB, SAMHITA WAREHOUSING COMPLEX,
SECOND FLOOR, SAKINAKA TELEPHONE EXCHANGE LANE,
OFF ANDHERI KURLA ROAD,
SAKINAKA, ANDHERI (EAST), MUMBAI-400 072

NOTICE

NOTICE is hereby given that the **ANNUAL GENERAL MEETING** of the members of the Company will be held on Tuesday, 27th September, 2011 at 10:00 A.M. at **THE ORIENT CLUB, 9 CHOWPATTY SEA FACE, MUMBAI-400007** to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March 2011 and the Profit & Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Mr. Gautam Gulati, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors of the Company and to fix their remuneration.

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. Virender Kumar Bhardwaj, who was appointed as an Additional Director under Section 260 of the Companies Act, 1956, effective 12.10.2010 and who holds office as such up to the date of ensuing Annual General Meeting and in respect of whom Notice under Section 257 of the Companies Act, 1956 has been received from a member signifying his intention to propose Mr. Virender Kumar Bhardwaj as candidate for the office of Director of the Company be and is hereby appointed as a Director of the Company liable to retire by rotation.

Regd. Office:-
62-B, MITTAL TOWERS,
210, NARIMAN POINT, MUMBAI-400021
Dated : 01.09.2011

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

(TUSHAR B SHARMA)
COMPANY SECRETARY

NOTES

1. **A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/herself and a proxy need not be a member. Proxy form, duly completed, stamped and signed, must be received at the registered office of the Company not later than 48 hours before the Commencement of the meeting. A blank form is enclosed.**
2. The Register of Members and Share Transfer Books of the Company will be closed from Wednesday, 21st September, 2011 to Tuesday, 27th September, 2011 (both days inclusive) for the purpose of Annual General Meeting.
3. The dividend upon approval at this meeting will be paid to those shareholders whose name appear in the Register of members as on 21st September, 2011. In case of shares held in electronic form, the dividend thereon, upon its declaration shall be paid to the beneficial owners as per detail furnished by the depositories for the purpose.
4. 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.
5. A member desirous of seeking any information on the Accounts and operations of the Company is requested to write his / her query to the Company at least 7 working days prior to the meeting, so as to enable the management to keep the information readily available at the meeting.
6. Members/Proxies attending the Meeting are requested to bring their Attendance Slip, duly filed in and also their copies of the Annual Report.
7. Pursuant to Listing Agreement, the Company declares that its equity shares are listed only at Bombay Stock Exchange Limited (BSE) and has paid the Annual Listing Fee for the year 2011-2012.
8. Members who hold shares in dematerialized form are requested to write their client ID and DP ID number and those who hold shares in physical form are requested to write their folio number in the attendance slip for attending the meeting.

9. All queries relating to Share Transfer and allied matters should be addressed to:

SHAREPRO SERVICES (INDIA) PVT. LTD.

Unit : Alchemist Realty Ltd.,
13AB, Samhita Warehousing Complex, Second Floor,
Sakinaka Telephone Exchange Lane, Off Andheri Kurla Road,
Sakinaka, Andheri (East), Mumbai-400 072

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 has appointed Mr. Virender Kumar Bhardwaj as an Additional Director of the Company pursuant to the provisions of Section 260 of the Companies Act, 1956 effective from 12.10.2010 and he holds office of the Director up to the date of this Annual General Meeting.

The Company has received a notice along with requisite fee from a member under Section 257 of the Companies Act 1956 proposing the candidature of Mr. Virender Kumar Bhardwaj as Director of the Company.

Mr. Virender Kumar Bhardwaj, aged 62 years, is Civil Engineer and Fellow at Institute of Engineers, Institute of Valuers, Institute of Arbitrators, Mr. Bhardwaj has retired as Chief Engineer with the Union Territory of Chandigarh Administration and has handled various prestigious projects. He has been awarded Commendation Certificates by Chandigarh Administration for meritorious services rendered by him.

The Board of Directors considers that in view of his expertise and experience, it would be in the interest of the Company to appoint him as Director of the Company and accordingly recommends the resolution as set out at item no. 5 of the notice for approval of the members.

Regd. Office:-

62-B, MITTAL TOWERS,
210, NARIMAN POINT, MUMBAI-400021
Dated : 01.09.2011

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

(**TUSHAR B SHARMA**)
COMPANY SECRETARY

ANNEXURE-A

INFORMATION AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT CONCERNING CORPORATE GOVERNANCE IN RESPECT OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING

Mr. Gautam Gulati, aged 51 years, Fellow member of the Institute of Chartered Accountants of India.

He has a rich experience in multicultural Organizations with assignments across the globe in diverse geographies—USA, Middle East, South East Asia and India. In hospitality—Aman Resorts (6 yrs.), Oilfield Services—Schlumberger (16 yrs.), I.T Services Intiqua (2.5 yrs.).

He is director on Board of following Public Limited Companies namely Alchemist F & B Ltd., Alchemist Hotels & Resorts Ltd., Alchemist Touchnology Limited, Alchemist Hospitality Group Ltd. and Alchemist Media Ltd. He is the member of Audit Committee, Remuneration Committee and Shareholder's Committee.

Mr. Virender Kumar Bhardwaj, aged 62 years, is Civil Engineer and Fellow at Institute of Engineers, Institute of Valuers, Institute of Arbitrators, Mr. Bhardwaj has retired as Chief Engineer with the Union Territory of Chandigarh Administration. He has handled various prestigious projects and has been awarded Commendation Certificates by Chandigarh Administration for meritorious services rendered by him.

He is on the Board of Directors of Alchemist Limited and is not a member of any committee.

DIRECTORS' REPORT**To****The Members**

Your Directors have pleasure in presenting the Annual Report of the Company together with the Audited Statement of Accounts for the year ended March 31, 2011.

		(` In Lacs)
FINANCIAL RESULTS	2010-2011	2009-2010
Net Sales/Income from operations	12090.75	10496.38
Other Income	1.69	—
Gross Profit (PBDT)	295.67	212.73
Depreciation	18.19	12.23
Provision for Taxation	96.75	59.89
Deferred Tax Asset	1.55	0.05
Net Profit (PAT)	180.73	140.60
Add: Balance brought forward from Previous Year	136.80	93.45
Profit available for appropriation	317.53	234.05
Proposed Dividend	74.10	74.10
Tax on Dividend	12.02	12.31
Balance Carried to General Reserves	18.92	10.84
Balance Carried to Balance Sheet	212.49	136.80

OPERATIONS

During the year under review, Your Company has achieved a turnover of ` 12090.95 (previous year ` 10496.38 Lacs) from operations and earned a net profit of ` 180.73 (Previous year ` 140.60 Lacs)

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

DIVIDEND

Your Directors have recommended a dividend of ` 0.10 per equity share (5%) having face value of ` 2/- each for the year 2010-2011 on the equity share capital, subject to approval of the shareholders at the Annual General Meeting.

FIXED DEPOSITS

Your Company has not accepted Deposits from the public during the year under report as per the provisions of the Companies Act 1956 read with Companies (Acceptance of Deposits) Rules, 1975.

DIRECTORS

Mr. Gautam Gulati, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. Your Board also recommends his re-appointment to the Annual General Meeting.

Mr. Virender Kumar Bhardwaj has been appointed as an Additional Director of the Company pursuant to the provisions of Section 260 of the Companies Act 1956 effective from 12.10.2010 and he holds office of the Director up to the date of this 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.

DIRECTORS RESPONSIBILITY STATEMENT AS REQUIRED UNDER SECTION 217(2AA) OF THE COMPANIES ACT, 1956

Pursuant to the provisions of section 217 (2AA) of the Companies Act 1956, your Directors confirm :-

1. That in the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.
2. 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, 2011 and of the profit or loss of the Company for the period ended 31st March, 2011.
3. 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 frauds and other irregularities.
4. That the Directors had prepared the Annual Accounts on a going concern basis.

AUDITORS AND AUDITORS REPORT

M/s K. Singh & Associates, Chartered Accountants, the Statutory Auditors of the Company hold office till the conclusion of ensuing Annual General Meeting and being eligible offer themselves for reappointment. Your Directors recommend their reappointment.

The Statutory Auditors of the Company have submitted Auditors Report on the accounts of the Company for the financial year ended 31st March, 2011, which is self explanatory and needs no comments.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT :

Economy : Review and outlook

The Indian economy has recovered during the Financial Year 2009-2010 after facing slowdown during the year 2008-09. The momentum of recovery has continued during the year 2010-2011. The data provided by Central Statistical Organization with regard to Real Estate GDP growth is as follows :

- | | |
|--|------|
| 1. During First Quarter of year 2010-11 | 8.9% |
| 2. During Second Quarter of year 2010-11 | 8.9% |
| 3. During Third Quarter of year 2010-11 | 8.3% |
| 4. During fourth Quarter of year 2010-11 | 7.8% |

With regard to the construction industry growth during the financial year 2010-11 has increased to 8.1% than 7.0% during financial year 2009-2010.

Opportunities and Threats

The Company is exposed to different types of risk such as market risk liquidity risk, interest rate risk, operational risks and legal risks. The Company monitors all risks through senior management personnel and external advisers. The management of the Company practices an analytically driven approach to assessing, measuring and managing risks. The Company aims to understand measure and monitor the various risks to which it is exposed and to ensure that it adheres, as far as reasonably and practically possible, to the policies and procedures established by it to mitigate these risks.

Segment wise performance

The Company operates in only one segment of real estate, hence segment reporting for the year under review was not given.

Outlook

The overall outlook of the Real Estate Industry is recovering from slowdown. It is expected that this type of sustained growth will result in increase in the income levels and consequent growth in demand for real estate. Also for the economy to maintain these levels of growth over a period of time it will need to invest substantially in developing pre-requisite physical infrastructure. Hence one expects several opportunities in the real estate sector in the near future.

Internal Control system and their adequacy

The Company's internal controls are supplemented by an extensive programme of internal audits, review by management and documented policies, guidelines and procedures. The internal control is designed to ensure that financial and other records are reliable for preparing financial information and for maintaining accountability of assets. All financial and audit control systems are also reviewed by the Audit Committee of the Board of Directors.

Human Resources

Human resource continues to be the backbone of Alchemist Realty Limited's business. The Company lays strong emphasis on attracting and retaining the best talent. Personal development initiatives including training, both technical and managerial are regularly conducted to enhance human potential. Employee strength grew significantly during the year 2010-2011. The basic policy of the Company regarding Human resource is to treat human resources as business partner with primary goal to contribute to the organization's growth and to multifarious development of its employees.

Financial and Operational performance

During the year under review, Your company has achieved a turnover of ` 12090.73 (previous year ` 10496.60 Lacs) from operations and earned net profit of ` 180.73 (Previous year ` 140.60 Lacs).

CORPORATE GOVERNANCE

As required by Clause 49 of the Listing Agreement, a detailed report on Corporate Governance along with a certificate from the Auditors regarding its compliance is annexed and forms part of the Annual Report.

PARTICULARS OF EMPLOYEES

A statement giving necessary information required under Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 is given as an Annexure to this Report.

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

Your Company is in the real estate business and it does not own any manufacturing facility, the requirements pertaining to disclosure of particulars relating to conservation of energy, research & development and technology absorption, as prescribed under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are not applicable. The Company is making all possible efforts to conserve the energy by adopting best practices.

The company has not imported any technology during the year.

There is no foreign exchange earning and expenditure during the year under report.

ACKNOWLEDGEMENT

Your Directors are highly grateful for help and support provided by Banks, Government and Non-Government Agencies. The Directors thanks all shareholders and associates for their faith, trust and confidence reposed in Company.

Your Directors wish to place on record their sincere appreciation for the unstinting efforts and dedicated contributions put in by the employees of the Company at all levels.

Regd. Office:-
62-B, MITTAL TOWERS,
210, NARIMAN POINT,
MUMBAI-400021
Dated : 01.09.2011

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

(KANWAR DEEP SINGH)
CHAIRMAN

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 Director's Report for the year ended 31st March, 2011

Name	Age (Yrs.)	Designation	Gross Remuneration (In lacs)	Qualification	Exp. (Yrs.)	Date Of Joining	Previous Employment
S. S. Jarry*	62	COO	28.91	Electrical Engg. Engg. College, Kota	40	4-11-2010	Sweta Estates Pvt. Ltd.

* employed for part of the year

Regd. Office:-

62-B, MITTAL TOWERS,
210, NARIMAN POINT,
MUMBAI-400021

Dated : 01.09.2011

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

(KANWAR DEEP SINGH)
CHAIRMAN

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

We, Kanwar Deep Singh, Chief Executive Officer and Tushar Sharma, CFO of Alchemist Realty Limited, do hereby certify, to the best of our knowledge and belief :-

1. that, We have reviewed the Balance Sheet and Profit and Loss Account of the Company for the year ended 31st March, 2011 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 as well as the Audit Committee, instances of significant fraud, if any, that involve management or employees having a significant role in 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.

KANWAR DEEP SINGH
Managing Director

Tushar Sharma
CFO

Dated : 01.09.2011

REPORT OF CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy on Corporate Governance envisages working towards high levels of transparency, accountability, consistent value systems, delegation, across all facets of its operations leading to sharply focused and operationally efficient growth.

BOARD OF DIRECTORS

The Company's Board of Directors consists of four directors, out of which one is Promoter Executive Director and three are Independent Non Executive Directors. The Chairman of the Board is 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.

Composition of the Board :

Name of Director	Category	Attendance at Board Meeting(s)	Attendance at Last A.G.M.	No. of Directorship in other Companies (excluding Pvt. Companies)	No. of Position held in other Committees	
					Chairman	Member
Mr. Kanwar Deep Singh	Chairman & Managing Director -Promoter	5	Yes	8	0	3
Mr. R. P. Chhabra	Independent Non Executive Director	5	Yes	8	4	0
Mr. Gautam Gulati	Independent Non Executive Director	5	No	5	0	0
Mr. V.K. Bhardwaj*	Independent Non Executive Director	2	No	1	0	0

* Sh. V.K. Bhardwaj appointed as an additional director w.e.f. 12.10.2010

NUMBER AND DATE OF BOARD MEETINGS HELD DURING THE YEAR 2010-2011

During the year ended 2010-2011, 5 Board Meetings were held on the following dates : 30th April, 2010, 11th August, 2010, 27th August, 2010, 1st November, 2010 and 10th February, 2011.

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 Mr. Kanwar Deep Singh, Chairman & Managing Director is attached to this report.

AUDIT COMMITTEE

The Audit Committee was constituted with powers and role specifically laid down in compliance with clause no. 49 of the listing agreement and Section 292A of the Companies Act, 1956. The terms of reference of the Audit Committee are in accordance with the clause no. 49 of the listing agreement and Section 292-A of the Companies Act, 1956.

As on 31st March, 2011, Audit Committee consists of three directors namely Mr. R. P. Chhabra as Chairman (Non Executive Independent Director), Mr. Gautam Gulati - Member (Non Executive Independent Director) and Mr. Kanwar Deep Singh - member (Managing Director). During the year 5 meetings of the Audit Committee were held on 30.04.2010, 11.08.2010, 27.08.2010, 1.11.2010, 10.2.2011. The attendance of members on the above meetings was as follows : Mr. R. P. Chhabra-5, Mr. Gautam Gulati-5 and Mr. Kanwar Deep Singh-4.

The Company Secretary acts as the Secretary fo the Audit Committee.

Mr. R.P. Chhabra, Chairman of the Audit Committee attended the previous Annual General Meeting held on 30th September, 2010.

REMUNERATION COMMITTEE

As on 31st March, 2011, the Remuneration Committee consists of two members namely Mr. R. P. Chhabra as Chairman and Mr. Gautam Gulati . Both members of the Remuneration Committee are Independent Non-executive Directors.

The Remuneration Policy of the Company is based on the provisions of the Companies Act, 1956 governing managerial remuneration.

During the year ended 31st March, 2011 no meeting of the Remuneration Committee was held. During the year ` 24,000 is paid as sitting fees to the Directors of the company for attending the Board Meetings and other committee meetings.

CEO/CFO Certification

Certificate received from Mr. Kanwar Deep Singh, Managing Director, Chief Executive Officer and Mr. Tushar Sharma Chief Financial Officer of the company as required under clause 49 of the Listing Agreement is annexed and form part of the report.

SHAREHOLDER'S COMMITTEE

The Shareholders Committee was constituted as per clause no. 49 of the listing agreement of the stock exchanges to oversee the redressal of the grievances of the shareholders on issue like share transfer, non receipt of dividend, annual report and other allied matters concerning the shareholders. The Board has delegated the powers of share transfer to M/s Sharepro Services Pvt. Limited, which review share transfer every fortnight.

As on 31st March, 2011 Shareholders Committee consists of two directors namely Sh. R.P. Chhabra, as Chairman, Non Executive Independent Director and Mr. Kanwar Deep Singh, Managing Director-Promoter. Company Secretary is the Compliance Officer.

GENERAL BODY MEETINGS

Year	Date and Time	Venue
2007-2008	26 th September 2008 at 10.00 A.M.	62-B, Mittal Tower, 210 Nariman Point, Mumbai-400021
2008-2009	22 nd September 2009 at 10.00 A.M.	62-B, Mittal Tower, 210 Nariman Point, Mumbai-400021
2009-2010	30 th September 2010 at 10.30 A.M.	The Orient Club, 9 Chowpatty Sea Face, Mumbai-400007

All the resolutions, including the special resolutions, set out in the notices were passed by the Shareholders in the last three Annual General Meeting.

No Extra-ordinary General Meeting of the Company held during the year.

No resolution was passed through postal ballot during the year.

DISCLOSURES :

During the year under review :

- I. There are no transactions of material nature with the promoters, the directors of the management, their subsidiaries or relatives etc that may have potential conflict with the interest of the Company at large.
- II. No penalties or strictures have been imposed on the Company by Stock Exchange or SEBI or any other Statutory Authority on any matter related to Capital Market during the last three years.

MEANS OF COMMUNICATION

The Quarterly, half-yearly and annual results of the Company are sent to the Stock Exchange(s) in accordance with the Listing Agreement and are published in the newspapers namely Free Press Journal & Nav Shakti and the same are not sent individually to shareholders.

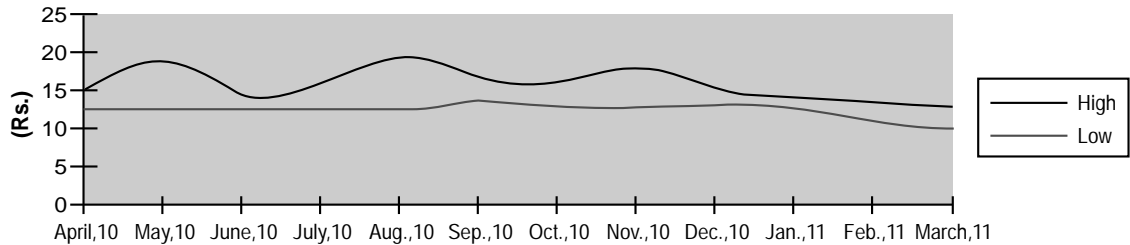
GENERAL SHAREHOLDER'S INFORMATION

Annual General Meeting	27 th September, 2011 at 10:00 A.M. at The Orient Club, 9 Chowpatty Sea Face, Mumbai - 400007
Financial Year	April to March
Date of Book Closure	21 st September, 2011 to 27 th September, 2011 (both days inclusive)
Dividend Payment Date	Not applicable
Listing on Stock Exchanges	Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001
Stock Code & ISIN No.	BSE - 532114 ISIN No. in NSDL and CDSL - INE 646D01024

MARKET PRICE DATA

Month	Quotation at Bombay Stock Exchange (BSE)	
	High (₹)	Low (₹)
April 2010	14.90	12.50
May 2010	19.40	13.01
June 2010	16.00	13.16
July 2010	17.25	13.10
August 2010	19.44	13.35
September 2010	17.40	13.99
October 2010	16.70	13.30
November 2010	18.70	13.00
December 2010	15.25	12.90
January 2011	13.94	11.60
February 2011	12.78	9.30
March 2011	12.30	9.00

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

BSE - PRICE MOVEMENT (2010-2011)**REGISTRAR AND SHARE TRANSFER AGENTS:****SHAREPRO SERVICES (INDIA) PVT. LTD**

Unit : **ALCHEMIST REALTY LIMITED.**

13AB, Samhita Warehousing Complex, Second Floor,
Sakinaka Telephone Exchange Lane, Off Andheri Kurla Road,
Sakinaka, Andheri (East), Mumbai - 400 072.

SHARE TRANSFER SYSTEM:

Shares sent for transfer in physical form are registered and returned by our Registrars and Share Transfer Agent in approximately 15 to 20 days of receipt of the documents, provided documents received are in proper order. Shares under objections are returned within 10-15 days. The Share Transfer Committee meets at frequent interval.

SHARE PRICE PERFORMANCE IN COMPARISON TO BROAD BASED INDICES BSE SENSEX FOR THE FINANCIAL YEAR 2010-2011

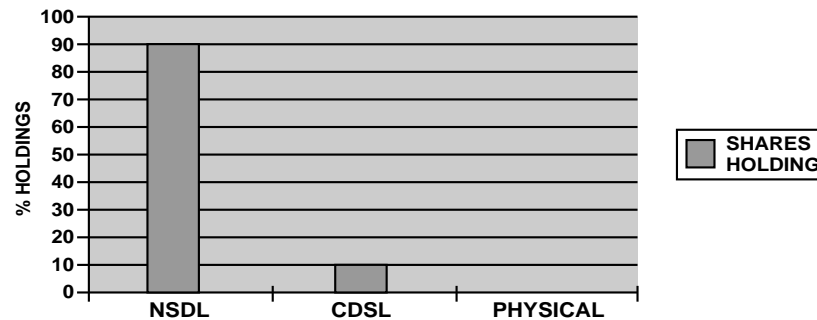
BSE Sensex	
Change in company's share price (%)	Change in BSE Sensex (%)
-28.40	10.94

SHAREHOLDING PATTERN AS ON 31ST MARCH, 2011

Category	No. of Shares	Percentage
Promoters and Associates	33677535	45.45
Foreign Institutional Investors	15979944	21.57
Private Corporate Bodies	15811376	21.34
Indian Public	8556674	11.55
NRI's/OCB's	75471	0.09
Total	74101000	100.00 %

DEMATERIALIZATION OF SHARES AND LIQUIDITY :

Category	Number of Shares	Percentage
NSDL	6742039	90.47
CDSL	7033861	9.49
Physical	25100	0.04
Total	7410100	100

DEMATERIALIZATION OF SHARES**OUTSTANDING GDRS/ADRS/WARRANTS ETC.**

There is no outstanding GDR/ADRs/Warrants or any convertible instruments as on 31st March, 2011.

WORK LOCATIONS :

- Village Mansoor, Distt. Ludhiana, Punjab.
- Plot No. 8, Industrial Area, Phase 1, Chandigarh (U.T.)
- "Airport Plaza" Parkashnagar Colony, Begumpat, Hyderabad

ADDRESS FOR CORRESPONDENCE**Registered office**

62-B, Mittal Towers, 210, Nariman Point,
Mumbai-400021

Delhi Office

"Alchemist House" 23, Nehru Place,
New Delhi - 110 019

By Order of the Board
For **ALCHEMIST REALTY LTD.**

(KANWAR DEEP SINGH)
CHAIRMAN

Dated : 01.09.2011

DECLARATION BY THE CEO UNDER CLAUSE 49 OF THE LISTING AGREEMENT REGARDING ADHERENCE TO THE CODE OF CONDUCT

In accordance with Clause 49 sub clause (ID) of the Listing Agreement with Stock Exchanges, I hereby confirm that, all the Directors and Senior Management Personnel of the Company have affirmed compliances to their respective codes of Conduct as applicable to them for the financial year ended 31st March 2011.

For **ALCHEMIST REALTY LTD.**

(KANWAR DEEP SINGH)
MANAGING DIRECTOR

Dated : 01.09.2011

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Member of
Alchemist Realty Limited
(Formerly Pan Packaging Industries Ltd.)
Mumbai.

We have examined the compliance of the conditions of Corporate Governance by **ALCHEMIST REALTY LIMITED** for the year ended 31st March, 2011, as stipulated in Clause 49 of the Listing Agreement of the said company, with the Stock Exchanges.

The Compliance of the conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to procedures and implementations thereof, adopted by the Company for ensuring compliance with 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 the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

For **K. Singh & Associates**
Chartered Accountants
Firm No. : 012458N

(Kultar Singh)
M. No. 091673
Dated : 01.09.2011

AUDITORS' REPORT

To The Members of Alchemist Realty Limited

1. We have audited the Balance Sheet of ALCHEMIST REALTY LIMITED as at 31st March, 2011 and the related Profit and Loss Account 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
2. We have conducted our audit in accordance with the 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 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 the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) order, 2003 as amended by the companies (Auditors Report) amendment order, 2004(together the 'order') issued by the Central Government of India in terms of Sec. 227(4A) of the Companies Act, 1956 and on the basis of such checks as we considered appropriate and according to information and explanation given to us, we set out in annexure Statement on the matters specified in paragraph 4 & 5 of the said order.
4. Further to our comments in the Annexure referred in paragraph 3 above we report that :-
 - a) We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of accounts as required by law have been kept by the company so far as it appears from our examination of such books.
 - c) The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of accounts.
 - d) In our opinion the Balance Sheet, Profit & Loss Account & Cash Flow comply with the Accounting Standards referred to in sub section (3C) of section 211 of the Companies Act, 1956.
 - e) The accounts of the company have been prepared on a going concern basis.
 - f) On the basis of written representation received from the Directors, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2011 from being appointed as a Director in terms of Clause (g) of the sub-section (1) of section 274 of the Companies Act,1956.
 - g) In our opinion and to the best of our information and according to the explanation's given to us, the said accounts together with the notes thereon and attached thereto given in the prescribed manner the information as required by the Companies Act, 1956 give a true and fair view in the manner so required and are in conformity with the accounting principles generally accepted in India.
 - a) In the case of Balance Sheet, of the state of affairs of the Company's as at 31st March, 2011 ;
 - b) In the case of Profit & Loss Account, of the Profit of the Company for the year ended on that date ; and
 - c) In case of the Cash Flow Statement of the cash flow for the year ended on that date.

**For K. SINGH & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm No. : 012458N**

**Place : New Delhi
Date : 01.09.2011**

**KULTAR SINGH
(Partner)
Membership No. 091673**

ANNEXURE TO THE AUDITORS' REPORT

Referred to in paragraph 3 of our Report of even date on the accounts for the year ended on 31st March, 2011 of Alchemist Realty Limited.

1.
 - a) The Company has generally maintained proper records showing full particulars including quantitative detail and situation of fixed assets.
 - b) The Company has verified all its fixed assets during the period. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and the nature of its business.
 - c) The company has not disposed off any fixed assets during the year.
2.
 - a) As explained to us, the physical verification of the inventory has been conducted by the management at reasonable intervals during the year.
 - b) In our opinion and according to the information given to us the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - c) The company has maintained proper records of inventory. As explained to us, there was no material discrepancies noticed on physical verification of inventory as compared to the book of records.
3. According to information and explanation given to us, the company has not granted/taken any loans secured or unsecured to/from the companies, firm or other parties covered in the register maintained under section 301 of the companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there exists adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventories and fixed assets. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
5.
 - (a) According to information and explanation given to us, we are of the opinion that the transactions that need to be entered has been so entered into the register maintained U/s 301 of the Companies Act, 1956.
 - (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956, aggregating during the year of ` 500,000/- 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 the relevant time.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted any public deposit accordingly provisions of Sections 58A and 58AA or any other relevant provisions of the Act and the Rules framed there under, and the directives issued by the Reserve Bank of India are complied with.
7. In our opinion and according to the information and explanations given to us, the Company has in general adequate internal audit system commensurate with the size and the nature of the business of the Company.
8. We have been informed that the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956.
9.
 - a) According to the information and explanations given to us and on the basis of records produced before us, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and any other statutory dues with appropriate authorities applicable to it.

- b) In our opinion and according to the information and explanations given to us, there are no disputed and outstanding amount payable in respect of Income tax, Wealth Tax, Fringe Benefit Tax, Sales Tax, Service tax, Custom Duty and Excise Duty as on 31st March, 2011 for a period of more than six months from the date they became payable.
10. The Company has no accumulated losses at the end of the financial year and it has not incurred any cash losses in the financial year under report and immediately preceding financial year.
 11. In our opinion and according to the information and explanation given to us the Company has not defaulted in repayment of dues to banks and financial institution.
 12. In our opinion and according to the information and explanations given to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
 13. The company is not a Chit Fund or a Nidhi/Mutual Benefit Fund/Society.
 14. The Company is not dealing or trading in shares, securities, debentures and other investments. All other investments are held by the Company in its own name.
 15. In our opinion and according to explanation given to us, the company has not given any guarantees in respect of any loan taken by it from bank/financial institution.
 16. The Company has not raised any new term loan during the period. The total amount outstanding of Previous loan from HDFC and Tata Capital Limited at the year end is ` 13.13 Lacs.
 17. In our opinion and according to the information and explanations given to us as well as on the basis of our over all examination of the Cash Flow Statement and the Balance Sheet, we report that no funds raised for short term basis have been used for long term Investment and no long term funds have been used to finance short term assets.
 18. Based on the examination of records and the information provided to us by management we report that the company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
 19. The Company has not issued debentures during the accounting year ended on 31st March, 2011.
 20. As per the information and explanations given to us, the company has not raised any money by public issue during the year.
 21. On the basis of our examination and according to the information and explanations given to us, no fraud, on or by the Company, has been noticed or reported during the course of our audit.

**For K. SINGH & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm No. 012458N**

**Place : New Delhi
Date : 01.09.2011**

**KULTAR SINGH
Partner
Membership No. 091673**

BALANCE SHEET

(Amount in `)

PARTICULARS AS AT 31ST MARCH, 2011	SCHEDULE	31.03.2011	31.03.2010
A) SOURCE OF FUNDS			
1. SHAREHOLDERS' FUNDS			
SHARE CAPITAL	A	148,202,000	148,202,000
RESERVE & SURPLUS	B	149,105,233	139,644,844
		297,307,233	287,846,844
2. LOAN FUNDS			
SECURED LOANS	C	1,313,421	1,992,165
		1,313,421	1,992,165
TOTAL "A"		298,620,654	2,89,839,009
(B) APPLICATION OF FUNDS			
3. FIXED ASSETS			
GROSS BLOCK	D	24,068,789	8,922,982
LESS : DEPRECIATION		4,662,433	2,843,755
NET BLOCK		19,406,356	6,079,227
CAPITAL WORK IN PROGRESS		95,227,773	87,080,057
		114,634,129	93,159,284
4. INVESTMENTS	E	24,842,000	22,842,000
5. DEFERRED TAX ASSETS		33,213	188,569
6. CURRENT ASSETS, LOANS & ADVANCES	F		
INVENTORIES		438,475,663	482,652,130
SUNDRY DEBTORS		67,559,538	65,456,215
CASH & BANK BALANCES		11,485,320	11,222,762
LOAN, ADVANCES & DEPOSITS		1,997,983,680	1,779,122,172
		2,515,504,201	2,338,453,279
7. LESS : CURRENT LIABILITIES & PROVISIONS	G	2,358,000,158	2,166,679,271
8. TOTAL NET CURRENT ASSETS		157,504,043	171,774,008
9. MISCELLANEOUS EXPENDITURE	H	1,607,269	1,875,148
(TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)			
TOTAL "B"		298,620,654	289,839,009
NOTES ON ACCOUNTS	P		

The annexed schedules referred to above form an integral part of the Financial Statements
As per our report of even date attached.

FOR K SINGH & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm No. 012458N

For and on behalf of the Board

KULTAR SINGH
PARTNER
MEMBERSHIP NO. 091673

KANWAR DEEP SINGH
Managing Director

R.P CHHABRA
Director

TUSHAR SHARMA
CFO Cum Company Secretary

PLACE : NEW DELHI
DATED : 01.09.2011

PROFIT & LOSS ACCOUNT

(Amount in `)

PARTICULARS AS AT 31ST MARCH, 2011	SCHEDULE	31.03.2011	31.03.2010
1. INCOME			
SALES/INCOME FROM OPERATION	I	1,209,075,528	1,049,638,247
OTHER INCOME	J	169,595	—
TOTAL		1,209,245,123	1,049,638,247
2. EXPENDITURE			
DIRECT COST	K	1,148,127,629	1,007,484,612
PERSONAL OVERHEADS	L	16,309,552	11,450,009
ADMINISTRATIVE OVERHEADS	M	14,297,971	8,229,231
SELLING OVER HEADS	N	337,012	676,588
TOTAL		1,179,072,164	1,027,840,440
3. PROFIT BEFORE INTEREST, DEPRECIATION AND TAXES (PBIDT)		30,172,959	21,797,807
FINANCIAL EXPENSES	O	182,880	252,072
4. PROFIT BEFORE DEPRECIATION AND TAXES (PBDT)		29,990,079	21,545,735
DEPRECIATION	D	1,818,678	1,223,703
MISCELLANEOUS EXPENSES WRITTEN OFF	H	267,879	267,879
5. PROFIT BEFORE TAX (PBT)		27,903,522	20,054,153
LESS : PROVISION FOR TAXES		9,675,575	5,989,290
: DEFERRED TAX LIABILITIES		155,356	4,928
6. PROFIT AFTER TAX (PAT)		18,072,591	14,059,936
PREVIOUS YEAR ADJUSTMENT		—	—
7. NET PROFIT DURING THE YEAR		18,072,591	14,059,936
8. APPROPRIATION			
PROPOSED DIVIDEND		7,410,100	7,410,100
TAX ON DIVIDEND		1,202,103	1,230,725
BALANCE CARRIED TO BALANCE SHEET		9,460,388	5,419,111
EARNINGS PER EQUITY SHARE (In `)			
BASIC EPS		0.24	0.19
DILUTED EPS		0.24	0.19
FACE VALUE OF ` 2/- PER EQUITY SHARE (PREVIOUS YEAR ` 2/- PER EQUITY SHARE)			
NOTES ON ACCOUNTS	P		

The annexed schedules referred to above form an integral part of the Financial Statements
As per our report of even date attached.

FOR K SINGH & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm No. 012458N

For and on behalf of the Board

KULTAR SINGH
PARTNER
MEMBERSHIP NO. 091673

KANWAR DEEP SINGH
Managing Director

R.P CHHABRA
Director

TUSHAR SHARMA
CFO Cum Company Secretary

PLACE : NEW DELHI
DATED : 01.09.2011

SCHEDULES TO THE BALANCE SHEET

(Amount in `)

PARTICULARS AS AT 31ST MARCH, 2011	31.03.2011	31.03.2010
SCHEDULE A : SHARE CAPITAL		
AUTHORISED		
800,00,000 EQUITY SHARES OF ` 2/- EACH (Prev. Yr. 800,00,000 equity share of ` 2/- each)	160,000,000	160,000,000
	160,000,000	160,000,000
ISSUED, SUBSCRIBED AND PAID UP CAPITAL		
7,41,01,000 EQUITY SHARES OF ` 2/- EACH FULLY PAID	148,202,000	148,202,000
(Previous Year 7,41,01,000 Equity Shares of ` 2/- Each Fully Paid)	148,202,000	148,202,000

SCHEDULE B : RESERVE & SURPLUS		
REVALUTION RESERVE	857,186	857,186
PROFIT & LOSS ACCOUNT	13,680,831	9,345,542
ADD : ADDITION DURING THE YEAR	9,460,388	5,419,111
	23,141,219	14,764,653
LESS : TRANSFERRED TO GENERAL RESERVE	1,892,078	1,083,822
	21,249,142	13,680,831
GENERAL RESERVE ACCOUNT	708,827	5,680,237
ADD : TRANSFERRED FROM PROFIT & LOSS	1,892,078	1,083,822
ADD : FOREFIETURE OF SHARE WARRANTS	—	44,460,000
LESS : LOSS ON SALES OF ASSETS	—	50,515,232
	2,600,905	708,827
SHARE PREMIUM	124,398,000	124,398,000
	124,398,000	124,398,000
	149,105,233	139,644,844

SCHEDULE C : SECURED LOANS		
TERM LOAN-VEHICLES FROM HDFC BANK	1,037,983	1,600,252
TERM LOAN-VEHICLES FROM TATA CAPITAL	275,438	391,913
(SECURED AGAINST HYPOTHECATION OF VEHICLES)		
	1,313,421	1,992,165

SCHEDULE E : INVESTMENTS		
INVESTMENT UNQUOTED (AT COST)		
24,84,200 EQUITY SHARES (PREV. YEAR 22,84,200 SHARES) OF ` 10/- EACH OF DGS REALTORS PVT. LTD.	24,842,000	22,842,000
	24,842,000	22,842,000

SCHEDULES TO THE BALANCE SHEET

SCHEDULE D : FIXED ASSETS SCHEDULE FOR THE YEAR ENDED 31ST MARCH, 2011

(Amount in `)

SR. NO.	PARTICULARS	GROSS BLOCK				DEPRECIATION				REVALUATION			NET BLOCK	
		AS ON	ADDI- TION DURING THE YEAR	DEDUC- TIONS/	AS ON	AS ON	PRO- VIDED DURING THE YEAR	ON SALE/ ADJUST- MENTS DURING THE YEAR	TOTAL UP TO	ON	RE ASSES VALUE	TOTAL UP TO	AS ON	AS
		01.04.2010			31.03.2011	1.04.2010			31.03.2011	01.04.2010	ON SALE/ ADJ. DURING THE YEAR	31-03-2011	31-03-2011	31-03-2010
	FIXED ASSETS													
1.	COMPUTER	1,211,101	419,708	-	1,630,809	450,293	419,838	-	870,131	-	-	-	760,678	760,808
2.	LAND & BUILDING	-	13,146,761	-	13,146,761	-	142,868	-	142,868	-	-	-	13,003,893	-
3.	OFFICE EQUIPMENT	1,279,332	266,927	-	1,546,259	192,038	225,364	-	417,402	-	-	-	1,128,857	1,087,294
4.	VEHICLE	4,897,631	9,973	-	4,907,604	2,091,857	728,714	-	2,820,571	-	-	-	2,087,033	2,805,774
5.	FURNITURE & FIXTURE	1,534,918	1,302,438	-	2,837,356	109,567	301,894	-	411,461	-	-	-	2,425,895	1,425,351
	TOTAL	8,922,982	15,145,807	-	24,068,789	2,843,755	1,818,678	-	4,662,433	-	-	-	19,406,356	6,079,227
	PREVIOUS YEAR	82,835,174	4,295,217	78,207,409	8,922,982	5,071,060	1,223,703	3,451,008	2,843,755	1,548,459	1,548,459	-	6,079,227	76,215,655
	CAPITAL WORK IN PROGRESS (LEASE HOLD IMPROVEMENT)	87,080,057	8,147,716	-	95,227,773	-	-	-	-	-	-	-	95,227,773	87,080,057

(Amount in `)

PARTICULARS AS AT 31ST MARCH 2011	31.03.2011	31.03.2010
SCHEDULE F : CURRENT ASSETS, LOANS AND ADVANCES		
A. INVENTORIES		
PROPERTIES UNDER DEVELOPMENT (LAND)	438,475,663	482,652,130
TOTAL (A)	438,475,663	482,652,130
B. SUNDRY DEBTORS (UNSECURED & CONSIDERED GOOD)		
OUTSTANDING FOR A PERIOD LESS THAN SIX MONTHS	2,818,000	65,456,215
OUTSTANDING FOR A PERIOD MORE THAN SIX MONTHS	64,741,538	-
TOTAL (B)	67,559,538	65,456,215
C. CASH & BANK BALANCES		
CASH IN HAND	329,662	1,016,971
FIXED DEPOSIT WITH BANKS	5,425,265	5,114,390
BALANCE WITH SCHEDULED BANKS IN CURRENT ACCOUNT	5,730,393	5,091,401
TOTAL (C)	11,485,320	11,222,762
D. LOANS & ADVANCES		
ADVANCES RECOVERABLE IN CASH OR IN KIND OR FOR VALUE TO BE RECOVERED (INCLUDING ADVANCES FOR PURCHASE OF LAND/PENDING CAPITALISATION/ OTHER ADVANCES)	1,983,695,641	1,770,270,158
SECURITY DEPOSITS	1,902,550	1,827,550
ADVANCE TAX		
TDS	2,439,257	88,942
ADVANCE FBT	235,522	235,522
ADVANCE TAX	9,710,710	6,700,000
TOTAL (D)	1,997,983,680	1,779,122,172
TOTAL (A+B+C+D)	2,515,504,201	2,338,453,279

SCHEDULES TO THE BALANCE SHEET

(Amount in `)

PARTICULARS AS AT 31ST MARCH 2011	31.03.2011	31.03.2010
SCHEDULE G : CURRENT LIABILITIES & PROVISIONS		
(A) CURRENT LIABILITIES		
SUNDRY CREDITORS FOR PURCHASES	9,840,639	10,018,115
ADVANCE AGAINST SALE OF LAND	2,323,000,000	2,115,000,000
SUNDRY CREDITORS FOR EXPENSES	2,972,978	19,044,700
OTHER LIABILITIES	2,929,447	5,428,286
RETENTION MONEY	432,658	258,488
STATUTORY LIABILITIES	536,658	2,299,566
	2,339,712,380	2,152,049,155
(B) PROVISIONS		
PROVISION FOR TAXATION	9,675,575	5,989,290
PROPOSED DIVIDEND	7,410,100	7,410,100
CORPORATE DIVIDEND TAX	1,202,103	1,230,725
	18,287,778	14,630,115
TOTAL	2,358,000,158	2,166,679,271

SCHEDULE H : MISCELLANEOUS EXPENDITURE		
(to the extent not written off or adjusted)		
SHARE ISSUE EXPENSES	1,801,648	2,059,027
DEFERRED REVENUE EXPENDITURE	73,500	84,000
TOTAL	1,875,148	2,143,027
LESS: WRITTEN OFF	267,879	267,879
	1,607,269	1,875,148

SCHEDULES TO PROFIT AND LOSS ACCOUNT

SCHEDULE I : SALES/INCOME		
SALES/INCOME FROM OPERATION	1,209,075,528	1,049,638,247
TOTAL	1,209,075,528	1,049,638,247

SCHEDULE J : OTHER INCOME		
OTHER INCOME	25,595	—
RENT RECEIVED	144,000	—
TOTAL	169,595	—

SCHEDULES TO PROFIT AND LOSS ACCOUNT

(Amount in `)

PARTICULARS AS AT 31ST MARCH 2011	31.03.2011	31.03.2010
SCHEDULE K : DIRECT COST		
OPENING STOCK OF LAND & BUILDING	482,652,130	443,329,198
ADD : PURCHASES DURING THE YEAR		
LAND	20,937,133	39,322,932
FLAT/PLOTS	1,083,421,029	1,007,484,612
	1,104,358,162	1,046,807,544
LESS : TRANSFER DURING THE YEAR	407,000	—
	407,000	—
LESS : CLOSING STOCK	438,475,663	482,652,130
NET PURCHASES	1,148,127,629	1,007,484,612

SCHEDULE L : PERSONNEL OVERHEADS		
SALARY	12,035,614	8,386,045
REIMBURSEMENT OF EXPENSES	2,764,288	1,966,296
OTHER AMENTIES	1,123,483	689,903
BONUS/EX-GRATIA	347,728	214,347
GRATUITY	38,439	193,418
TOTAL	16,309,552	11,450,009

SCHEDULE M : ADMINISTRATIVE OVERHEADS		
AUDIT FEES	137,875	137,875
POSTAGE, TELEGRAM & TELEPHONE	387,255	233,256
BOOKS & PERIODICALS	11,745	14,062
CONVEYANCE	314,227	145,095
DONATION	1,200,000	200,000
ELECTRICITY & WATER	1,382,201	890,935
INSURANCE CHARGES	92,097	83,830
LEGAL & PROFESSIONAL CHARGES	790,535	1,298,391
BANK CHARGES	37,521	8,060
DIRECTOR SITTING FEES	24,000	20,000
MISCELLANEOUS EXPENSES	2,172,101	2,792,959
OFFICE EXPENSES	138,419	421,100
OTHER EXPENSES	134,957	246,549
PRINTING & STATIONARY	283,270	218,761
REPAIR & MAINTENANCE CHARGES	746,084	353,072
RENT	5,511,230	326,750
RATES & TAXES	—	120,877
SECURITY CHARGES	185,686	—
TRAVELLING EXPENSES	748,768	717,659
TOTAL	14,297,971	8,229,231

SCHEDULE N : SELLING OVERHEADS		
BUSINESS PROMOTION	337,012	676,588
TOTAL	337,012	676,588

SCHEDULE O : FINANCIAL EXPENSES		
INTEREST ON VEHICLES LOAN	182,880	252,072
TOTAL	182,880	252,072

Note forming part of Accounts

SCHEDULE : P

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS AS AT 31ST MARCH 2011

A. Significant Accounting Policies

1 Accounting Convention

The accompanying financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles ("GAAP") under the historical cost convention on the 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.

2 Revenue Recognition

All revenues and expenses are accounted for on accrual basis.

3 Fixed Assets

Fixed Assets are stated at cost of acquisition less accumulated depreciation, less impairment losses, if any. Cost is inclusive of all identifiable expenditure incurred to bring the assets to their working condition for intended use. Where an asset is scrapped or otherwise disposed off, the cost and related depreciation is written back and the resultant profit or loss, if any, is reflected in the Profit and Loss Account.

4 Depreciation

The depreciation on the fixed assets has been provided on written down value method in accordance with Companies Act, 1956 on pro-rata basis.

5 Impairment of Assets

The carrying amount of assets is reviewed at each balance sheet date for any indication of impairment of Company's assets. If any indication exists, the recoverable amount of such assets is estimated. An impairment loss is recognized wherever the carrying amount of the assets exceeds its recoverable amount.

6 Investments

Investments are state at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary in the opinion of the management.

7 Provision for Gratuity/Bonus and Provident Fund to Employees

- a. Provision for Gratuity and Leave Encashment benefit is made based on accrual basis at the Balance Sheet date. Bonus has been provided in the books at the rate prescribed under the Payment of Bonus Act.
- b. Contribution to Provident Fund Scheme accruing during the year are as per the rate as prescribed by the statute and are charged to Profit & Loss Account.

8 Inventories

Inventories consist of Land and Plots, valued at cost and other acquisition expenses incurred to bring them in their actual position/status for sale.

9 Use of Estimates

The preparation of Financial Statements in conformity with the generally accepted accounting principles require management to make estimates and assumption in respect of certain items that effect the reported amount of assets and liabilities as at the date of the financial statements and the reported amount of income and expenses during the reporting period. Actual result/outcome could differ from estimates. Any revision in accounting estimates is recognised prospectively in the period in which such results are materialised.

10 Provision for Taxes

a) Current Tax :

Provision for Income Tax is determined in accordance with the provisions of Income Tax Act, 1961.

b) Deferred Tax Provision :

Deferred Tax charge or credit is recognized, on timing differences, being the difference between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. It is calculated using the applicable tax rates and tax laws that have been enacted by the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty that the asset will be realized in future. At each Balance sheet date, recognized and unrecognized Deferred Tax Assets are reviewed.

11 Miscellaneous Expenditure

1/10th of the miscellaneous expenditure had been written off during the year and the balance will be adjusted proportionately over the subsequent years.

12 Foreign Currency Transaction

Transactions denominated in Foreign Currency are normally recorded at the exchange rate prevailing at the time of the transaction. However, there is no foreign currency transaction incurred during the year.

13 Sundry Debtors & Advances

Whenever the management finds any debt/advances as doubtful or bad and irrecoverable, necessary adjustments are being made in Profit and Loss account in the year in which such question arises.

14 Provision, Contingent Liabilities & Contingent Assets

Provision involving substantial degree of estimation in measurement is recognised when 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.

15 Prior Period Items etc:

Material Items if any, relating to the prior period, non-recurring and extraordinary items etc, are disclosed separately.

16 Other Accounting Policies

These are consistent with the generally accepted accounting standards as issued from time to time.

B. NOTES ON BALANCE SHEET AND PROFIT AND LOSS ACCOUNT :**1. Fixed Asset and Depreciation**

Fixed assets include an amount of ₹ 948,49 lacs in capital work in progress on account of project under taken as contractual obligation.

2. During the year 1/10th of the preliminary expenses amounting to ₹ 2,67,879/- has been charged to Profit & Loss Account.

3. Earning Per Share

In determining earnings per share, the Company considers the net profit after tax for the year attributable to equity shareholders. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the year. The number of shares used in computing diluted earnings per shares comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

4. Dividend

The Company has recommend a dividend of 5% i.e. ₹ 0.10 per equity shares of ₹ 2/- each for the financial year ended March 31, 2011, amounting to ₹ 0.74 Crore on the Capital of ₹ 14,82,02,000/-.

5. **Contingent Liabilities not provided for in respect of :**

Particulars	Amount (In Lacs)
a) Bill Discounted with bank since not realized	Nil
b) Letter of Credit un-expired.	Nil
c) Estimated amount of contract remaining to be executed.	Nil
d) Bank Guarantees/Counter Guarantee issued.	Nil

Income-tax assessment are pending for previous year. The liabilities in this behalf remained unascertained.

6. As required by the clause 41 of the listing agreement, there is a variation in the audited Balance Sheet between fixed assets and sundry debtors in excess of the prescribed limit as compared to the un-audited published results. This is because of the fact that some of the contracts were postponed due to certain legalities and compliances.

7. **Auditor's Remuneration :-**

Particulars	Current year	Previous year
Audit Fees	1,10,300/-	1,10,300/-
Tax Audit Fees	27,575/-	27,575/-

8. In the opinion of the Board of Directors and to the best of knowledge and belief, all the current assets, loans and advances are valued at realizable value or at an amount equal to the amount at which they are stated in the Balance Sheet.

9. Previous year's figures have been regrouped and rearranged wherever necessary.

10. Loan and Advances includes advances given to various parties amounting to 1227.76 Lacs (Previous year 1224.37 Lacs) in respect of property to be purchased in due course of time, the matters, relating to these are sub judice.

11. **Segment Reporting**

The company has only one reportable primary segment i.e. real estate sale purchase and development and hence no separate segment disclosure made.

12. Since the company is engaged in real estate sale purchase and development, the provision of Para 3, Para 4C and 4D of Part II of Schedule VI of the Companies Act, 1956 regarding quantitative detail and value thereof is not applicable to the company.

13. **Disclosures as required by Accounting Standard (AS) 18 Related Party Disclosures**A) **List of related parties with whom transactions are carried out during the year :**i) **Particulars of Subsidiary/Associates Company**

S.No.	Name of Party	Address	Status
1)	Alchemist Limited	23, Nehru Place, New Delhi	Associates Company
2)	KDS Corporation Pvt. Ltd.	149-150, Sector 9-D, Chandigarh	— Do —
3)	Alchemist Airways Pvt. Ltd.	149-150, Sector 9-D, Chandigarh	— Do —

ii) **Key Management Personnel/Relatives**

S.No.	Name of Party	Status
1)	Kanwar Deep Singh	Managing Director
2)	Karan Deep Singh	Relative to KMP
3)	Kaman Deep Singh	-Do-

B) Particulars of Transaction with Related Parties / Associate Companies and KMP

	(Amount in Lacs)	
	Associates Companies	KMP
Expenditure Incurred on Services Rendered	90.06	1.29
Dividend paid	31.34	Nil

14. Disclosure as required by Accounting Standard (AS) 20 – Earning per Share

Sl. No.	Particulars	Year ended 31.03.2011	Year ended 31.03.2010
a)	Net Profit After tax	1,80,72,591	1,40,59,936
b)	Weighted Average number of equity shares for Basic EPS (Nos)	7,41,01,000	7,41,01,000
c)	Face Value Per share	₹ 2/-	₹ 2/-
d)	Basic EPS (₹)	0.24	0.19
e)	Diluted EPS (₹)	0.24	0.19

15. Deferred Tax

- a) Deferred Tax Assets and Liabilities are being offset as they relate to taxes on income levied by the same governing taxation laws.
- b) Break-up of deferred tax assets/liabilities and reconciliation of current year deferred tax charge is as follows :

Particulars		Credited/(Charged) to Profit & Loss A/c	Amount in ₹
			Balance as on 31.03.2011
Deferred Tax Liabilities			
Depreciation as per Companies Act	18,18,678	—	—
Depreciation as per Income Tax Act	22,86,372	—	—
Difference	(4,67,694)	—	—
Tax impact of difference between carrying amount of fixed assets in the financial statements and the income tax return		1,55,356	33,213

16. 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.

17. Director Remuneration and Benefits

Sl. No.	Particulars	31.03.2011 (in ₹)	31.03.2010 (in ₹)
a)	Sitting Fees	24,000.00	20,000.00

18. The Company is into business of real estate sale purchase and development. So the additional information required under Para III of Part-II of Schedule VI to the Companies Act, 1956 in respect of quantitative details pertaining to opening and closing stock, purchases, sale, consumption of raw material etc. is not applicable.

For **K. Singh & Associates**
Chartered Accountants
Firm No. 012458N

For and on behalf of board

KULTAR SINGH
Partner
Membership No. 091673

KANWAR DEEP SINGH
Managing Director

R.P. CHHABRA
Director

TUSHAR SHARMA
CFO Cum Company Secretary

Place : New Delhi
Date : 01.09.2011

Balance Sheet Abstract

STATEMENT PURSUANT TO PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956

BALANCE SHEET ABSTRACT AND COMPANY'S BUSINESS PROFILE

I. Registration Details

Registration No. 2 9 4 7 1 State Code 1 1
 Balance Sheet Date 3 1 0 3 2 0 1 1

II. Capital Raised During the Year (Amount in ` Thousands)

Public Issue N I L Rights Issue N I L
 Bonus Shares N I L Private Placement N I L

III. Position of Mobilisation and Deployment of Funds (Amount in ` Thousands)

Total Liabilities 2 9 8 6 2 1 Total Assets 2 9 8 6 2 1

SOURCES OF FUNDS

Paid-up Capital 1 4 8 2 0 2 Application Money N I L
 Reserves & Surplus 1 4 9 1 0 5 Secured Loans 1 3 1 4
 Unsecured Loans N I L

APPLICATION OF FUNDS

Net Fixed Assets 1 1 4 6 3 5 Investments 2 4 8 4 2
 Net Current Assets 1 5 7 5 0 4 Misc. Expenditure 1 6 0 7
 Accumulated Losses N I L Deffered Tax 3 3

IV. Performance of Company (Amount in ` Thousands)

Turnover 1 2 0 9 2 4 5 Total Expenditure 1 1 8 1 3 4 2
 Profit / Loss before Tax 2 7 9 0 3 Profit / Loss after Tax 1 8 0 7 3
 Earning Per Share in ` 0 . 2 4 Dividend Rate (%) 5

V. Generic Names of Five Principal products/services of Company (As per monetary terms)

Descriptions - The Company is engaged in Real Estate Business

On behalf of the Board

Place : NEW DELHI
Date : 01.09.2011

KANWAR DEEP SINGH
Managing Director

R.P. CHHABRA
Director

TUSHAR SHARMA
CFO cum Company Secretary

Cash Flow Statement for the year ended 31st March, 2011

AS AT 31ST MARCH	31.03.2011	31.03.2010
1. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit after Tax and Extra Ordinary Item	9,460	5,419
Add :		
Proposed Dividend	7,410	7,410
Tax on Dividend	1,202	1,231
Provision for Taxes	9,676	5,989
Depreciation	1,819	1,224
Miscellaneous Expenses Written Off	268	268
Financial Expenses	183	252
	20,557	16,374
Less:		
Deferred Tax Liability	(155)	(5)
Rent received	144	—
Provision for Tax	9,676	5,989
Provision for Dividend	7,410	7,410
Tax on Dividend	1,202	1,231
Interest Received	699	624
	18,975	15,249
OPERATING PROFIT FOR WORKING CAPITAL CHANGES	11,043	6,544
(Increase)/Decrease in Inventory	44,176	(39,323)
(Increase)/Decrease in Sundry Debtors	(2,103)	(19,865)
(Increase)/Decrease in Loans & Advances	(206,477)	(967,928)
Increase/(Decrease) in Trade Payables & Others	191,322	2,075,470
Cash generated from/(used in) operating activities	37,961	1,054,898
Direct Taxes paid/deducted at source	(12,385)	(7,024)
Net Cash Generated from/(used in) operating activities (A)	25,576	1,047,874
2. CASH FLOW FROM INVESTING ACTIVITIES		
Sale of fixed assets	—	22,692
Interest Received	699	624
Rent Received	144	—
Sale of Investment	(2,000)	2,001
Purchase of fixed assets and Lease hold Improvement	(23,294)	(21,715)
Net Cash from / (used in) Investing Activities (B)	(24,451)	3,602
3. CASH FLOW FROM FINANCIAL ACTIVITIES		
Proceeds from Secured Loans	(679)	(610)
Proceeds from Unsecured Loans	—	(1,049,700)
Interest Paid	(183)	(252)
Net Cash from / (used in) Financing Activities (C)	(862)	(1,050,562)
4. NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	263	914
5. CASH & CASH EQUIVALENTS AS AT THE BEGINNING OF THE YEAR	11,222	10,308
6. CASH & CASH EQUIVALENTS AS AT THE END OF THE YEAR	11,485	11,222

Place : New Delhi
Dated : 01.09.2011

For and on behalf of the board

KANWAR DEEP SINGH
Managing Director

R.P CHHABRA
Director

TUSHAR SHARMA
CFO & Company Secretary

Auditor's Certificate

We have examined the attached Cash flow statement of Alchemist Realty Limited for the year ended 31st March, 2011. 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, 2011.

For K Singh & Associates
(Chartered Accountants)
(Firm No. 012458N)

PLACE : NEW DELHI
DATED : 01.09.2011

Kultar Singh
(Partner)
(Membership No. 091673)

ALCHEMIST REALTY LIMITED

**Regd. Office : 62-B, Mittal Towers
210, Nariman Point, Mumbai-400021**

**ATTENDANCE SLIP
Annual General Meeting**

Regd. Folio No. _____

DP ID No. _____

Client ID No. _____

No. of Shares Held _____

I hereby record my presence in Annual General Meeting of the Company on 27th September, 2011 at 10.00 a.m. at **The Orient Club, 9, Chowpatty Sea Face, Mumbai-400007.**

Member's/ Proxy's Name

Signature of the Member/Proxy

NOTE: Members attending the meeting in person or by proxy are requested to complete the attendance slip and hand it over at the entrance of the Meeting Hall.



ALCHEMIST REALTY LIMITED

**Regd. Office : 62-B, Mittal Towers
210, Nariman Point, Mumbai-400021**

**PROXY FORM
Annual General Meeting**

Regd. Folio No. _____

DP ID No. _____

Client ID No. _____

No. of Shares Held _____

I/We _____ of _____ in the _____

District of _____ being a Member/ Members of the

Company hereby appoint _____ of _____

or falling him/ her _____ of _____ as my/ our Proxy to vote for me/ us on

me/ us on my/ our behalf at the Annual General Meeting of the Company on 27th September, 2011, at 10.00 a.m. at

The Orient Club, 9, Chowpatty Sea Face, Mumbai-400007 and any adjournment(s) thereof.

Signed this _____ day of _____ 2011

Signature _____



NOTES:

1. This form, in order to be valid and effective, 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 commencement of the meeting.

* Those who hold shares in demat form must quote their Cline I.D. No. and Depository Participant (DP) ID No.

2. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself.

BOOK POST
(Printed Material)

If undelivered, please return to :
ALCHEMIST REALTY LIMITED
Regd. Office : 62-B, Mittal Towers,
210, Nariman Point, Mumbai-400021