

23rd  
Annual Report  
2011-2012



ALCHEMIST LIMITED

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## CONSOLIDATED FINANCIAL STATEMENT

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**CORPORATE INFORMATION**

<b>Board of Directors</b>	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
<b>Auditors</b>	N. Kumar Chhabra & co. Chartered Accountants, Chandigarh.
<b>Company Secretary &amp; Compliance Officer</b>	Rajansh Thukral, 23 Nehru Place, New Delhi
<b>Bankers</b>	Punjab National Bank UCO Bank Bank of India HDFC Bank Ltd.
<b>Registered &amp; Head Office</b>	23, Nehru Place, New Delhi- 110019
<b>Chandigarh office</b>	SCO 12-13, Sector 9-D, Madhya Marg, Chandigarh-160009 Phone : 0172-4680000 Fax: 2740099 E-mail: info@alchemist.co.in
<b>Works</b>	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)**

	<b>2011-2012</b>	<b>2010-2011</b>
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.*