24th
Annual Report
2012-2013



ALCHEMIST LIMITED

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CORPORATE INFORMATION

Board of Directors	Mr. Karan Deep Singh, Chairman (Non-Executive) Maj Gen (Retd.) Anil Oberoi, Vice Chairman & Executive Director (Whole Time Director) Mr. R.P. Chhabra, Independent Director Mr. Asoke K. Chatterjee, Independent Director Mr. Tarlochan Singh, Independent Director
Auditors	M/s N. Kumar Chhabra & Co. Chartered Accountants, Chandigarh.
Company Secretary & Compliance Officer	Mr. Rajansh Thukral, 23 Nehru Place, New Delhi
Bankers	Punjab National Bank Bank of India HDFC Bank Ltd.
Registered & Head Office	23,Nehru Place, New Delhi- 110019 Phone : 011-40600800 Fax: 40600888 E-mail: info@alchemist.co.in
Chandigarh office	SCO 12-13, Sector 9-D, Madhya Marg, Chandigarh-160009 Phone : 0172-4680000 Fax: 2740099

Works	**Pharma Unit**	:	Electronic Complex, Chambaghat, Solan, Himachal Pradesh
	Steel Unit	:	Chanalon, Near Kurali, District Ropar, Punjab Phone: +91-0160-5003184-85
	Floriculture Unit	:	Dappar, Ambala Chandigarh Highway, District Mohali, Punjab Phone: +91-1762-248666-248668
			Village Kanogata, Rajgarh, District Sirmour (Himachal Pradesh)
	IT Unit	:	SCO 149-150, Sector 9-C, Madhya Marg, Chandigarh

NOTICE

NOTICE is hereby given that 24th Annual General Meeting of the Shareholders of the Company will be held on Friday, the 27th day of September, 2013 at 10.00 A. M. at Deshbandhu Chittaranjan Memorial Society, C-405 A, Chittaranjan Park, New Delhi-110019 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, 2013, the Statement of Profit and Loss for the year ended on that date together with the Report of the Directors and the Auditors thereon.

2. To declare dividend for the Financial Year 31st March, 2013.

3. To appoint a Director in place of Mr. R.P. Chhabra, who retires by rotation and being eligible, offers himself for re-appointment.

4. To appoint Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of 25th Annual General Meeting and to fix their remuneration.

By Order of the Board
For ALCHEMIST LIMITED

Sd/-
Rajansh Thukral
Company Secretary

Date: August 14, 2013
Place: New Delhi

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 hold 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 first 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 remain closed from Thursday, September 26, 2013 to Friday, September 27, 2013 (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 September 26, 2013. 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. As per the listing agreement, it is hereby declared that Company's shares are listed at National Stock Exchange of India Limited and BSE Limited and Annual listing fee for the year 2013-14 has been paid to the concerned stock exchange(s).

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 2004-2005 amounting to Rs.17,33,269/- to the Investor Education and Protection Fund established by the Central Government.

7. Members holding shares in demat form, should send/update their email id and change of address if any with their depository participant and those who hold shares in physical form should send their change of address if any and email ID to the Registrar & Share Transfer Agent of the Company directly to enable us to send the Annual Report in electronic mode, in future.

8. The Ministry of Corporate Affairs, GOI, has taken a Green Initiative in Corporate Governance that allows companies to send information to the shareholders electronically. Members are thus requested to inform the company either directly or through the Registrars full particulars of e mail ids in case they wish to opt for receipt of documents by electronic form.

By Order of the Board
For ALCHEMIST LIMITED

Sd/-
Rajansh Thukral
Company Secretary

Date: August 14, 2013
Place: New Delhi

DETAIL OF DIRECTORS SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT:

Mr. R.P. Chhabra

Mr. R.P. Chhabra, the Director liable to retire by rotation is retiring at the conclusion of this Annual General Meeting and being eligible offers himself for re-appointment at this Annual General Meeting.

Mr. R.P. Chhabra, aged 74 years, is a Law Graduate, holds a Master degree in English and C.A.I.I.B. He is a retired banker, who served the Punjab National Bank for about 30 years at various senior positions. He has a vast experience in the field of Finance, Management Consultancy both in India and abroad.

He has been on the Board of this company since 1999 and during this period he has made significant contribution in the growth of the business of the company.

He is director on the board of the companies namely Alchemist Realty Limited, Alchemist Medisphere Limited, Placid Estate (P) Limited, Platinum Ventures Limited, Optimum Constructors and Developers Limited, Sorus Agritech Pvt. Limited, Torus Infra Development Pvt. Limited, Dooteriah Kalej Valley & Tea Estates Pvt. Limited, Alchemist Speciality Healthcare Pvt. Limited, Alchemist Hill Resorts Pvt. Limited, Dhaneshwari Wood Products Limited, Alchemist Infrastructures Pvt. Limited, Alchemist Foods Limited, Alchemist Aviation Pvt. Limited Alchemist Airways Private Limited, Alchemist Life Sciences Limited, Alchemist Media Limited and Alchemist Developers Limited.

He is Chairman of Audit Committee, Remuneration Committee and Investors Grievance Committee of Alchemist Limited.

Mr. Chhabra is holding Nil equity shares in the Company. He is not related to any other Director.

By Order of the Board
For ALCHEMIST LIMITED

Sd/-
Rajansh Thukral
Company Secretary

Date: August 14, 2013
Place: New Delhi

DIRECTORS' REPORT

Dear Shareholders,

We are pleased to present the 24th Annual Report on the business and operations of the Company along with the Audited Annual Financial Statements and the Auditors'Report thereon for the financial year ended 31st March, 2013. The financial highlights for the year under review are given below:

FINANCIAL HIGHLIGHTS **(Rs. In lacs)**

Particulars	2012-2013	2011-2012
Sales & Other Income	68120	53174
Operating Profit (PBIDT)	3068	2312
Finance Charges	492	164
Profit before depreciation & Tax (PBDT)	2577	2148
Depreciation	332	294
Profit before Tax (PBT)	2245	1854
Taxation	624	242
Net Profit	1621	1612
Proposed Dividend	203	257
Tax on Dividend	34	—

The Indian economy did not perform well in the financial year 2012-13. Food prices have been high and generally inflation and interest rates have also been high. The rupee has also been under pressure for a variety of reasons. The momentum of the economy has slowed down considerably. Against this adverse backdrop, your company still held its ground and made marginal improvements in the overall performance.

During the year, the net revenue of the Company was Rs. 68120 lacs as compared to Rs. 53174 lacs during the previous year, thus registering a growth of 28.11%. The profit before interest and depreciation during the year was Rs. 3068 lacs as compared to Rs. 2312 lacs during the previous year, thus registering a growth of 32.70.%. The Company made a net profit after tax of Rs. 1621 lacs during the year as compared to Rs. 1612 lacs during the previous year, thus registering a marginal growth of 0.55%.

DIVIDEND

We are pleased to recommend a final Dividend of 15 % (i.e. Rs. 1.50 /- per equity share) for the Financial Year 2012-13. 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 September 27, 2013.

FIXED DEPOSITS

During the year under review, the company has not accepted any fresh deposits. As on 31st March, 2013, your Company had fixed deposits of Rs. 61,11,000/-. There were no overdue deposits as on 31st March, 2013 except these deposits which were not claimed by the depositors on maturity.

PERFORMANCE REVIEW :

The company's main business segments are Agri Business comprising largely floriculture and steel and chemicals and pharma division comprising both manufacturing and trading. The company's subsidiaries are in the business of foods and food processing and international trading.

Pharma Division :

We now have a Pan India presence and are actively looking for international tie ups to spread our presence to other countries particularly in South East Asia and Africa. We also confirm to ISO 9001-2008 Certification at our GMP certified works located in Distt. Solan, Himachal Pradesh. We are pleased to share with you that one of our major brands IGTG-FORTE is growing at 1000% as per the data published by market research agencies. This wonderful product from Alchemist Pharma is now regarded as a “Wonder-Pill” and it is now being used by doctors as support therapy to treat a wide range of diseases and hopefully should add significantly to the top line in the times to come. Other brands are also showing increasing acceptance. The trading activities have shown marginal growth.

Agri and Steel Division:

Your company has taken first step in the business of Global Agri Trade during the year with reasonable success. The other business segments have not seen any major movement. Outlook for roses and steel both appear to be stable in the present social and economic environment.

Subsidiary companies :

The foreign subsidiary in Singapore has continued its operations of international trading on a large scale in the current year also. The Foods division continues its efforts to add newer products to meet the demands of customers and to increase its presence in India through more stores and sale outlets across the country.

A more detailed write up on the company's divisions is contained in the section on Management Discussion and Analysis elsewhere in this report

DIRECTORS

Mr. R.P. Chhabra, Director of the Company retires by rotation at the ensuing Annual General Meeting and, being eligible, has expressed his willingness to be re-appointed as Director at the ensuing Annual General Meeting. He has been on the board of the company since September 1, 1999 and has made significant contribution in the growth and progress of the company to its present level. Your Board also recommends his re-appointment as Director.

In accordance with the requirement of Clause 49 of the listing agreement, brief resume of Mr. R.P. Chhabra giving detail of his expertise areas, directorship and membership of various committees are given by way of notes to the notice of Annual General Meeting.

During the FY 2012-13, Dr. Kanwar Deep Singh relinquished the charge of Chairman & Managing Director of the company. Dr. Kanwar Deep Singh expressed that due to his desire to contribute actively to the service of the nation and the society, he needed more time and as such expressed his desire to exit from the present position of the Chairman and Managing Director of the Company. On the occasion, while Dr. Kanwar Deep Singh, the Chairman and Managing Director, was bidding adieu to Alchemist Group, one of the upcoming and most diversified group, Mr. R.P. Chhabra, the Director offered to place on record the appreciation for the outgoing Dr. Kanwar Deep Singh and also requested him to continue to be the Chairman Emeritus for the group. He said “Alchemist is a company which has been built by its founders, led by the visionary leader Dr. Kanwar Deep singh, who as its Chairman & Managing Director and a Mentor, provided Alchemist its thought leadership over the years, thus transforming the group into an innovation-led Group, with a core of outstanding professionals that has always set the highest standards and has built a unique culture. I feel greatly honoured to request worthy. Dr. Kanwar Deep Singh to continue to be the Chairman Emeritus of Alchemist Limited and continue guiding the Board of Directors.”

Speaking on the occasion, he further stated that “the group was launched in 1981 by . Dr. Kanwar Deep Singh and transformed it in to a Rs. 10,000 crore group, one of India's fastest growing conglomerates. Dr. Kanwar Deep Singh gave a vision to the group to emerge as one of the Top 20 Indian diversified conglomerates by 2020 in all of India's 5 major “Sunrise Industries”. The journey started by Dr. Kanwar Deep Singh is continuing unabated and at a consistent pace. Mr. Karan Deep Singh, son of. Dr. Kanwar Deep Singh is ready and geared to continue the journey to fulfil the vision as conceived by Dr. Kanwar Deep Singh.”

Speaking on the occasion Dr. Kanwar Deep Singh graciously acceded to the request of the Board and said that he would continue to be the Chairman Emeritus of the company which means he shall not have executive powers in the company. He will not be attending board meetings but shall guide board members personally whenever necessary. He will also retain an office in the Alchemist premises.

Subsequent to the exit of Dr. Kanwar Deep Singh, his son . Mr. Karan Deep Singh has been inducted as a Non- Executive Director and also elected as the Chairman of the Company to spearhead the group on the footsteps of his visionary father.

Maj. Gen (Retd.) Anil Oberoi was appointed as a Executive Director of the company (a whole time Director) in accordance with the provisions of Section 269 read with section 198/ 309 of the Companies Act, 1956 and Rules made there under. He has also been nominated as Vice Chairman of the Company by the Board of Directors in their meeting held on 14.08.2013.

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, 2013 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, 2013 on a going concern basis.

AUDITORS AND AUDITORS REPORT

M/s N. Kumar Chhabra & Co., Chartered Accountants, Statutory Auditors retires at conclusion of 24th Annual General Meeting and being eligible have offered themselves for re-appointment to hold office from the conclusion of this 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 re-appointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956 and they are not disqualified to be re-appointed as Statutory Auditors.

The Audit Committee of the Board of Directors and the Board recommends their re-appointment by members.

The Statutory Auditors of the Company have submitted Auditor's Report on the Financial Statements of the Company for the financial year ended 31st March, 2013, 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 BSE Limited (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 6,75,000 fully paid equity shares of Rs.10/- each at a premium of Rs. 205/- by way of conversion of preferential warrants. These shares have been admitted to listing by both NSE and BSE.

SUBSIDIARY COMPANY & CONSOLIDATED FINANCIAL STATEMENTS

As on 31st March, 2013, the company has four subsidiary companies namely Alchemist Foods Limited, Alchemist Infrastructures Private Limited, Alchemist Hospitality Group 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 Financial Statements.

In accordance with General Circular No. 2/2011 dated 8th February, 2011 issued by 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 Balance Sheet of the Company. The Company will make available the Financial Statements of the Subsidiary Companies and the related detailed information to any member of the Company who may be interested in obtaining the same. The Financial Statements 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.